

Brussels, 10.12.2024 SWD(2024) 360 final

#### COMMISSION STAFF WORKING DOCUMENT

#### **Simplification measures for farmers**

Accompanying the document

# Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

amending Regulations (EU) 2021/2115 and (EU) 2021/2116 as regards good agricultural and environmental condition standards, schemes for climate, environment and animal welfare, amendments to CAP Strategic Plans, review of CAP Strategic Plans and exemptions from controls and penalties

{COM(2024) 139 final/2}

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# Glossary

Term or acronym	Meaning or definition					
AECM	Agri-environment-climate measure					
AGRIFISH Council	Agriculture and Fisheries Council configuration					
AKIS	Agricultural Knowledge and Innovation Systems					
AMS	Area monitoring system					
APR	Annual performance report					
CAP	Common agricultural policy					
CEADS	Common European agricultural data space					
CEJA	European Council of Young Farmers					
COM AGRI	Committee on Agriculture and Rural Development of the European Parliament					
CLLD	Community-Led Local Development					
COPA-COGECA	European farmers/European agri-cooperatives					
CAP Plan	CAP Strategic Plan					
CSP Regulation	CAP Strategic Plan Regulation (Regulation (EU) 2021/2115)					
DG AGRI	Directorate-General for Agriculture and Rural Development					
EAGF	European Agricultural Guarantee Fund					
EAFRD	European Agricultural Fund for Rural Development					
ECVC	European Coordination Via Campesina					
EFA	Ecological focus area					
EFSA	European Food Safety Authority					
ESPG	Environmentally sensitive permanent grassland					
FADN	Farm accountancy data network					
GAEC	Good agricultural and environmental condition					
GHG emissions	Greenhouse gas emissions					
GSA	Geo-spatial application					
Horizontal	Regulation on the financing, management and monitoring of the common					
Regulation	agricultural policy (Regulation (EU) 2021/2116)					
IACS	Integrated administration and control system					
IFM-CAP	Individual farm model for Common Agricultural Policy analysis					
IFOAM	European umbrella organisation for organic food and farming					
LPIS	Land parcel identification system					
LUCAS survey	Land use/cover area frame statistical survey					
MFF	Multiannual financial framework					
NDM	New delivery model					
PMEF	Performance monitoring and evaluation framework					
PO	Producer organisation					
PPP	Plant Protection Product					
SCO	Simplified cost option					
Simplification package	The package of measures put forward by the Commission on 22 February 2024, including the Commission legislative proposal of 15 March 2024 to amend the CSP Regulation and the Horizontal Regulation					
Simplification Regulation	Regulation (EU) 2024/1468 amending the CSP Regulation and the Horizontal Regulation based on the Commission proposal of 15 March 2024					
SMR	Statutory management requirement					

#### 1. INTRODUCTION

On 22 February 2024 the Commission put forward **a simplification package** of measures to ease the administrative burden on farmers and help them tackle the challenges that had arisen since the reform of the common agricultural policy (CAP) for 2023-2027<sup>1</sup>. The measures that were announced are presented in Annex 1.

On 15 March 2024, the Commission proposed<sup>2</sup> targeted changes to the underlying CAP basic legislation (the CAP Strategic Plan Regulation and the Horizontal Regulation)<sup>3</sup> to deliver simplification while maintaining the overall orientation of the current CAP and its role in supporting the transition of European agriculture to sustainable farming. Without changes in substance, the proposal was adopted by the co-legislators and then published on 24 May 2024<sup>4</sup> (the Simplification Regulation). These measures are accompanied by changes to some of the detailed rules of the CAP set in the secondary legislation, and by other measures to reduce the administrative burden on farmers as part of the Commission's wider policy to rationalise reporting obligations, launched in 2023<sup>5</sup>.

This document takes stock of progress in implementing the simplification package, which includes the Commission proposal of 15 March 2024. It outlines the key challenges, the process, the results of the consultations that fed into the package, and the different options considered. Following a presentation of the solutions that were found, it provides a qualitative and, where feasible, quantitative assessment of their costs and benefits from administrative, economic, environmental, social and governance perspectives.

Throughout this document, actions derived from the Commission's announcement of 22 February 2024, including legislative proposals or delegated and implementing acts, are referred to hereafter as 'the simplification package'.

#### 2. POLITICAL AND LEGAL CONTEXT

### The reformed CAP for 2023-2027

The CAP for 2023-2027 aims to foster a smart, competitive, resilient and diversified agricultural sector that ensures our long-term food security. It also aims to support and strengthen environmental and climate protection, and to strengthen the socio-economic fabric of rural areas.

<sup>&</sup>lt;sup>1</sup> https://ec.europa.eu/commission/presscorner/detail/en/ip 24 1002

<sup>&</sup>lt;sup>2</sup> COM(2024) 139 final.

<sup>&</sup>lt;sup>3</sup> Regulation (EU) 2021/2115 of the European Parliament and of the Council of 2 December 2021 establishing rules on support for strategic plans to be drawn up by Member States under the common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and (EU) No 1307/2013, OJ L 435, 6.12.2021, p. 1 (CSP Regulation) and Regulation (EU) 2021/2116 of the European Parliament and of the Council of 2 December 2021 on the financing, management and monitoring of the common agricultural policy and repealing Regulation (EU) No 1306/201, OJ L 435, 6.12.2021, p. 187-261 (Horizontal Regulation).

<sup>&</sup>lt;sup>4</sup> Regulation (EU) 2024/1468 of the European Parliament and of the Council of 14 May 2024 amending Regulations (EU) 2021/2115 and (EU) 2021/2116 as regards good agricultural and environmental condition standards, schemes for climate, environment and animal welfare, amendment of the CAP Strategic Plans, review of the CAP Strategic Plans and exemptions from controls and penalties, OJ L 2024/1468, 24.5.2024.

<sup>&</sup>lt;sup>5</sup> COM(2023) 168 final.

At operational level, **28 CAP Strategic Plans**<sup>6</sup> (CAP Plans<sup>7</sup>) were drawn up by the Member States, approved by the Commission and first applied in 2023. A set of requirements, interventions and targets across 10 CAP specific objectives detail the abovementioned ambitions of the CAP, measured by common indicators. In combination with EU regulatory initiatives, research, investments and other actions to meet the EU's environmental and 2050 climate objectives, the CAP Plans contribute to the Commission's Green Deal agenda.

Compared to period before 2023, the reformed CAP represents a shift towards a performance-based model, aiming for a more strategic and targeted planning (the new delivery model, NDM). It is also a step forward in terms of simplification and increased flexibility.

Bringing direct payments, sectoral and rural development types of interventions encompassing two funds<sup>8</sup> under a single strategic tool (CAP Plans) was a major change to the CAP. Member States gained greater flexibility to design and target their interventions to best address their specific circumstances, thus improving consistency and complementarity of how the funds are spent. Under this approach, **Member States** play a **key role** in keeping the **administrative burden for farmers limited and proportionate**. The new approach also posed certain challenges in ensuring common standards, and that efforts were comparable and aligned with each other. Any successful simplification that sustains the ambition of a high level of collective effort requires close cooperation between the Commission, the administrations in Member States and the farmers themselves.

#### The 2024 simplification agenda

The Commission's 2023 assessment of the CAP Plans' joint effort and collective ambition in addressing the CAP's objectives<sup>9</sup> concluded that the new approach was appropriate to pursue the policy objectives but signalled the need to keep the administrative burden under review.

While the new approach is working well overall, the **first year of operation** of the CAP Plans made it clear that **adjustments were necessary** to ensure that they **bring the expected effects** and to **cut red tape**. The first year also showed that there is a need to take better account of the impacts of Russia's war of aggression against Ukraine, which strongly influenced the markets (and farmers' margins), as well as the overall context for the EU's agricultural policy. The discussions on several related Green Deal legislative proposals were also relevant as they may affect both farmers and the requirements set out in the CAP Plans. The reasons for the **widespread protests by farmers** in early 2024 are complex but reflected these concerns, as well as other major structural, economic and climatic challenges in agriculture and in rural areas.

The European Council of 1 February 2024 discussed the challenges in the agricultural sector, including the concerns raised by farmers during the protests. Stressing the essential role of the CAP, it called on the Council and the Commission to take the work forward as necessary.

Commission President Ursula von der Leyen committed to launch a thorough analysis of the administrative burden on farmers to identify areas for improvement. Based on input from,

Member States have one Strategic Plan each, except Belgium, which has two: one for Flanders and one for Wallonia.

<sup>&</sup>lt;sup>7</sup> Sometimes also referred to as 'CSPs'.

<sup>&</sup>lt;sup>8</sup> The European Agricultural Guarantee Fund (EAGF) and the European Agricultural Fund for Rural Development (EAFRD).

<sup>&</sup>lt;sup>9</sup> COM(2023) 707 final.

among others, the Member States, EU farmers' organisations and the European Parliament, the Commission came forward with a non-paper on possible simplification actions on 22 February 2024 as an input to Council discussions ('the simplification package').

The Agriculture and Fisheries (AGRIFISH) Council of 26 February 2024 confirmed its political will to respond effectively to the concerns of farmers and, as a first step, supported a range of measures in the Commission's simplification package as a priority for the short-term response. It also insisted that a review of the CAP's basic acts is necessary as soon as possible. The Committee on Agriculture and Rural Development of the European Parliament also discussed the simplification package on 26 February<sup>10</sup>.

On 15 March 2024 the Commission proposed to change certain provisions of the CAP related to the implementation and management of CAP Plans and certain instruments for environment and climate. Following the approval of the European Parliament and the Council with no modifications on substance, the adopted legislation was published on 24 May 2024<sup>11</sup> (the Simplification Regulation). Several other legislative and non-legislative actions set out in the simplification package have also been completed or are underway.

