

COUNCIL OF THE EUROPEAN UNION



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Chief negotiators of EU institutions agree on transition measures for agriculture in 2014

Today the Council and the European Parliament reached political agreement *ad referendum* on transitional measures for the Common Agricultural Policy (CAP) in 2014 in an informal inter-institutional meeting in Strasbourg. The main elements of this agreement were discussed in an informal trilogue on this issue held in Brussels on 17 October.

The agreement on the reform of the CAP reached between the EU institutions in June and September this year should lead to the adoption of the provisions, together with their publication in the Official Journal, before the end of the year. For direct payments and rural development, the new rules will start to apply as from 1 January 2015. In order to bridge the gap between the current provisions and the reformed CAP, the transitional measures for the year 2014 comprise technical arrangements designed to enable a smooth transition from the current to the new legal framework. At the same time such measures aim to ensure the continuity of the various forms of support under the CAP.

As regards **direct payments**, sufficient time must be available to allow Member States, and especially their paying agencies, to be well prepared for the implementation of the new rules agreed under the CAP reform. Member States also need sufficient time to provide farmers with detailed information on the new rules well in advance. That is why Council and Parliament agreed in June to postpone the implementation of the new rules on direct payments until 1 January 2015. The transitional regulation will ensure that for 2014 farmers will be able to claim direct farm payments under the existing rules.

The transitional regulation also provides for a number of elements of the CAP reform package to apply already as from 1 January 2014. This concerns in particular the possibility for Member States to transfer funds between the two CAP pillars, the possibility to grant redistributive payments to smaller farmers, and the application of the new rules on transitional national aid in Member States applying the Single Area Payment Scheme (SAPS).

PRESS

Rue de la Loi 175 B – 1048 BRUSSELS Tel.: +32 (0)2 281 6319 Fax: +32 (0)2 281 8026 press.office@consilium.europa.eu http://www.consilium.europa.eu/press For coupled payments, both institutions agreed that in 2014 Member States could increase the maximum rate of certain coupled support schemes to 6.5 % of the national ceilings (compared to 3,5% under the current provisions).

Finally, the Council and the Parliament agreed on the need for flexibility with regard to the application of any linear cuts that may be necessary to respect the national ceillings in 2014, by allowing Member States to exempt those farmers whose direct payments remain below a certain threshold to be fixed by Member States, with a maximum of EUR 5000.

With regard to **rural development**, transitional rules are generally needed to bridge the two consecutive programming periods, as already seen at the beginning of the current programming period. However, there is a need for some specific transitional arrangements in this area, in particular to address the implications that the delay in the establishment the new direct payment regime has for certain rural development measures. This is relevant especially in respect of the baseline for agri-environment and climate measures and the application of the cross-compliance rules. Transitional arrangements for area and animal-related measures in 2014, even though the resources for the current period have been exhausted. These new commitments, along with parallel on-going commitments, shall be eligible from the new financial envelopes of the rural development programmes of the next programming period.

The Council and the Parliament agreed to extend further the list of measures for which new legal commitments may be undertaken in 2014 including, for instance, support for young farmers.

The transitional measures also include provisions on the scope for Member States to transfer funds between pillars.

Specific transitional rules need to be adopted by the Council and the European Parliament before the end of the year, amending the current CAP basic acts where necessary. This means that in the coming days, the Special Committee on Agriculture (SCA) and the Committee for Agriculture and Rural Development of the European Parliament will need to confirm the political agreement reached today. For the next steps, the vote in plenary of the European Parliament is expected later in the year, followed by Council adoption of the agreement at first reading.