



OMNIBUS

Peristera Kremmyda
Directorate-General for Agriculture
and Rural Development

How it began

- Commission proposed limited changes to all four basic acts
- Proposal integrated in a larger package including a revision of the Financial Regulation and changes to 15 sector-specific legislative acts (Omnibus)
- Sector-specific parts negotiated separately by the co-legislators
- For agricultural part, a significant number of additional amendments were proposed by Council and, notably, Parliament
- "Preliminary agreement" on the agricultural part at the fourth and final trilogue on 12 October, while negotiations on the other parts of the package still ongoing

Horizontal Regulation

Horizontal Regulation

- Simplified mechanism for the application of financial discipline (Commission only)
- Increased amount for non-recovery of EUR 250, if also applied to national debts
- De minimis for the non-declaration of small areas and small farmers

Rural Development

Reduction of administrative burden

- MS may define selection criteria and ask for the opinion of the Monitoring Committee at any time before the publication of the calls for applications (and not within four months from the date of adopting the programme (Art. 74(a) RDR)
- Simplification of eligibility rules in case of natural disasters, catastrophic events or a sudden and significant change of socio-economic conditions;
- MS are not obliged to define selection criteria for restoration of production operations after natural disasters (Art. 18(1) & 24(1));
- Less reporting.

Risk Management

- Insurance: reduction of applicable threshold from 30% to 20% of average annual production ;
- Possibility of support for annual payments into mutual funds and the initial capital stock;
- Sector-specific income stabilisation tool providing compensation to farmers for a severe drop in their income exceeding a threshold of at least 20%;
- Maximum support rate from 65% to 70%;
- Indexes may be used to calculate the annual production / income of the farmer (Art. 37, 38, 39);

Financial Instruments

- Removal of certain eligibility rules when FIs are used (e.g. Art. 17 investments in physical assets: the input may be a product not covered by Annex I);
- Working capital eligible provided it does not exceed €200.000 or 30% of the total eligible expenditure, whichever is the higher (Article 45(5));
- 100% contribution rate for FI implemented through EFSI (Art. 59);
- Possibility to directly award implementation of FIs to publicly-owned bank or institution (Article 38 CPR).

Other

- Possibility to apply a lump sum to avoid double funding (Art. 28, 29 & 30);
- New ANC delimitation deadline - end 2019;

Direct Payments

Definition of permanent grassland

On voluntary basis Member States may decide to:

- Apply "**ploughing up**" as a criterion to prevent temporary grassland from becoming permanent grassland/to convert permanent grassland to arable land (+ "amnesty" clause)
- (in the whole or part of their territory) Include **shrubs or trees that produce animal feed but are not directly grazed** by animals provided that the grasses and other herbaceous forage remain predominant.
- (in the whole or part of their territory) Include land which can be grazed where grasses and other herbaceous forage are not predominant or are absent.



Active farmer

On voluntary basis Member States may decide to:

- For applicants under the list of negative activities, implement **only one or two of the criteria** for being regarded as active farmer;
- **Discontinue the application of the list of negative activities;**
- Exclude from eligibility for direct payments farmers who are not in a **national fiscal or social security registers** for their agricultural activities



Greening

Simplification and extension of scope of existing exemptions - crop diversification:

- Holdings where rice represents $> 75\%$ of arable land: 3 crops obligation but maximum threshold not applicable;
- Holding where leguminous crops represent $> 75\%$ of arable land: exempted of crop diversification (same treatment as foreseen for Ecological Focus Area (EFA));
- Holdings where grassland, land lying fallow, rice or permanent grassland are predominant: full exemption of crop diversification whatever the remaining arable land size (no more upper limit of 30 ha);
- Spelt: distinct crop



Greening

Simplification and extension of scope of existing exemptions – Ecological Focus Area (EFA)

- Holding where grassland, land lying fallow, rice or permanent grassland are predominant: full exemption of EFA whatever the remaining arable land size (no more upper limit of 30 ha).

New EFA types + new weighting

- Miscanthus and Silphium perfoliatum – weighting 0,7
- Land lying fallow covered with melliferous plant (pollen and nectar rich species) – weighting 1,5
- Weighting increased for nitrogen-fixing crops (1,0) and short rotation coppice (0,5)

Young farmer

- The payment for young farmers shall **always be granted per farmer for a period of 5 years** as long as the young farmer applies for the payment within the 5 years following his first setting up.
 - Also applies for farmers who have received payment for young farmers in respect of claims before claim year 2018; no retroactive payments.
 - By derogation Member States may decide to not grant the full 5 years to young farmers who set up in the period 2010-2013.
- Member States may decide to increase the **percentage applied to calculate the amount of the payment for young farmers in the range of 25% to 50%** and irrespective of the calculation method applied.
 - Without prejudice to the 2% limit of their national ceiling for direct payments to finance the payment for young farmers.

Voluntary Coupled Support

- Replacement of the condition that VCS may only be granted to the extent necessary to create an incentive to maintain current levels of production in the sectors or regions concerned with the **principle that VCS is a production-limiting scheme based on fixed areas and yields or on a fixed number of animals and respecting the financial ceilings at measure level.**
- Introducing an optional **annual review** by Member States of their VCS decisions
- Empowerment of the Commission to adopt delegated acts allowing Member States to continue paying VCS until 2020 on the basis of historical production units in sectors suffering from structural market imbalances

Common Market Organisation

F&V

Introduction of coaching by a PO to another PO as an eligible action;

Replenishment of mutual funds and promotion and communication to diversify and consolidate F&V markets eligible as crisis prevention and management measures for F&V POs;

New system for authorising additional national financing to POs for Member States with a degree of organisation significantly below the EU average.

Wine

Application of the rules on authorisations for vine plantings for wines with a geographical indications also to wines suitable for producing wine spirits with a geographical indication

PDO wines without enrichment or enriched by partial concentration process may have total alcoholic strength of more than 15%

MS to decide themselves and only notify the Commission of raising the allowed enrichment levels by 0,5%

Strengthened Producer Organisations- Explicit competition derogation for sales and production planning activities of POs and APOs which genuinely integrate activities of their members (Article 152 CMO)

Horizontal approach for POs: Deletion of sector specific provision for olive oil, crops and beef/veal POs

Farmers and farmers associations – Right to ask the Commission for an opinion on the application of Article 209 CMO (Article 209 CMO)

Crisis cartels – Extension to other entities such as cooperatives and deletion of the last resort character of crisis cartels (Article 222 CMO)

Contractualisation – Right of the farmer to ask for a written contract, unless his trading partner is a SME (Articles 148, 168 CMO)

Value sharing mechanism – beyond existing sugar provision now option for all agricultural sectors (Article 172 a)

Larger number of objectives for Interbranch organisations to

- develop standard value sharing clauses and
- protect against risk related to animal health, plant protection and environment (Article 157)

And how it ends

- Council (COREPER II) agreed on 6 December to have the stand alone agricultural provisions as an A item on the agenda of the Council on 12 December
- The European Parliament will vote on 12 December in plenary (vote in COMAGRI 39-5)
- Commission will take position on the "split" on the occasion of the vote.
- DA & IA probably needed for certain elements of the agricultural part, currently under preparation

Thank You !