

# COMMON AGRICULTURAL POLICY

post-2020

## SIMPLIFICATION AND MODERNISATION

#FutureofCAP



# Outline

1. The big picture
2. A simplified EU framework
3. A new partnership

# THE BIG PICTURE



# MULTIPLE DEMANDS ON THE NEW CAP

## SIMPLIFICATION



**Reduce  
administrative  
burden**

## PERFORMANCE BASED SYSTEM



**Ensure  
policy results**

## BETTER TARGETING



**Rules with better  
links to local  
realities**

## KEEP STRONG COMMON ELEMENTS



**Keep a level  
playing field**

**Enhanced ambition**

# SUBSIDIARITY RETHINKING THE GOVERNANCE

Rules at  
EU Level



Rules at  
MS Level



To maintain

- Common nature
- level-playing field
- EU added value



- Flexible
- Needs based
- Better targeted
- More transparent
- Closer to local reality

Fewer RULES

An aerial photograph of a lush, rolling landscape. The foreground is dominated by dense green trees, some with hints of autumnal yellow. Beyond them, the terrain rises into gentle hills covered in vibrant green grass and fields. A small cluster of buildings is visible in the middle distance. The background shows more rolling hills under a bright blue sky filled with scattered white clouds. The overall scene is bright and scenic, representing a natural environment.

# A SIMPLIFIED EU FRAMEWORK

# A SIMPLER EU FRAMEWORK

**01**



**PLANNING**

Streamlined  
CAP plan

**02**



**POLICY  
IMPLEMENTATION**

Potential for simpler  
requirements

**03**



**ASSURANCE**

General rules on  
controls, audit and  
penalties

**04**



**PERFORMANCE  
evaluation**

Streamlined  
reporting  
fewer indicators



**More flexibility, fewer rules ...**



# A STREAMLINED CAP PLAN

**Three** different administrative processes **will be integrated into a single one.**

- Single strategic approach based on a needs assessment
- Ensuring level-playing field and legal certainty

- **26** Direct Payment notifications per MS
- **118** Rural Development Programmes
- **65** sectorial strategies



**27 CAP plans**

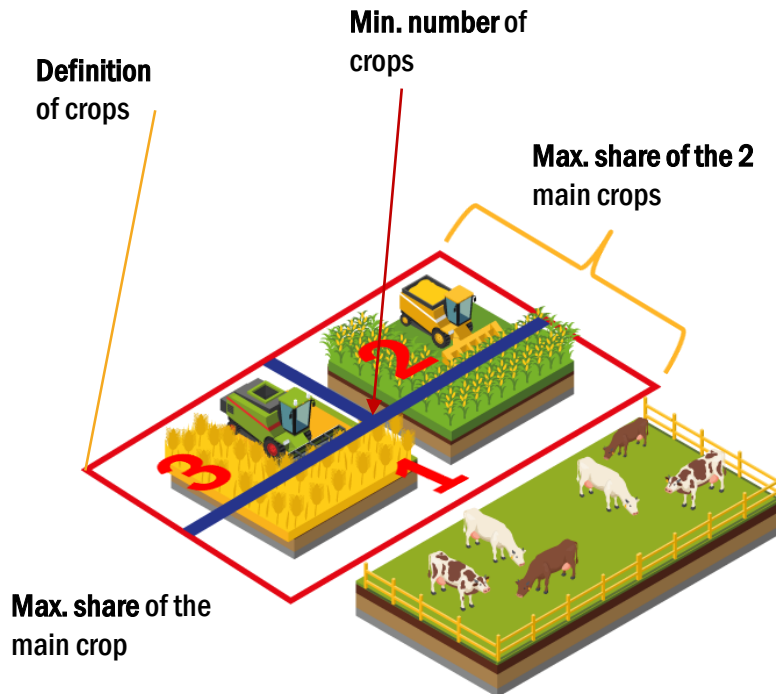
# STREAMLINED REQUIREMENTS FOR ENVIRONMENTAL AND CLIMATE ACTION

Example: Crop Rotation

## CURRENT CAP

*Crop diversification under greening*

All criteria set at **EU level**:



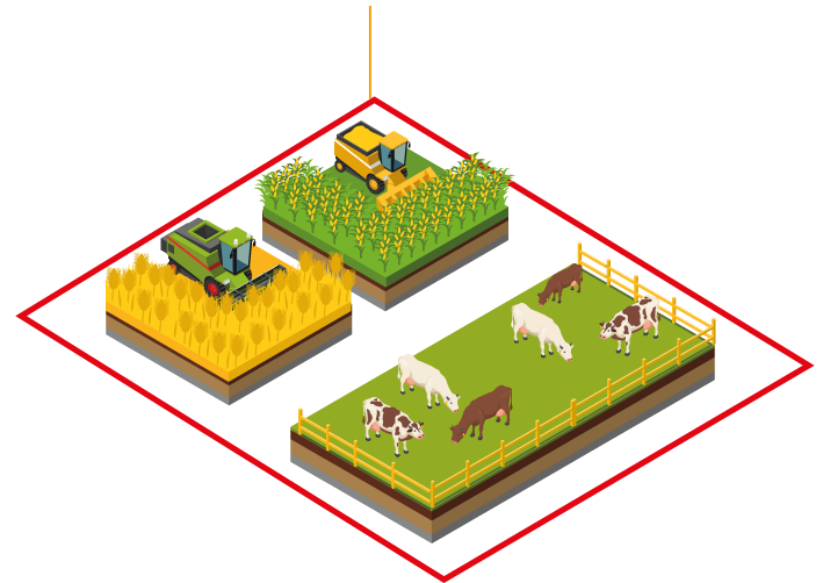
These criteria **do not match** all farming situations  
→ various exemptions with specific conditions

## FUTURE CAP

*Crop rotation under conditionality*

All criteria set at **national or regional level**,  
no more EU criteria:

**Up to the MS** to set the specific criteria to meet  
the objective of crop rotation taking into account  
local conditions



# STREAMLINED REQUIREMENTS FOR ENVIRONMENTAL AND CLIMATE ACTION

## Ecological focus area (EFA)

### CURRENT CAP

Part of features or areas exceeding the maximum dimensions cannot be qualified as EFA.

Only:

- First 10m width of hedges
- First 20 m width of field margins can be qualified as EFA

### FUTURE CAP

No more maximum dimensions set at EU level for qualifying the non-productive features or areas.

Rules to ensure that areas are predominantly agricultural will be defined, if necessary, by MS taking into account local conditions.



# REDUCTION OF REQUIREMENTS

## YOUNG FARMERS direct support

### CURRENT CAP

- ✓ Compulsory payment →
- ✓ Different definition from pillar 2 →

- ✓ Payment per hectare
- ✓ Strict calculation method
- ✓ Maximum number hectares
- ✓ Maximum age of young farmers
- ✓ For young farmers newly set-up
- ✓ Prescriptive rules on 'newly set-up'
- ✓ Number of years of support (5 years)
- ✓ Rules on access on legal persons
- ✓ Maximum share of DP envelope

### FUTURE CAP

- ✓ Optional according to needs
- ✓ Common definition across pillars

- ✓ Payment per hectare
- ✗
- ✗
- ✓ Maximum age of young farmers
- ✓ For young farmers newly set-up
- ✗
- ✗
- ✓ Conditions for head of holding
- ✗
- ✓ **NEW** Training requirements

Member States will have the opportunity to **target the needs of young farmers** on their territory and decide which, **if any**, of the requirements which are no longer being applied at EU level they consider relevant

# REDUCTION OF REQUIREMENTS

## INSTALLATION OF YOUNG FARMERS

### CURRENT CAP

- ✓ Training requirements
- ✓ Maximum age of a Young Farmer
- ✓ Size of farm
- ✓ Have a Business Plan
- ✓ Specific content of the Business Plan
- ✓ Initial situation of the holding
- ✓ Duration of Business Plan
- ✓ When to start Business Plan
- ✓ Milestones/targets in business plan
- ✓ Requirements as head of holding
- ✓ Conditions for control of holding
- ✓ Conditions if legal entity
- ✓ Lumpsum with upper limit
- ✓ Number of payments to be made
- ✓ Period of grace to comply with requirements

### FUTURE CAP

- ✓ Training requirements
- ✓ Maximum age of a Young Farmer
- ✗
- ✓ Have a Business Plan
- ✗
- ✗
- ✗
- ✗
- ✗
- ✗
- ✓ Requirements as head of holding
- ✗
- ✗
- ✓ Lumpsum with upper limit
- ✗
- ✗

*Member States will have the opportunity to **target the needs of young farmers** on their territory and decide which, **if any**, of the requirements which are no longer being applied at EU level they consider relevant*