Reducing the administrative burden of EU policies is a Commission priority since it is considered crucial to the EU's competitiveness<sup>12</sup>. Simplification of EU policies affecting agriculture is a concern, both at EU and national level, and a number of short-term measures to rationalise reporting requirements were already being prepared before January 2024. The parts of the simplification package that will help **reduce reporting obligations** have been integrated into the rationalisation plan of the Commission's Directorate-General for Agriculture and Rural Development (DG AGRI). Further actions may be added at a later stage.

#### Related activities

During their protests, farmers raised concerns about the fairness of the remuneration for their work, an issue that was also raised in debates with Member States, the European Parliament's Committee on Agriculture and Rural Development and stakeholders. Farmers also complained about unfair competition from agricultural products from non-EU countries, which do not apply the same standards during the production process. Along with the simplification package, on 15 March 2024, the Commission presented several options to address this challenge by **improving farmers' position in the agri-food supply chain**<sup>13</sup> and protecting them against unfair trading practices. The Commission presented these options to the AGRIFISH Council on 26 March 2024. Implementation of these actions is already underway.

To provide a long-term perspective to farmers, on 25 January 2024 President von der Leyen launched the **Strategic Dialogue on the Future of Agriculture in the EU**<sup>14</sup>. It gathered actors

https://multimedia.europarl.europa.eu/en/webstreaming/committee-on-agriculture-and-rural-development 20240226-1900-COMMITTEE-AGRI

<sup>&</sup>lt;sup>11</sup> Regulation (EU) 2024/1468 of the European Parliament and of the Council of 14 May 2024 amending Regulations (EU) 2021/2115 and (EU) 2021/2116 as regards good agricultural and environmental condition standards, schemes for climate, environment and animal welfare, amendment of the CAP Strategic Plans, review of the CAP strategic plans and exemptions from controls and penalties, OJ L, 2024/1468, 24.5.2024.

As highlighted in the Communication on the Long-term competitiveness of the EU: looking beyond 2030, COM(2023) 168 final of 16 March 2023, <a href="https://commission.europa.eu/system/files/2023-03/Communication">https://commission.europa.eu/system/files/2023-03/Communication</a> Long-term-competitiveness.pdf.

<sup>&</sup>lt;sup>13</sup> Press release <a href="https://ec.europa.eu/commission/presscorner/detail/en/ip\_24\_1493">https://ec.europa.eu/commission/presscorner/detail/en/ip\_24\_1493</a>; Questions and Answers <a href="https://ec.europa.eu/commission/presscorner/detail/en/QANDA\_24\_1494">https://ec.europa.eu/commission/presscorner/detail/en/QANDA\_24\_1494</a>.

https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal/agriculture-and-green-deal/strategic-dialogue-future-eu-agriculture en

across the whole agri-food supply chain, as well as non-governmental organisations and civil society representatives, financial institutions, and researchers. By combining different perspectives, the dialogue aimed to foster the creation of new solutions and to bring about a common vision for the future of agriculture in the EU. This dialogue resulted in a report delivered on 4 September 2024<sup>15</sup>, in time for the new College, which took office on 1 December 2024, to prepare its priorities.

#### 3. CONSULTATION STRATEGY AND EVIDENCE GATHERING

# 3.1. Consultation of EU farming organisations, Member States, and the Committee on Agriculture and Rural Development of the European Parliament

In view of the widespread farm protests, the Commission asked four main EU-level organisations representing farmers to suggest measures at EU level (CAP and other EU legislation) to reduce the administrative burden weighing on farmers' shoulders. A similar request was made by the Belgian Presidency of the Council to agriculture ministers. The European Parliament's Committee on Agriculture and Rural Development also informed the Commission of the areas that it considered needed concrete and immediate action.

The urgency of the situation meant that it was not possible to conduct the more usual, wider consultation process. This ad hoc consultation process lasted one week and **resulted in a wide range of suggestions** that **fed into the Commission's reflections** on the scope and focus of the measures to take.

- The **responses from Member States** were wide in scope, with some citing practical challenges that could feasibly be addressed in the short term, while many other responses were far-reaching and went beyond the issues of reduction of the administrative burden, simplification of implementation or a stable and consistent policy framework for farmers.
- The **consultation of farming organisations** resulted in calls for urgent action to simplify the administrative burden on farmers, but also stressed the need for a stable and consistent policy framework, proposing further reforms for the longer-term.
- Similarly, the European Parliament's Committee on Agriculture and Rural Development identified several priority areas of work. These included suggestions to simplify procedures for the Commission to approve amendments of CAP Plans, and to make certain environmental rules more flexible. Other suggestions were aimed at improving the competitiveness of EU farmers, such as promoting mirror clauses in all trade agreements, revising the Unfair Trading Practices (UTP) Directive, improving the situation of farmers in the agri-food supply chain also by looking at competition rules, and carrying out an assessment of Green Deal legislation related to agriculture.

Section 4 and Annex 2 summarise these suggestions and provide the Commission's assessment.

# 3.2. Consultations specific to individual measures

On several individual measures of the simplification package, the Commission organised exchanges and consultations involving experts from all 27 Member States either within the

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https://agriculture.ec.europa.eu/document/download/171329ff-0f50-4fa5-946f-aea11032172e en?filename=strategic-dialogue-report-2024 en.pdf

Common Agricultural Policy Committee set up under the CAP Plan Regulation, or the Expert Group on the implementation of the CAP Plans.

These consultations concerned: (i) the modifications related to GAEC 1 (19 February 2024); (ii) the revised IACS quality assessment methodology (18 March 2024); (iii) the clarifications on *force majeure* (9 April 2024); (iv) the simplification of the process to amend CAP Plans (9 April 2024); (v) workshop on control rationalisation (26 April 2024); (vi) the clarification note on the use of geotagged photos (15 May 2024); (vii) the revision of the requirement linked to geotagged photos (5 June 2024, 11 July 2024); (viii) the content of the CAP Plans and the provision of information for monitoring and evaluation (5 and 28 June 2024); (ix) control statistics and control data on cross-compliance (28 June 2024, 11 July 2024).

These activities gave the Commission the opportunity to present the context of its proposed measures, to explain the reasons for the relevant modifications or clarifications, and to exchange views with experts and to refine the measures where necessary.

# 3.3. Gathering further evidence

The simplification package announced two studies. Both are being carried out by contractors engaged by the Commission, and are described below:

### Study on simplification and the administrative burden for farmers under the CAP.

This study is examining the complexities that farmers must deal with as regards funding applications, monitoring, checks and environmental/sanitary requirements under the CAP and the associated EU legislation. It takes a four-step approach: (i) a targeted questionnaire to farmers; (ii) follow-up in-depth interviews with 300 selected farmers; (iii) interviews with farmers' organisations; and (iv) an analysis to disentangle the sources of complexity for farmers between the EU and national levels, and between CAP and other requirements and policies, and to identify areas where the administrative burden can be reduced. The study is expected to be completed by early 2025. It will feed into the reflection on developing and implementing simplification actions.

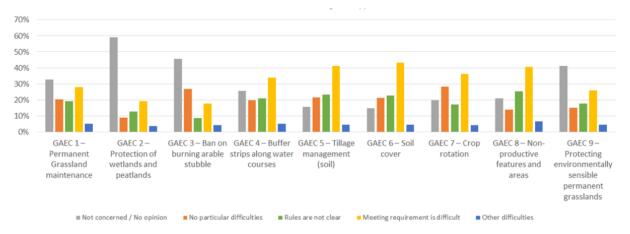
The Commission made the **questionnaire 'Simplification – the farmers' point of view'** available in all official languages through the EU survey platform from 7 March until 8 April 2024. It included 23 questions on the profile of the respondents and on issues related to obligations and administrative procedures, particularly as regards applications for CAP support, record keeping and reporting, and on-site checks. Respondents were also asked to suggest ways to simplify the CAP.

Nearly 27 000 replies were received, of which 80% were from farmers who have applied for CAP support, in all Member States. Preliminary results of the closed questions, including an overview of the geographical coverage of the survey, were published in mid-April 2024<sup>16</sup> (Box 1). These preliminary results echo some of the issues raised in the ad hoc consultations with Member States and other stakeholders (see Section 4 and Annex 2). An extensive analysis of the replies, including the open questions, is ongoing, with the results expected by end of 2024. The in-depth interviews with farmers, which took place in spring 2024, will be helpful to understand the rationale and background of the replies provided in the survey.

https://agriculture.ec.europa.eu/news/simplification-survey-sheds-light-specific-issues-faced-farmers-across-eu-2024-04-12 en

- The process of applying for CAP support and respecting the mandatory requirements and conditions of the voluntary measures of the CAP are generally perceived to be overly complicated.
- 33% of farmers applying for CAP support spend six or more days per year on administrative tasks linked to their application, including preparing the necessary documents on conditionality.
- 78% use some type of outside help to prepare and submit their CAP support applications.
- 36% were contacted by the authorities ('early warning') so that they can correct their CAP support applications to avoid penalties.
- Half of the farmers applying for CAP support use mobile devices to provide geotagged photos to the relevant authorities. Half of those farmers indicate concerns with the use of this technology (main concerns: the time it takes, not easy to use, lack of feedback on the accuracy of the pictures provided).
- Farmers record various types of information (obligatory or for own use), mainly by manual means. Automatic recording is used rarely. Most commonly, recording covers production, the use of fertilisers and pesticides, and soil analysis.
- Nearly half of the farmers said they had been asked to provide the same piece of information more than once. This included requests related to tax and financial issues, requests for information on land use or its allocation or for environmental data.
- 69% of respondent farmers had received at least one on-site inspection in the last 3 years. These visits may also include inspections not related to the CAP.
- Preparing and following up on these on-site checks required between half a day and one day of work for 63% of the farmers who were checked.

Figure 1 Survey of farmers 'Simplification – the farmers' point of view': perceptions of complexity linked to GAEC standards (% of respondents – farmers applying for CAP support)



Note: Complexity may be linked to understanding, clarity of rules, length of the process, technical difficulties or other issues. Multiple replies where possible including "No opinion" / I did not apply" (i.e. not concerned). Therefore, where respondents indicated that they had no opinion/did not apply the GAEC the other view(s) that they may have expressed on that GAEC standard are not accounted for.

# Study on the administrative burden on national authorities and the impact of the 'new delivery model' of the CAP.

The study is set to carry out an assessment of the new delivery model (NDM) of the CAP in 2023-2027. It will analyse the extent to which the NDM supports a more results-oriented CAP, strategic planning, and an improvement in the governance system. It will also assess whether the CAP Plan approval process and the safeguards set out in the regulations and procedures ensure that the ambitions of a Member State are proportionate to its needs and to equal treatment of Member States. In addition, the study will examine the burdens and costs that the CAP imposes on administrations at the different stages of implementation (including design, consultation, approval and amendments, setting up and running CAP Plans, enforcement, reporting and evaluation), and the ways to simplify the implementation of the CAP.

This study was launched in August 2024 and its results will feed into the reporting and evaluation deliverables laid down in the CSP Regulation<sup>17</sup>.

# 4. OPTIONS CONSIDERED AND THE CHOICE OF INSTRUMENTS FOR THE SELECTED SOLUTION

The **suggestions** received during the **ad hoc consultation process** (Section 3.1) fall under the **five broad areas** presented below. In planning and designing the **responses to the suggestions**, the Commission took into account: (i) the expectations of farmers and Member States for a simpler and less burdensome CAP; (ii) the necessity to maintain the CAP's role in supporting the transition of the EU agriculture to sustainable farming; (iii) the nature of the problems identified; and (iv) for legislative matters, the objective to quickly reach an agreement between the European Parliament and the Council, so that farmers could already benefit from some of the changes in 2024. A more detailed assessment of these suggestions is provided in Annex 2.

# 4.1. CAP strategic plans: management, administration and controls

This area includes the procedures to amend CAP Plans (including the increase in the maximum number of requests for amendment per calendar year) and the level of detail of the CAP Plans. It also covers elements of the integrated administration and control system (IACS), including the IACS quality assessment methodology, the use of geotagged photos, as well as the control and penalty systems for conditionality and for payments under interventions. Another group of suggestions concerns the simplification of the annual performance review (APR) which is the reporting tool to track the CAP Plan's performance. Other suggestions concern the CAP's methods of financing, including to facilitate transfers between the funds. Other suggested changes concern the definitions in the CSP Regulation delimiting CAP support.

In response, the Commission included a few targeted initiatives in the proposal of 15 March amending the EU's CAP legislation, in particular to enable Member States to submit more requests for amendments of CAP Plans and to eliminate conditionality controls and penalties for small farmers (farms up to 10 hectares). Other actions in the simplification package tackle issues of control burden, such as making the use of geotagged photos under the AMS voluntary (see Section 5.1). The Commission also launched discussions in relation to the requirements of the annual performance clearance.

While those adjustments aim to facilitate processes and the administration of the CAP, the Commission did not consider suggestions that would alter the new delivery model of the CAP

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<sup>&</sup>lt;sup>17</sup> Article 141 of the CSP Regulation.

more fundamentally. This new system was introduced by the co-legislators only as of claim year 2023, and further experience of its implementation and an assessment of its functioning are necessary. In contrast, a number of other suggestions promoting greater flexibility for Member States can already be addressed within the current legal framework, for example as regards the organisation of controls and the penalty system, including the introduction of a single control of agricultural holdings and the level of sanctions, as long as they comply with the EU requirements. For certain other suggestions, such as the level of detail in the CAP Plans, the lessons learned from the current period will feed into the reflection on the post-2027 CAP and the work on future EU legislation.

#### 4.2. CAP strategic plans: the green architecture

These suggestions concern the various CAP Plan tools to implement the objectives of the CAP in relation to the environment and climate<sup>18</sup>, often together referred to as the 'green architecture' of the CAP Strategic Plans. Many suggestions concerned targeted changes to 'conditionality requirements' (the basic layer of the 'green architecture') but other suggestions were also made, e.g. exempting small and organic farms from conditionality requirements, or changing the financial management of environmental interventions.

As a preliminary step to addressing the concerns underlying these suggestions, the Commission had adopted a temporary and partial derogation from the first requirement of GAEC standard 8 for claim year 2024 (on the share of non-productive areas/features on arable land)<sup>19</sup>, and adjusted the rules for GAEC standard 1 on the calculation of the permanent grassland ratios and reconversion obligations (see Section 5.2)<sup>20</sup>.

Further modifications followed with the amendments to the CSP Regulation and Horizontal Regulation as part of the simplification package. They contained targeted adjustments to conditionality rules that aimed to address implementation concerns for several GAEC standards, and controls and penalties for small farmers (see Sections 5.1 and 5.2).

The Commission opted for this rebalancing in the direction of a more voluntary approach to keep the overall policy objectives supporting the transition to sustainable agriculture and to maintain the set of instruments of the CSP Regulation as decided by the co-legislators in 2021. It considered that, in general, GAEC requirements cover the basic practices backed by the general agronomic consensus and are appropriate to address the relevant needs across all farming systems. Additionally, these requirements mostly prolong or reinforce the requirements that already applied to all farmers before 2023. It is true, however, that some new GAEC standards introduced in 2023 made the conditionality rules much more demanding than in the previous period, or included practices that used to be remunerated under the previous CAP and that have cost implications for farmers' income.

<sup>&</sup>lt;sup>18</sup> Articles 5 and 6 of the CSP Regulation.

<sup>19</sup> Commission Implementing Regulation (EU) 2024/587 of 12 February 2024 providing for a derogation from Regulation (EU) 2021/2115 of the European Parliament and of the Council as regards the application of the standard for good agricultural and environmental conditions of land (GAEC standard 8), dates of eligibility of expenditure for contribution from the EAGF and rules concerning amendments of CAP strategic plans for modifications of certain eco-schemes for claim year 2024, OJ L 2024/587, 13.2.2024.

<sup>&</sup>lt;sup>20</sup> Commission Delegated Regulation (EU) 2024/1235 amending Delegated Regulation (EU) 2022/126 of 12 March 2024 supplementing Regulation (EU) 2021/2115 of the European Parliament and of the Council as regards the rules on the ratio for the good agricultural and environmental condition (GAEC) standard 1, OJ L 2024/1235, 26.4.2024.

#### 4.3. Farm income and competitiveness

This area reflects concerns about farm income, with suggestions to: (i) revise the CAP provisions on risk management instruments and to allocate more CAP funds to crisis management; (ii) expand coupled support, or adjust the sectoral support schemes or their financial management; (iii) change the rules on investments; (iv) and take action to improve the position of farmers in the agri-food supply chain.

The Commission shares the concerns related to farm income and proposed measures to improve the position of farmers in the agri-food supply chain and to protect them against unfair trading practices in the separate reflection paper of 15 March 2024. Work is ongoing on putting the ideas in this paper into practice (see Section 5.3).

The Commission is examining the feasibility and the impact of certain limited adjustments to the CAP framework, addressing farmers who are acting together, that could respond to the concerns behind the suggestions received. However, the vast majority of the suggested changes to the CAP would entail fundamental policy changes, and therefore pertain to the reflection on the CAP after 2027. Some suggestions were also not taken up because they were deemed to hamper the achievement of the policy objectives of the CAP Plans. Some suggestions may be covered by the contemplated targeted changes to the Regulation on the common organisation of markets in agricultural products<sup>21</sup>.

#### 4.4. Other CAP instruments

This area covered other elements of the EU CAP legal framework such as postponing or removing social conditionality, and other instruments of the CAP, such as reducing the variables to be collected under the Farm Sustainability Data Network (FSDN), promotion measures, the EU school scheme, marketing standards and organic farming. Other suggestions called for a more fundamental rethink of EU agricultural policy, such as making CAP Plans more strategic.

Many of these suggestions went beyond the remit of simplification and the improved implementation of the CAP Plans. The Commission took the view that the key elements of the CSP Regulation, such as social conditionality should be maintained. The Commission also considered that several suggestions, such as the level of detail on measures required in the CAP Plans, were already feasible within the increased flexibility for the Member States in the new delivery model of the CAP.

# 4.5. Legislation outside the CAP

The final set of suggestions concerned legislation outside the CAP, in the areas of State aid,

In its simplification package the Commission announced a number of targeted changes in acts outside the CAP and is working on non-legislative measures with the aim of simplifying or clarifying certain rules. On 2 May 2024, the Commission also launched the review of the

environment, animal and plant health, food safety, climate and energy.

agricultural *de minimis* Regulation<sup>22</sup>. These rules were last revised in 2019 and were originally set to expire at the end of 2027. Their revision was brought forward and accelerated in light of the inflationary pressure in recent years and the current context with, among other things, high

<sup>&</sup>lt;sup>21</sup> Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007, OJ L 347, 20.12.2013, p. 671-854.

<sup>&</sup>lt;sup>22</sup> https://ec.europa.eu/commission/presscorner/detail/en/ip 24 2332

commodity prices affecting the agricultural sector. On 7 June 2024, the Commission launched a public consultation, which ended on 21 July 2024 seeking feedback from stakeholders on its proposal for a draft amendment<sup>23</sup>. For a number of other legislative proposals, policy simplification can still be addressed during the ongoing legislative procedures as explained in Annex 2.

For certain other suggestions, such as the consistency between laws affecting farmers, the lessons learned from the current period will feed into the reflection on the post-2027 CAP and the work on relevant future EU legislation.

Certain comments referred to the ongoing evaluation of the Nitrates Directive and suggestions were made for a temporary exemption that would enable the safe use of RENURE products (recovered nitrogen from manure) in Nitrates Vulnerable Zones beyond the current limit of 170 kg N/ha/year from manure, based on RENURE criteria developed by the Commission's Joint Research Centre, and which could substitute the use of chemical fertilisers. Awaiting the outcome of the evaluation, an interim solution that would allow RENURE products to be used has been prepared by the Commission and, at the time of writing, is pending opinion of the Member States in the Nitrates Committee<sup>24</sup> and the scrutiny of the co-legislators before coming into law.