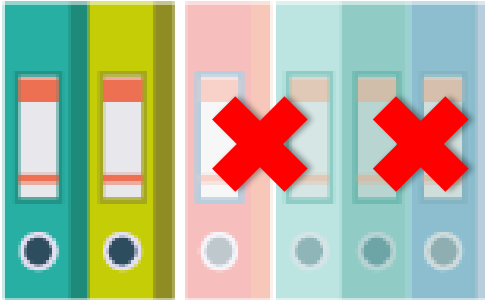
# REDUCTION OF ELIGIBILITY CRITERIA

**INVESTMENTS**  
only 7 out of 13

- ✓ No purchase of production rights, animals, and annual plants
- ✓ Limitation concerning irrigation (streamlined for the future)
- ✓ Purchase of land not eligible (with some exceptions)
- ✓ Rules to ensure sustainable forest management
- ✓ Interest rate on debt not eligible (with exceptions)
- ✓ **NEW** Single support rate of 75% for productive investments
- ✓ **NEW** Possibility of higher support rate for non-productive investment, basic services and forest-related investments
- ✗ Specification of types of operations (sub-measures)
- ✗ List of target groups
- ✗ Specification of certain support rate top-ups
- ✗ Definition of eligible expenditure related to investments
- ✗ Rules for leasing operations
- ✗ Rules for investments in prevention and restoration related to natural disasters and catastrophic events

*Member States will have the opportunity to **target the needs of farmers** on their territory and decide which, **if any**, of the requirements which are no longer being applied at EU level they consider relevant*