#### 5. DESCRIPTION OF THE ACTIONS TAKEN

### 5.1 CAP Plans: management, administration and controls

# Improving the procedure to amend CAP Plans

The handling and management of amendments to CAP Plans is a joint process, requiring a partnership between the Commission and Member States' administrations to ensure a successful outcome. Building on the experience of the first year of implementation of the CAP Plans, the Commission reviewed the procedure for assessing and approving amendments to CAP Plans.

In its proposal of 15 March 2024, the Commission **doubled the maximum number of requests for amendments** that Member States may make per calendar year (from one to two) so that Member States can adapt their support measures to changing conditions and farmers' needs more frequently and in a more targeted way.

On 5 April 2024 the Commission communicated to Member States that it had agreed to streamline the approval process of amendments to CAP Plans and presented the changes on 9 April 2024<sup>25</sup>. In line with the greater subsidiarity, flexibility, and performance orientation of the 2023-2027 CAP, the Commission services are committed to continue taking a 'need to know' approach for the assessment of requests for amendments, and of notifications of changes to rural development interventions<sup>26</sup>:

• The level of detail of the information requested from national authorities will be proportionate to the nature of the modification, focusing on essential and legally required information necessary to understand and assess the proposed changes.

<sup>&</sup>lt;sup>23</sup> https://competition-policy.ec.europa.eu/public-consultations/2024-deminimis-agri en

https://ec.europa.eu/transparency/comitologyregister/screen/meetings/CMTD%282024%29772/consult?lang=en

<sup>&</sup>lt;sup>25</sup> https://ec.europa.eu/transparency/expert-groups-register/screen/meetings/consult?lang=en&meetingId=53235

<sup>&</sup>lt;sup>26</sup> Article 119 of the CSP Regulation.

- Where it is obvious from the description of the amendment or change, additional
  justifications that the change does not affect targets and milestones under the result
  indicators will not be requested.
- Member States will not be asked to confirm that they respect the EU legal framework where an amendment does not contain any indication of non-compliance.

As regards the Member States, streamlining the approval process will require a realistic planning of requests for amendments, and a clear and focused description of the amendments and accompanying justifications that avoids unnecessary details. Member States are also encouraged to simplify the description of the interventions in their amendments of CAP Plans in the future. An open, constructive, and transparent informal dialogue between the Commission and national authorities, based on advance information on the proposed amendments, helps speed up the approval process. Timely planning of amendments helps manage expectations and avoid unnecessary modification proposals.

# Controls for conditionality and cross compliance

Concerns had also been raised about the proportionality and burden of conditionality checks and penalties, especially for smaller farms. The rules on controls of conditionality are laid down in EU legislation, which requires that 1% of farmers must be controlled every year. To address the burden of control in this area, on 15 March 2024 the Commission proposed to exempt **small farms of under 10 hectares** of agricultural area **from controls and penalties** related to conditionality requirements. While controls of conditionality no longer apply for these farms, they are not exempted from the conditionality requirements which also continue to be the baseline for other CAP interventions like eco-schemes.

There is a group of beneficiaries under the 2023-2027 CAP who continue to receive area-based rural development support from the pre-2023 CAP. The payments for these voluntary measures are subject to the previous 'cross-compliance' system in place in 2014-2022. To reduce the control burden on farmers who are subject to both conditionality and cross-compliance the Commission also proposed on 15 March to **exempt these farmers from cross-compliance controls and penalties** and to rely solely on conditionality.

# Reporting on the results of cross-compliance controls

In line with the Commission's aim to rationalise and simplify reporting requirements for administrations and given the very limited representativeness of the sample used in reporting on control data and control statistics for cross-compliance, the Commission decided to waive the obligation for Member States to submit these figures for claim years 2023, 2024 and 2025<sup>27</sup>. This modification will apply retroactively from 1 January 2024 to cover the 2023 figures, which Member States were obliged to transmit from 15 July 2024.

#### Rationalising controls, including the right of error

The integrated administration and control system (IACS)<sup>28</sup> helps Member States to manage, monitor and control all the area and animal-based CAP interventions, and ensures that comprehensive and comparable EU data is available.

28 https://agriculture.ec.europa.eu/common-agricultural-policy/financing-cap/assurance-and-audit/managing-payments\_en

<sup>&</sup>lt;sup>27</sup> <u>eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=PI\_COM:C(2024)6069&qid=1725451340160</u>

The IACS consists of several elements, integrating information captured, for example, by the Copernicus Sentinel satellites as part of the area monitoring system (AMS) used to observe, track and assess agricultural activities on all hectares claimed under area-based interventions<sup>29</sup>. A key part of the system is the Geo-spatial application (GSA) that allows CAP beneficiaries to visually identify the areas claimed for help in their online aid application. Member States subsequently monitor agricultural activities and check compliance with eligibility conditions using the AMS.

For the relevant interventions, IACS helps Member States to keep track of the performance of the CAP and helps to protect the EU's financial interests, by helping beneficiaries to make CAP aid applications (applications for CAP support) correctly and by preventing non-compliance with the associated obligations. The IACS contains the necessary data to feed into Member States' annual performance reports (on the progress in implementing their CAP Plans).

Member States are responsible for setting up management and control systems and decide how often checks should be carried out. The EU-level principles and requirements for these systems are much less detailed than in the previous CAP periods.

To support Member States in **rationalising their control systems**, the Commission organised a workshop on 26 April 2024 to clarify how the EU-level rules should be applied and to exchange best practices among Member States. These are some of the main issues discussed:

- The Commission reminded Member States that their management and control systems should include the possibility for beneficiaries to **amend or correct their aid application or payment claim after submission**. Such corrections should be possible until the moment when the applicant is informed that they have been selected for an onthe-spot check, or when the competent authority has taken its decision on the application<sup>30</sup>.
- Specifically for area-based interventions, Member States are required to inform farmers about non-compliance with eligibility conditions that were detected by the administrative checks or by the AMS. In these cases, farmers are to be given the possibility to amend or withdraw the aid application. To facilitate this further, national authorities may make the necessary corrections in the aid application themselves. In such a case, they must ensure that: (i) the farmers are aware of the changes; and (ii) that they have the possibility to react if they disagree with the change made.
- Combining the use of new technologies with the right of error is helpful in this context as IT systems can automatically inform farmers of potential errors, so they avoid penalties.
- This allows farmers to **correct their applications** where errors were made or adjust them based on realities on the ground. The goal is to help farmers avoid errors which can lead to non-implementation of the policies. In this way, penalties for farmers are avoided and the policy performance is improved.

<sup>&</sup>lt;sup>29</sup> Other IACS elements include: the land parcel identification system (LPIS) to identify agricultural parcels, a system for identification of beneficiaries, a control and penalty system, and a system for identification and registration of animals in cases of CAP related aid.

<sup>&</sup>lt;sup>30</sup> Article 7 of Commission Implementing Regulation (EU) 2022/1173 of 31 May 2022 laying down rules for the application of Regulation (EU) 2021/2116 of the European Parliament and of the Council with regard to the integrated administration and control system in the common agricultural policy, OJ L 183, 8.7.2022, p. 23-34.

• However, **controls must remain effective**. Therefore, such warning messages cannot be sent after the applicant is informed or made aware of their selection for an on-the-spot check.

The workshop on rationalising controls also enabled Member States to share their experiences in developing management and control systems that alleviate the administration and control burden on farmers without affecting the level of assurance on the outputs declared for performance.

### Revision of the EU-level methodology for IACS quality assessment

The main IACS components are subject to an annual quality assessment to **evaluate** if the **IACS is achieving its aims, and to improve how it works** (as regards the correct number of hectares for the CAP's output and result indicators). In this framework, the AMS and GSA quality assessments together provide diagnostic information on the **sources of incorrect decisions** at the level of interventions and eligibility conditions.

The AMS helps reduce the administrative burden for Member States' paying agencies and beneficiaries thanks to the **automated process**. These ensure that applications are correct, as beneficiaries can modify their applications after an early warning alert and encourage farmers to comply with the requirements via **a system of pre-warnings** to be implemented by the Member States.

In response to Member States' concerns about the burden of the quality assessment verifications linked to the AMS and the GSA, the Commission **revised the EU-level methodology** for the IACS quality assessment (published on 21 March 2024).

The revised methodology aims to reduce Member States' workload by revising the sampling approach, making it possible to group unit amounts among different interventions, and by introducing the possibility to cap at 3% the total number of holdings in the Member State to be included in the quality assessment sample. The sampling procedure was also considerably improved to allow Member States to check multiple parcels on the same holding, so that multiple checks can be carried out during the same field visit. This sampling procedure is similar to the one historically used for the control system, which increases the scope to combine the quality assessment exercise with controls.

# Revision of the requirements linked to geotagged photos

The use of **geotagged photos** was intended to reduce the control burden on farmers. Instead of relying on on-site visits, the farmer provides the authorities with a digital photograph of the geographic position that shows the presence or absence of an activity, or an element that is subject to a legal requirement or is part of the voluntary commitment made by the farmer under the CAP.

According to the EU rules<sup>31</sup>, some eligibility conditions such as nest protection, flower species diversity and animal presence, which can be monitored by the automatic processing of geotagged photos, had to be covered by the AMS by 2027. During the ad hoc consultation, Member States raised several concerns in this regard, such as the development, implementation and optimisation of algorithms to process geotagged photos, the costs of storing them and the shortage of qualified staff. For these reasons, Member States asked for a delay in the

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<sup>&</sup>lt;sup>31</sup> Article 10 of Commission Implementing Regulation (EU) 2022/1173.

introduction of geotagged photos, or that their use should be limited. The survey of farmers also revealed some concerns about their use, which was perceived as an additional burden.

On 2 May 2024, the Commission shared with Member States a clarification note on geotagged photos, which was discussed with Member State experts on 15 May 2024<sup>32</sup>. The note acknowledged the barriers identified by Member States and farmers and aimed to clarify the applicable provisions and outline the benefits of geotagged photos. The note proposed strategies to reduce the administrative burden associated with geotagged photos, including a review of the legal requirements.

Following up, in the CAP Committee of 5 June 2024, the Commission presented a draft amendment of the requirements on the use of geotagged photos to limit the burden on farmers and increase their acceptability and use. The amendment also aims to reduce the burden on Member States by eliminating the requirement to incorporate in the AMS interventions with eligibility conditions that can only be monitored by geotagged photos. Following a positive opinion by Member States in the CAP Committee, the Commission adopted the revised version of the amendment on 4 September 2024<sup>33</sup>.

Given the benefits of geotagged photos, the Commission does not prevent Member States from their usage. The flexible approach ensures that Member States that have already invested in this process will not experience setbacks in their progress and increases the possibilities for a swifter handling of the payment files of farmers who use geotagged photos.

### Clarification of the use of the force majeure and exceptional circumstances clause

The concept of *force majeure* refers to abnormal and unforeseeable circumstances, outside the control of an operator (such as a farmer), the consequences of which could not have been avoided despite taking all due care. *Force majeure* excuses such a farmer from certain legal consequences that would normally result from non-compliance. The decision to recognise *force majeure* is taken by the Member State authorities, based on the relevant evidence.

On 30 May 2024 the Commission adopted a Communication to the Council on force majeure and exceptional circumstances<sup>34</sup> in the Horizontal Regulation. The Communication clarifies the application of this concept, focusing on its application based on an area rather than on a case-by-case assessment. This responds to requests from Member States for greater clarity about applying this concept and for greater certainty for farmers as regards their CAP support in such cases.

The Commission has clarified that if severe natural disasters or severe meteorological events, such as flooding or fires, gravely affect a clearly defined area, a Member State may presume that the farmers in the area affected by the abnormal event, whose consequences could not be prevented with all due care, are covered by *force majeure*. The Member State may make this presumption provided that the determination of the area, of the population of farmers inside it, and where relevant, of the affected CAP obligations, is undertaken in such a way that makes it possible to conclude that the conditions of *force majeure* are individually met by the farmers concerned.

 $<sup>^{32}\ \</sup>underline{\text{https://ec.europa.eu/transparency/expert-groups-register/screen/meetings/consult?lang=en\&meetingId=53804}$ 

<sup>33</sup> https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=PI COM:C(2024)6069&qid=1725451340160

<sup>&</sup>lt;sup>34</sup> Communication from the Commission to the Council on force majeure and exceptional circumstances in Regulation (EU) 2021/2116 of the European Parliament and of the Council on the financing, management and monitoring of the common agricultural policy, COM(2024)225 final.

#### 5.2. CAP Strategic Plans: the green architecture

#### **Conditionality**

'Conditionality' requires that area- and animal-based CAP payments received by farmers are linked to the respect of certain requirements, including GAEC standards<sup>35</sup> in the areas of climate change, water, soil and biodiversity. These standards are defined in the CAP Plans, based on the framework and main objectives set out in the CSP Regulation.

In 2023, the first year of the current CAP period, farmers encountered difficulties in fully complying with some of these requirements, which had been strengthened compared to the previous period (2014-2022). The measures proposed by the Commission aim to address these challenges in a balanced and targeted way, according to the specificities and objectives of each standard.

#### **GAEC 1 (Permanent grassland)**

GAEC standard 1 requires Member States to maintain permanent grassland based on a (national or regional or individual<sup>36</sup>) ratio of permanent grassland to agricultural area that is to be compared to the reference year 2018. Where this ratio has decreased by more than 5%, the Member State is to impose obligations to establish or (re-)convert land into permanent grassland at holding level for some or all of the farmers who have at their disposal areas which had been converted from permanent grassland to other uses. Commission Delegated Regulation<sup>37</sup> lays down the rules to ensure a level playing field when establishing the ratios of permanent grassland in the application of GAEC 1.

The amendment to this Delegated Regulation<sup>38</sup>, published on 26 April 2024, allows Member States to adjust the reference ratio once during the CAP programming period (2023-2027). This may be done to reflect post-2018 reductions in the area of permanent grassland due to structural changes in the farming system, thus substantially impacting the ability of farmers to maintain permanent grasslands while maintaining their farms' economic viability. When imposing (re-)conversion obligations on farmers when the ratio fell below 5%, the adjustments also allow Member States to take into account the increase in total agricultural area declared by farmers in their CAP aid application, and areas of permanent grassland that exist<sup>39</sup> but were not declared by them, as well as decreases due to the conversion of permanent grasslands to non-agricultural uses.

#### **GAEC 6 (Minimum soil cover)**

Under GAEC 6 Member States define requirements that ensure a minimum soil cover during the most sensitive periods to avoid bare soil and thus protect it against leaching, erosion and depletion of organic matter. Member States set out in their CAP Plans the most sensitive periods when a minimum soil cover is needed. There is a wide range of different types of minimum soil cover, which mostly includes crops, green cover, stubble, mulching, plant residues or spontaneous vegetation. Sometimes farmers can do shallow tillage to mix the stubble with soil

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<sup>&</sup>lt;sup>35</sup> Articles 12-13 and Annex III to the CSP Regulation.

<sup>&</sup>lt;sup>36</sup> As set by a Member State in its CAP Strategic Plan.

<sup>&</sup>lt;sup>37</sup> Commission Delegated Regulation (EU) No 2022/126 of 7 December 2021 supplementing Regulation (EU) 2021/2115 of the European Parliament and of the Council with additional requirements for certain types of intervention specified by Member States in their CAP Strategic Plans for 2023-2027 under that Regulation, as well as rules on the ratio for GAEC standard 1, OJ L 20, 31.1.2022, pp. 52-94.

<sup>&</sup>lt;sup>38</sup> Commission Delegated Regulation (EU) 2024/1235.

<sup>&</sup>lt;sup>39</sup> That are registered in Member States Land Parcel Identification System (LPIS).

so that the soil stays protected. Some Member States have taken voluntary measures that support the establishment of catch crops and green cover, adding further benefits to the minimum soil cover under GAEC 6.

The flexibilities in the CAP Plans included e.g. requiring coverage only on 80% of arable land, or specific provisions for heavy clay soil. It is important to note that under this GAEC there were no requirements regarding sowing dates, and that farmers always had the option to plough during the sensitive period if it was for the purpose of sowing in the following weeks. Nevertheless, further flexibility for Member States was considered necessary for a smooth implementation of GAEC 6, taking into account the variety of situations in the field and the contribution of the required practice to the objectives of the GAEC 6 standard.

Despite the range of possibilities to meet the GAEC 6 standard, in some cases the rules have created practical problems, e.g. where it was impossible to establish and maintain certain soil cover because of the weather situation, creating uncertainty and frustrating farmers. In particular, when there was late harvesting on heavy soils (often unavoidable in wet autumns), GAEC 6 was seen as an obstacle to autumn ploughing, and forcing farmers to prepare the soil after winter, which entailed, in some cases, a risk of soil compaction.

The Commission proposal of 15 March 2024 to amend the CSP Regulation added the words 'as determined by Member States' to the definition of GAEC 6. This clarifies the responsibility of Member States and provides increased flexibility in determining the key elements of this GAEC, in particular the timing and duration of 'sensitive periods' for which Member States 'may in particular take into account the short vegetation period resulting from the length and severity of the winter period in the regions concerned'. However, as specified in recital 15 of the proposal, 'the Commission should ensure, in accordance with Articles 13(1) and 109(2) and Articles 118 and 119 of that Regulation, that the GAEC standard 6 as determined by the Member States is, overall, in line with the main objective of that GAEC standard'.

#### **GAEC 7 (Crop rotation/diversification)**

GAEC 7 aims to protect soil potential over time through crop rotation. The Commission's proposal of 15 March 2024 added an option whereby Member States may allow farmers to fulfil GAEC 7 through diversification of crops on their farms within a given year. Certain farming realities and weather conditions can make it difficult for farmers to ensure crop rotation for example market demand for specific crops, seed availability and the windows for sowing certain crops. In 2023, Member States were permitted to grant a derogation from GAEC 7 in light of the impact that Russia's war of aggression in Ukraine had on global food security. The aim was to ensure that farmers were not prevented from responding to the demand for food crops in line with the changing market context.

#### **GAEC 8 (Non-productive arable land)**

GAEC 8, which addresses biodiversity on farms, requires, among other things, that a minimum share of arable land at holding level be devoted to non-productive areas and features ('the GAEC 8 first requirement', 4% as a general principle) and that landscape features should be retained. As for GAEC 7, in 2023, Member States could allow farms to derogate from the first requirement of GAEC 8, again because of the impact on global food security of Russia's war of aggression in Ukraine.

The GAEC 8 first requirement has, however, proved costly for some categories of farmers, particularly in view of the pressure on margins in certain arable crop sectors and in areas with high land prices. Farmers have therefore faced difficulties in complying with this requirement

without a direct compensation for the efforts made. The Commission therefore proposed on 15 March 2024 to replace this GAEC 8 requirement with an obligation for Member States to establish an eco-scheme offering support to farmers for the maintenance of non-productive areas, such as land laying fallow, and for the establishment of new landscape features, on arable land.

Member States may decide to remove the first requirement of GAEC 8, as from claim year 2024, if they have an eco-scheme which supports non-productive areas or the establishment of new landscape features, on arable land. Otherwise, Member States must apply this change from claim year 2025 at the latest.

It is important to have the necessary tools in place to address the objective on biodiversity. Adopting a tool that is voluntary for farmers, and which ensures adequate compensation for the commitment to maintain non-productive areas and establish new landscape features, on arable land, makes the combination of mandatory and voluntary tools better suited to the current context.