# WE OFFER THE POSSIBILITY TO END PAYMENT ENTITLEMENTS

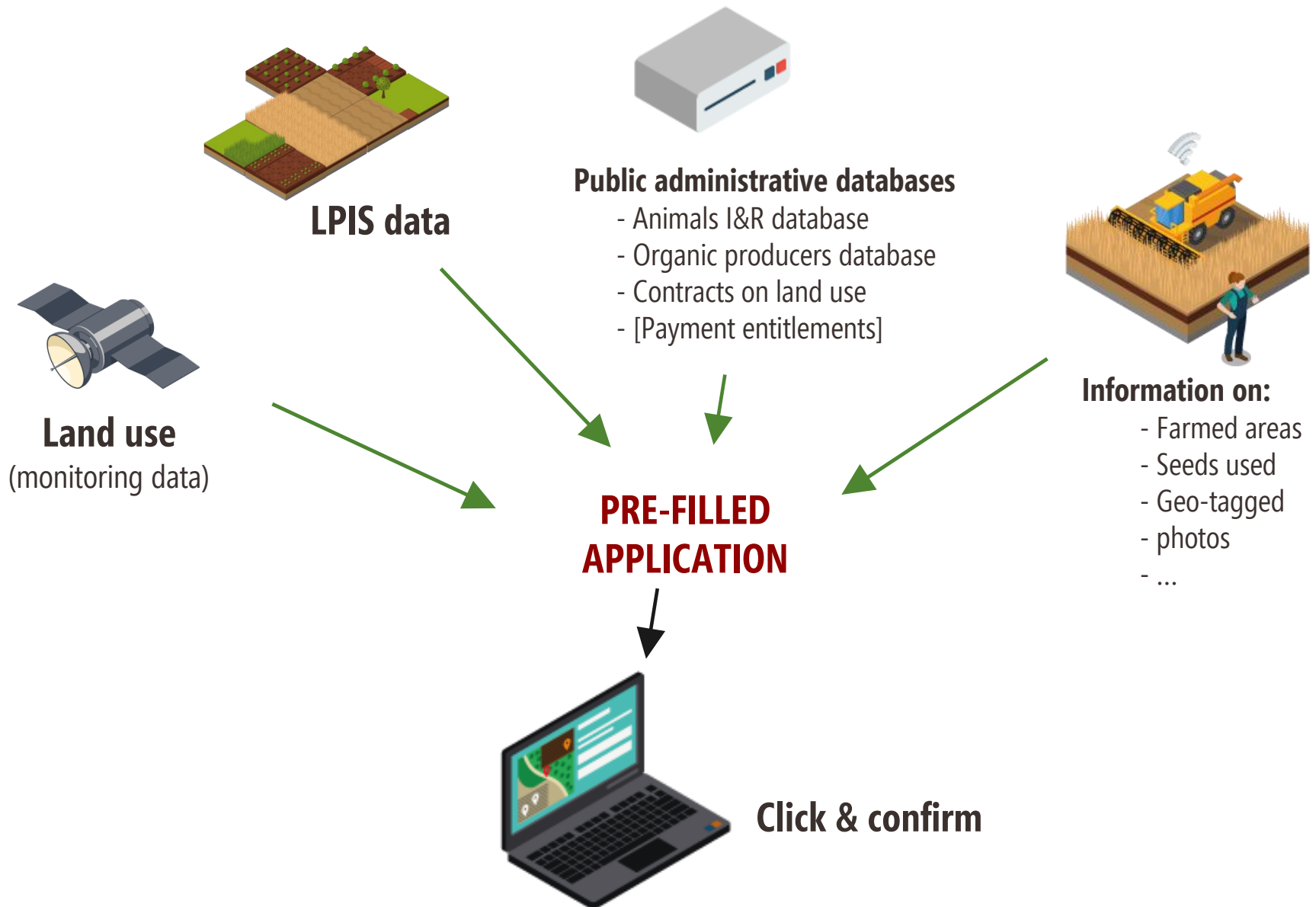


- Member States that currently implement the Basic Payment Scheme may end the use of entitlements.
- The removal of entitlements will be an **important source of reduction of administrative burden.**  
**Not just for farmers, but also for the national administrations.**



# FLEXIBILITY ON CONTROLS AND PENALTIES

# GENUINE SIMPLIFICATION FOR FARMER'S POST-2020



# FLEXIBILITY ON CONTROLS AND PENALTIES

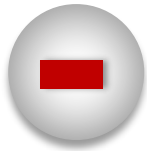


Member States will be able to design their own **control and penalty system**, including making decisions about control methods and levels, types and design of penalties etc.

Member States will be required to operate a **geo-spatial application**.

This flexibility together with the future scope for Member States to design their own interventions as regards eligibility conditions and various definitions is expected to result in a support set-up much more customised to the individual MS and its farmers, thus reducing the administrative burden and in all likelihood the control pressure on farmers but maintaining the level-playing field through common principles at EU level.

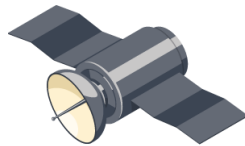
# SIMPLIFIED REPORTING, FEWER INDICATORS



- **Keep common indicators** in line with common objectives **but limited number**



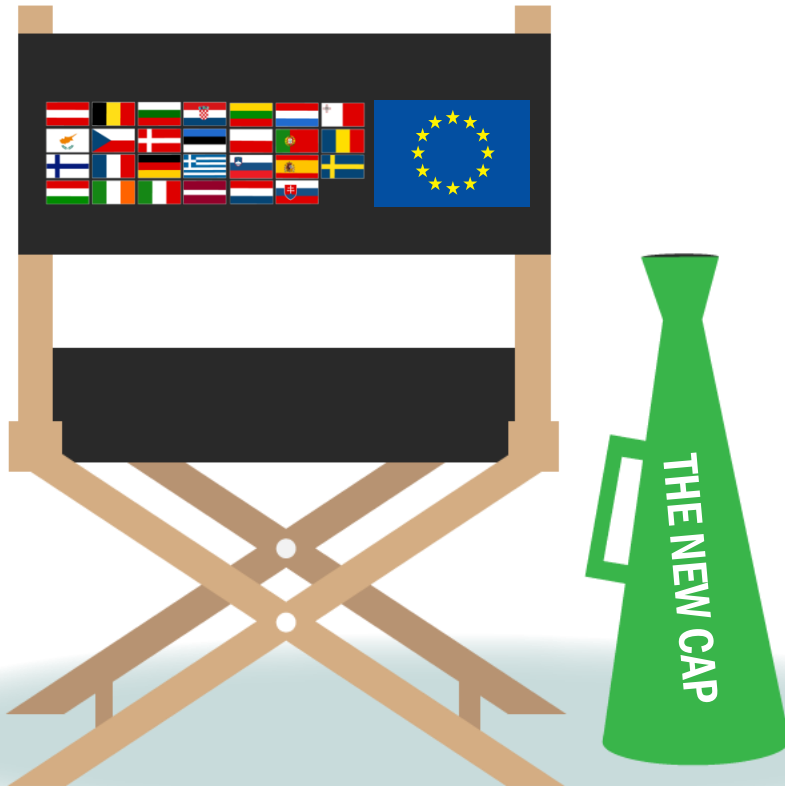
- Simplified reporting: a **single Annual Performance Report** for the financial assurance and performance



- **Use of technologies** for monitoring

# A NEW PARTNERSHIP





- **Shared responsibilities to meet common objectives**
- **Not a simple shift in responsibilities:** Commission also has new role; it is **an opportunity for Member States**
- The Commission stands ready to **help Member States**
- **We don't start from scratch:** Member States' experience + technologies already on the ground

**LET'S MAKE THE BEST OUT OF  
THE NEW CAP BASED ON A NEW PARTNERSHIP**



# **WORKING TOGETHER** FOR A SIMPLER AND MODERN CAP



**THANK YOU!**