#### Specific exemptions from GAECs 5, 6, 7 and 9

On 15 March 2024, the Commission also proposed that Member States may provide in their CAP Plans specific exemptions from GAECs 5 (tillage), 6 (soil cover), 7 (crop rotation/diversification) and 9 (ban on ploughing and converting environmentally sensitive permanent grasslands in Natura 2000 areas)<sup>40</sup> to address specific problems in applying the requirements of those standards so as to ensure the economic viability of farms. These problems could, for example, be due to particular agronomic situations for certain crops in particular soil types and pedoclimatic conditions, or because of the damage to permanent grasslands by wild animals or invasive species. The proposal also laid down that 'The specific exemptions shall be established only where and to the extent that they are necessary to address specific problems in the application of those standards and shall not significantly hamper the contribution of each of those standards to their main objectives'.

#### Temporary and targeted derogations from conditionality requirements

The Commission proposal also contained provisions enabling Member States to introduce temporary and targeted derogations<sup>41</sup> from GAEC standards where, in a given year, farmers would be prevented from complying with them due to weather conditions such as flooding or drought. This possibility can be an important tool to balance the need to apply the GAEC standards as a step in the transition towards more sustainable farming, with the need for flexibility to navigate the changing climate context, which brings increasingly unpredictable weather conditions.

#### Review of CAP Plans in case of changes to EU environmental and climate legislation

In drawing up their CAP Plans, Member States had to take account of the analysis, objectives and targets of key EU environmental and climate laws (and plans stemming from these) listed in Annex XIII of the CSP Regulation. The CSP Regulation also requires Member States to review and update their CAP Plans when this is necessary to align them to changes in this EU legislation<sup>42</sup>. To avoid frequent changes to the CAP Plans and ensure stability in the support schemes for farmers, the Commission proposal of 15 March 2024 limits the application of this

<sup>&</sup>lt;sup>40</sup> Article 1(2), point (a) of Regulation (EU) 2024/1468.

<sup>&</sup>lt;sup>41</sup> Article 1(2), point (b) of Regulation (EU) 2024/1468.

<sup>&</sup>lt;sup>42</sup> Article 120 of the CSP Regulation.

requirement to amendments of legislative acts in Annex XIII that enter into force by 31 December 2025 at the latest.

### 5.3 Farm Income and competitiveness

# Position of farmers in the agri-food supply chain

The Commission's paper of 15 March 2024<sup>43</sup> lists several immediate, short-term and medium-term actions to strengthen the position of farmers in the agri-food supply chain, with the ultimate goal of supporting their income and ensuring fair remuneration.

The Commission has already delivered on some of these measures, starting with the set-up of the **new EU Agri-Food Chain Observatory (AFCO)**<sup>44</sup>. It brings together national authorities and stakeholders representing all levels of the agri-food supply chain with the purpose of promoting increased transparency on prices, the structure of costs and the distribution of margins, as well as added value in the supply chain. The first two meetings of the new AFCO took place on 17 July and 15 October 2024.

In addition, on 23 April 2024 the Commission published a report on the implementation of EU **rules against unfair trading practices** in the agri-food supply chain<sup>45</sup>. This report takes stock of the implementation of the Unfair Trading Practices (UTP) Directive<sup>46</sup>, and will feed into a more detailed evaluation of the Directive that the Commission will present in 2025. This could be followed, if appropriate, by legislative proposals to revise the Directive. The report is accompanied by a Staff Working Document providing further information, in particular on Member States' transposition choices<sup>47</sup>.

The Commission is also working on other actions to further **correct imbalances in the agrifood supply chain**, which includes considering targeted changes to the Regulation establishing a **common market organisation of agricultural products** (CMO)<sup>48</sup>. This aims to strengthen farmers' position in the supply chain, including e.g. through improved rules on contracts, a stronger role for producer organisations and their associations, and measures to support voluntary approaches such developing short supply chains and fair-trade schemes.

The Commission will propose new rules to improve the enforcement of the rules against unfair trading practices for cross border transactions.

#### **5.4 Other CAP instruments**

# **Exchange of best practices**

The Commission organises exchanges between Member States of best practices to simplify interventions and minimise the administrative burden related to the CAP Plans. One of the forums where these exchanges take place is the **European CAP Network**<sup>49</sup>, which brings together administrators, researchers, entrepreneurs, and practitioners to share knowledge and

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<sup>43</sup> https://ec.europa.eu/commission/presscorner/detail/en/ip\_24\_1493

<sup>44</sup> https://agriculture.ec.europa.eu/common-agricultural-policy/agri-food-supply-chain/afco\_en

<sup>&</sup>lt;sup>45</sup> COM(2024)176 'Implementing the prohibition of unfair trading practices to strengthen the position of farmers and operators in the agricultural and food supply chain – State of play'.

<sup>&</sup>lt;sup>46</sup> Directive (EU) 2019/633 of the European Parliament and of the Council of 17 April 2019 on unfair trading practices in business-to-business relationships in the agricultural and food supply chain, OJ L 111, 24.05.2019, p. 59-72.

<sup>&</sup>lt;sup>47</sup> SWD(2024)106 final with overview of Member States' transposition choices and enforcement activities.

<sup>&</sup>lt;sup>48</sup> Regulation (EU) No 1308/2013.

<sup>&</sup>lt;sup>49</sup> Set up under the CSP Regulation; see: <a href="https://eu-cap-network.ec.europa.eu/about/eu-cap-network">https://eu-cap-network.ec.europa.eu/about/eu-cap-network</a> en

information about agriculture and rural policy. One of the thematic groups within the CAP Network focuses on designing green strategies under the CAP Plans.

These exchanges serve to identify and share, for example, which elements of the CAP Plans' green architecture were used and how well they work together. This includes **positive experiences and challenges**, and the **key factors that influenced the design** of CAP Plans to address environmental and climate needs. They also serve to explore the different approaches taken with the CAP Plans and how they interact with national funding opportunities.

#### Support for advisory services

Knowledge and innovation brought to the field by advisors (for example in the context of the EU Soil Mission<sup>50</sup>) play a crucial role in helping farmers, foresters and rural communities make the necessary transition to sustainability. If advisory services are poorly organised, insufficiently targeted, or overly bureaucratic, they may present more challenges than solutions. These circumstances may contribute to the low uptake by farmers of measures to improve knowledge and may have an impact, for example, on the rate of adoption of sustainable practices, whether or not supported under the CAP. It is therefore essential that advisory services are impartial, competent, and able to provide well-tailored advice, i.e. they should be easily accessible, respond to the specific needs of farmers and not impose another administrative burden on them.

On 12 April 2024, the Commission sent a note to Member States proposing actions that would encourage them to strengthen the role of advisory services to include and support all impartial advisors, both public and private, and integrate them into their Agricultural Knowledge and Innovation System (AKIS). A national public database of all impartial advisors can provide a transparent overview on which advisors are available, on their experience and education, and their expertise. Such a database gives farmers the freedom to choose their advisor based on objective information and ensures the highest possible impact of the CAP funding invested in providing advice. This approach will help single out the best impartial advisors, who are most appreciated by farmers.

#### 5.5 Elements outside the CAP

# Use of remote sensing services according to the proposed Soil Monitoring and Forest Monitoring Laws

In this proposed legislation<sup>51</sup> (the Soil Monitoring Law and the Forest Monitoring Law) the Commission intends to develop and to strengthen remote sensing services in the context of Copernicus. These services could help simplify the monitoring of some of the relevant soil descriptors and make it easier to assess soil health. Earth observation can also improve the efficiency and timeliness of forest monitoring, especially with regard to the health and condition of forests and can help Member States to design and implement measures more efficiently and effectively.

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<sup>&</sup>lt;sup>50</sup> Under Horizon Europe, the EU Mission 'A Soil Deal for Europe' is creating a network of 100 Living Labs and Lighthouses, where land managers will test innovative soil health solutions on the ground, to lead the transition towards healthy soils by 2030. The results of the Mission's Living Labs are expected to be replicated and scaled up by around 1 000 CAP Network Operational Groups (with EUR 350 million of funding) to work on improving soil quality, bringing together farmers, scientists and industry at the local level to find solutions to soil challenges, such as fertility, water management or pest control.

<sup>&</sup>lt;sup>51</sup> Proposal for a Directive of the European Parliament and of the Council on Soil Monitoring and Resilience (Soil Monitoring Law) COM(2023)416 final; Proposal for a Regulation of the European Parliament and of the Council on a monitoring framework for resilient European forests COM(2023)728 final.

At the time of writing this document, the proposed Forest Monitoring Law was being discussed by the Council. The proposal aims to: (i) ensure consistent high-quality monitoring that will make it possible to track progress towards achieving EU policy objectives and targets; (ii) improve risk assessment and preparedness; (iii) support evidence-based decision-making by land managers and public authorities; (iv) promote research and innovation.

The trilogues for the Soil Monitoring Law started on 22 October 2024. The proposal aims to put in place a solid and consistent soil monitoring framework for all soils across the EU and to continuously improve soil health with a view to achieving healthy soils by 2050. The proposed Directive therefore lays down measures on monitoring and assessing soil health, sustainable soil management and contaminated sites. The Commission is currently making an inventory of the policy needs for the next Copernicus programme to prepare the next multiannual financial framework (MFF).

# Exemption of plant protection products containing only biological active substances from the obligation to keep records

In the context of the study announced in Action 1 of the Communication on Boosting Biotechnology and Biomanufacturing in the EU<sup>52</sup>, which is due to be finalised in mid-2025, the Commission will examine whether to exempt plant protection products containing only biological active substances from the obligation to keep records. This exemption to the obligation under Article 67(1) of the Regulation on placing plant protection products (PPPs) on the market<sup>53</sup>, is aimed at reducing the administrative burden on farmers who use such products.

# Eliminate the requirement that farmers must submit individual applications for aerial spraying of plant protection products once relevant conditions are met<sup>54</sup>

The Commission is considering this proposal.

Eliminate the requirement for farmers to keep records of treatment of animals with medicinal products under the Directive on the protection of animals kept for farming purposes<sup>55</sup>

The Commission is considering this proposal.

# **Evaluation of the Nitrates Directive**

An evaluation of the Nitrates Directive<sup>56</sup> (relevant in relation to the SMR 2 conditionality requirement<sup>57</sup>) is ongoing and included a public consultation. The Commission invited stakeholders to participate in this consultation, also to express their views on the administrative burden under this piece of legislation. The consultation closed on 8 March 2024. The views expressed will be taken into account in the ongoing evaluation.

In response to requests from Member States and farmers' organisations, the Commission also presented on 19 April 2024, for public feedback<sup>58</sup>, a draft amendment to Annex III of the

<sup>&</sup>lt;sup>52</sup> COM(2024)137 final

<sup>&</sup>lt;sup>53</sup> Article 67(1) of Regulation (EC) No 1107/2009.

<sup>&</sup>lt;sup>54</sup> Article 9(4) of Directive 2009/128/EC

<sup>55</sup> Directive 98/58/EC.

<sup>&</sup>lt;sup>56</sup> Directive 91/676/EEC.

<sup>&</sup>lt;sup>57</sup> Statutory Management Requirement (SMR) 2 (in Annex III to CSP Regulation) under the conditionality, subjecting certain CAP payments to the respect by beneficiaries of specific requirements of the Nitrates Directive.

<sup>&</sup>lt;sup>58</sup> <a href="https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/14242-Nitrates-updated-rules-on-the-use-of-certain-fertilising-materials-from-livestock-manure-RENURE-en">https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/14242-Nitrates-updated-rules-on-the-use-of-certain-fertilising-materials-from-livestock-manure-RENURE-en">https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/14242-Nitrates-updated-rules-on-the-use-of-certain-fertilising-materials-from-livestock-manure-RENURE-en">https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/14242-Nitrates-updated-rules-on-the-use-of-certain-fertilising-materials-from-livestock-manure-RENURE-en">https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/14242-Nitrates-updated-rules-on-the-use-of-certain-fertilising-materials-from-livestock-manure-RENURE-en">https://ec.europa.eu/initiatives/14242-Nitrates-updated-rules-on-the-use-of-certain-fertilising-materials-from-livestock-manure-RENURE-en">https://ec.europa.eu/initiatives/14242-Nitrates-updated-rules-on-the-use-of-certain-fertilising-materials-from-livestock-manure-RENURE-en">https://ec.europa.eu/initiatives/14242-Nitrates-updated-rules-on-the-use-of-certain-fertilising-materials-from-livestock-manure-RENURE-en">https://ec.europa.eu/initiatives/14242-Nitrates-updated-rules-on-the-use-of-certain-fertilising-rules-from-fertilisin

Nitrates Directive, which will allow Member States to authorise the use of RENURE fertilisers (i.e. fertilisers derived from manure) by farmers above the limit for manure application in Nitrates Vulnerable Zones, thereby contributing to the replacement of chemical fertilisers. This draft amendment is aimed to be an interim solution to address the immediate needs of farmers while also ensuring appropriate safeguards to comply with environmental protection objectives, particularly the protection of waters against pollution caused by nitrates from agricultural sources.

### Actions in relation to the EU Deforestation Regulation

The EU Deforestation Regulation<sup>59</sup> lays down rules to ensure that certain commodities (cattle, cocoa, coffee, oil palm, rubber, soya and wood) and relevant products are placed or made available on the Union market or exported, only if they are deforestation-free, have been produced in accordance with the relevant legislation of the country of production and covered by a due diligence statement.

To address concerns raised in relation to the Regulation, the Commission put forward a set of measures in its package of 2 October 2024<sup>60</sup>. This includes a proposal for an additional 12-month phasing-in period, which – upon agreement of co-legislators – will shift the date of applicability by 12 months, to allow operators, traders and competent authorities to be better prepared and to fully establish the necessary due diligence systems. In addition, the Commission published a Guidance Document and Frequently Asked Questions (FAQs) which address and clarify many issues raised by farmers and forest owners (see also Annex 2, page 109).

#### 6. MAIN IMPACTS OF THE SIMPLIFICATION MEASURES

Delivering on its commitment to ease the administrative burden on EU farmers, the Commission listened attentively to the concerns expressed by farmers, their organisations and Member States, and acted on them by delivering concrete measures under the simplification package. They were developed based on suggestions made by and in close cooperation with national administrations and farmers' representatives. As such, this exercise should **contribute to building trust between the different actors and levels of governance**, which is an essential factor in **better policy delivery.** The impact analysis of these measures is summarised in Annex 3.

#### 6.1 Impacts on the administrative burden for beneficiaries and national administrations

#### Beneficiaries/farmers

The simplification package is likely to reduce the time that CAP beneficiaries need to dedicate to **applications and checks.** For some of the measures, quantitative estimates of cost reductions could be made.

**Processes can be simplified** through the digitalisation of the CAP application procedures (e.g. by using geotagged photos), and the automatic processing of feedback received by farmers from the authorities (early warning notifications under the AMS). The first year of implementation has showed that these solutions have often not been taken up. The actions taken by the Commission (e.g. measures A.4 and A.6 in Annex 1) aim to **improve the workability** of these

<sup>&</sup>lt;sup>59</sup> Regulation (EU) 2023/1115

<sup>60</sup> https://ec.europa.eu/commission/presscorner/detail/en/ip 24 5009

solutions, thereby **reducing** the burden on farmers linked to on-site inspections. The impact of these actions is difficult to quantify.

The Commission's clarification of the concept of *force majeure* (measure A.5 in Annex 1) helps reduce the administrative burden for farmers as it **eliminates the need to introduce individual requests**, including gathering the evidence and providing it to the authorities. Quantification of the resulting benefits is not possible as it depends on the occurrence of unpredictable events.

The simplification package also streamlines the approach to controls (measures A.3, A.6, B.2 in Annex 1), resulting in **fewer on-site visits** by the administration, thereby leaving **farmers** more time to dedicate to their core work.

In particular, the revision of the IACS quality assessment methodology (measure A.3 in Annex 1), should significantly reduce the number of visited farms in the quality assessment sample. It is estimated that the change will reduce the number of visited farms by 50% or more compared to 2023. Assuming a reduction of around 174 000 field visits, this translates to an annual **reduction of administrative costs equivalent to EUR 61.8 million** for farmers, using average EU values for labour costs. The Commission's clarifications on the usage of geotagged photos should further reduce the number of on-farm visits and the associated costs.

Farms under 10 hectares of agricultural area represent 65% of CAP beneficiaries. These farms operate on around 9.6% of the EU's agricultural area and receive around 11% of the EU direct payments (Figure 2). Performing conditionality controls on these farms was thus deemed disproportionate. Their removal (measure B.2 in Annex 1) is estimated to result in approximately 37 600 fewer controls every year. This translates into an **annual reduction in the administrative burden of EUR 6.7 million** for farmers, based on the average EU values for labour costs. The scope of this modification and, therefore, its economic impact, differs according to the structure of each Member State's agricultural sector.

It is more difficult to assess time and cost savings for several other actions and depends on how Member States take up the opportunities provided.

Figure 2 Farms below 10 ha at EU level

Farm size class	Number of beneficiaries (million)	Area [ha]	Direct payments [EUR]	% Beneficiaries	% Area	% Direct payments
All farms	5.8	140.7 m	37.1 bn	100.0%	100.0%	100.0%
<= 10ha	3.8	13.6 m	4.1 bn	65.3%	9.6%	11.1%

Source: DG AGRI, CATS database, data for 27 Member States (2022)

In the absence of data on the number of farmers that benefit from the 2023-2027 CAP and who, at the same time, continue to benefit from rural development support under the 2014-2022 CAP, it is not possible to estimate the costs saved by removing the 'cross-compliance' controls (measure B.4 in Annex 1) in such cases.

The **reduction of hassle costs and uncertainty** for farmers is another important economic effect of the changes brought by the simplification package. Actions which contribute to this include improvements to the early warning systems, the right of error (measure A.6 in Annex 1), and clarification of the concept of *force majeure* (measure A.5 in Annex 1). These actions will help **prevent a reduction or withdrawal of CAP support** for farmers, which they have already factored in their farm management decision-making process as a

source of additional income or to compensate for efforts made for specific practices, thereby preventing possible negative economic impacts if support is foregone. Moreover, these actions also facilitate the handling of aid applications by administrations, thereby **reducing the waiting time** for the response. The reduction of uncertainty will also have a positive impact on the mental well-being of beneficiaries, by reducing stress (see Section 6.4 on social impacts).

#### **National administrations**

The measures taken will also streamline the processes for national administrations.

In particular, the simplification package will **reduce enforcement costs linked to on-site controls**. The revision of the IACS quality assessment methodology (measure A3 in Annex 1) and the removal of controls on conditionality for farms under 10 hectares (measure B.2 in Annex 1) are estimated to result in annual cost savings for national administrations of **EUR 82.4 million and EUR 13.4 million** respectively, using average EU values for labour costs. Further actions contribute to the simplification of controls, such as digitalisation of procedures and the removal of the remaining 'cross-compliance' controls (measure B.4 in Annex 1), though these benefits could not be quantified.

Automated IT processes to inform farmers of potential errors in applications will **reduce administrative checks** by national administrations. Clarification of the concept of *force majeure* (measure A.5 in Annex 1) eliminates the need for case-by-case assessments by national administrations, where the relevant elements proving the adverse event in an identifiable area have been established. This facilitates a Member State's response to such disturbances. The streamlined process to approve CSP amendments (measure A.9 and B.5 in Annex 1) and simplified descriptions of interventions will also contribute to **lower administrative costs** for national administrations.

#### 6.2 Other economic impacts

The package of measures reduces not only costs and risks due to changes in the administrative burden, but also other economic aspects. This is specifically the case for changes to the CAP Plans' green architecture. Due to difficulties in quantifying the impacts of the changes made to the CAP Plans' green architecture in many cases, a qualitative assessment is provided.

Changes to the rules under GAEC 1 (permanent grasslands – maintenance of a ratio, measure A.1 in Annex 1) gave Member States the possibility to better integrate structural changes with the needs of farmers to manage their farms in response to market developments. It will be possible for national administrations to react to the effects of such changes in a tailor-made way, while the objective of the standard (climate change mitigation) is respected. More precisely:

• When market developments force farmers to abandon or reduce livestock production and consequently – because the need to feed livestock has been reduced or eliminated – shift production away from grassland and herbaceous fodder towards arable crops, the provisions will allow Member States to adjust the 2018 reference ratio. This should prevent farmers from being required to re-establish permanent grasslands without having livestock, and potentially without an outlet for the fodder produced, if the livestock sector in the region concerned has shrunk. In such cases, the obligation to (re)establish permanent grassland could prevent farmers from maintaining an economically viable activity.

• Member States are also allowed to consider further factors. They can take into account various situations where a reduction in the ratio of permanent grassland does not result from farmers converting permanent grassland to other agricultural uses, and where it would therefore be disproportionate to ask farmers to re-establish areas of permanent grassland. Such situations include, for instance, the case where the change in the ratio results from an increase in the total agricultural area. Member States also have, for instance, the possibility to take into account the existence of non-declared permanent grassland.

The adjustments to **GAEC 6** (soil cover, measure B.1 in Annex 1) provide greater flexibility to Member States, in particular to define the sensitive period during which soils should be covered. This can give farmers **greater flexibility** in **organising soil preparation** and can reduce the constraints and the related financial risks. How Member States will use this adjustment remains largely unknown at this stage, although the Commission has already received several requests to shorten the sensitive periods. At the same time, it remains essential that the adjusted requirements in the CAP Plans keep contributing to the main objective of the standard as poor soil quality can seriously affect agricultural production, including resilience and productivity, resulting in economic losses.

The existing flexibilities under GAEC 7 ensure a system of crop rotation on all parcels of land over several years, which is suitable for all the main types of farming, and which avoids unnecessary rigidities. The option of a **yearly diversification** of crops (measure B.1 in Annex 1) provides further flexibility for **managing parcel allocation**. This can be useful for some farming systems, and the actual situation on farms, by **reducing uncertainty costs** while still serving the objective of preserving soil potential, and thus also the **productivity of the land**.

It is difficult to make an assessment of the impact (both economic and environmental, see Section 6.3) of removing the GAEC 8 first requirement (the share of non-productive areas and features, measure B.1 in Annex 1) due to: (i) the lack of reference data on the implementation of that requirement; (ii) the lack of information on the extent to which farmers would declare existing landscape features or fallow land to fulfil the requirement; (iii) the future coverage (Member States are not obliged to have interventions with the same scope as the deleted GAEC 8 requirement), uptake and impact of the eco-scheme to be created by Member States to replace this GAEC 8 requirement (see also Section 6.3).

Notwithstanding these constraints, the **estimate** made by the Commission's Joint Research Centre through the 'Individual Farm Model for Common Agricultural Policy Analysis (IFM-CAP)<sup>61</sup> and based on data from the Farm Accountancy Data Network (FADN), provides some indications of **additional income for farmers** as a result of this change. The approach taken in this modelling exercise is explained in Annex 4.

According to these estimates, lifting this GAEC 8 requirement will impact roughly 1.1 million farms, covering approximately 76 million hectares of arable land, by potentially **freeing for production** close to **2.1 million hectares** of 'GAEC 8 non-productive land'. That is the area which, in the absence of the adjustments, would have been dedicated to additional fallow-land or landscape features such as woody elements or grass strips. At the EU level, the economic impact measured as the annual change in the gross margin of arable crops (**additional** 

<sup>&</sup>lt;sup>61</sup> A model description as well as technical details of the model can be found at: <a href="https://midas.jrc.cec.eu.int/discovery/midas/explore/models/model-ifm-cap/">https://midas.jrc.cec.eu.int/discovery/midas/explore/models/model-ifm-cap/</a> and <a href="https://publications.jrc.ec.europa.eu/repository/handle/JRC127014">https://publications.jrc.ec.europa.eu/repository/handle/JRC127014</a>

income/avoided income loss) is estimated to be around EUR 930 million. This corresponds to a 1.5% increase in gross margin for the impacted farms, though this may differ at more disaggregated level, such as according to the economic size of the farms or the type of production.

Another insight comes from the uptake of the 2023 derogations from this GAEC 8 requirement, with significant variations across Member States in terms of land taken up for production. This uptake resulted in the cultivation of cereals and, to a lesser extent, dry pulses and leguminous crops, rapeseed, sunflower and potatoes, generating additional income opportunities. Differences in the quality of fallow land to produce crops, in the size and location of the fallow land, and in the existence and attractiveness of voluntary measures influenced land use in that year. This provides a good indication for what is likely to occur.

At the same time, the **economic benefits of additional landscape features and of fallow land** on arable farms should not be neglected, given their benefits for the farms' resilience, the overall stability of crop production and agricultural productivity in the medium and long term through **eco-system benefits** in relation to water retention and quality, pest control and the prevention of soil erosion.

The IFM-CAP calculations do not consider the **introduction of eco-schemes** for the maintenance of non-productive areas and for the establishment of new landscape features that Member States are required to set up in compensation for removing the GAEC 8 first requirement. As these eco-schemes are voluntary for farmers, it can be assumed that farmers will engage only where the **compensation** offered will surpass **their extra costs**. This could be particularly attractive for farmers who already have fallow land or marginal and low productive arable land, where the commitment to leave it non-productive implies a limited opportunity cost and less attractive for more intensive farms. Also, farmers with more productive arable land could enter a voluntary commitment, given the financial compensation and the advantages that the presence of non-productive areas create for the holding's **long-term productivity**.

Leeway granted to Member States to set out in their CAP Plans targeted and duly justified **exemptions** from the requirements under **GAECs** 5, 6, 7 and 9, or to grant **time-limited derogations** to help tackle the effects of unexpected weather events (measure B.1 in Annex 1), can **reduce specific structural or meteorological obstacles for farmers**. While the scope of both facilities should be limited (in terms of areas and farmers), they might have important positive economic effects or limit possible negative economic consequences for the farmers concerned. In the case of GAEC 7, an example could be parcels used to produce certified seeds. Imposing crop rotation would be disproportionate as it would make it significantly more difficult to fulfil the specific requirements for producing certified seeds, with an impact on the potential revenue related to such production.

#### **6.3 Environmental impacts**

Administrative measures such as improved monitoring, the uptake of geotagging and early warning, the better design of CAP interventions and improved access to advice (measures A.4, A.6, A.7 and A.8 in Annex 1) help farmers to adjust farm management practices in a timely manner where needed, thus ensuring that there are benefits for the environment and climate. This contributes not only to better environmental outcomes for mandatory practices but also makes it more likely that farmers make these voluntary commitments in the future. For this reason, the potential environmental impact of these measures is considered to be generally positive.

Assessing the impact of **lifting the conditionality controls and penalties** on **smaller farms** (measure B.2 in Annex 1) needs to be nuanced and cannot be properly assessed at this stage due to its novelty. First, these farms are not exempt from conditionality requirements under the CAP, nor under the relevant EU law in case of the SMRs<sup>62</sup>. Secondly, voluntary commitments have conditionality as a baseline and the practices to which farmers subscribe should go beyond the conditionality. Therefore, small farms participating in voluntary CAP interventions, for example eco-schemes, will inherently have to fulfil the related conditionality requirements, particularly GAEC standard(s) that are part of the baseline for these interventions. Thirdly, due to the relatively small agricultural surface managed by small farmers (accounting for around 9.6% of the EU's total agricultural area), any potential non-compliance should not significantly hamper the objectives of these GAEC standards. The impact differs between Member States because of the significant differences in the share of smaller farms.

Changes to the delegated legislation on the ratio of **permanent grassland** under **GAEC 1** (measure A.1 in Annex 1) are **not expected to affect its main objective** to be a 'general safeguard against conversion to other agricultural uses to preserve carbon stock' with only a modest impact on the entirety of the carbon stock. The flexibility granted to Member States **will not incentivise the conversion** of permanent grassland but will make it possible to take into account significant structural developments in a strictly defined way, and gives Member States the option to consider a more nuanced implementation of the requirement.

The modifications of the CSP Regulation provide that **exemptions** to GAEC 5 (tillage), GAEC 6 (soil cover), GAEC 7 (crop rotation/crop diversification) and GAEC 9 (environmentally sensitive permanent grasslands) (measure B.1 in Annex 1) shall be **targeted** in a way that ensures that the exemption will not significantly hamper the main objectives of these GAEC standards, and hence they should **not significantly affect the environmental impacts of the CAP plans**.

By making it possible to take greater account of the diverse and sometimes complex nature of farming and of factors affecting the impact of certain practices on the environment (e.g. the characteristics of specific types of production, farming systems, types of soil, crops and/or Member States' pedoclimatic conditions), these requirements can be designed to limit the potential environmental drawbacks of otherwise good practices. For instance, in the case of GAEC 6, the characteristics of heavy clay soil can be such that the benefits of ensuring a full minimum soil cover over winter need to be balanced against the risk of compaction posed by preparing the soil for sowing in early spring. Similarly, the use of mechanical weeding under organic farming may make it necessary to prepare the soil at an early stage. When considering such exemptions it is, however, important to also keep in mind the long-term impact of certain practices on the objectives of the GAEC standard and give value to the range of different farming practices that exist.

The main requirement for farmers set out across all CAP Plans under **GAEC 9** (environmentally sensitive permanent grasslands in Natura 2000 areas) entails a ban on the conversion and ploughing up of these grasslands. This is a continuation of the greening rules that applied during the pre-2023 CAP period. The amendments brought by the Commission's proposal of 15 March

<sup>&</sup>lt;sup>62</sup> These exemptions only concern controls and penalties of conditionality under the CAP and are without prejudice to any controls or penalties outside the system of conditionality. A limited number of obligations in the scope of conditionality rules are based on existing EU directives and regulations on climate and the environment, public and plant health, and animal welfare (the sectoral legislation). The requirements laid down in those EU legal

2024 to allow targeted **exemptions** ensure, in particular, that where the grass cover has been destroyed (e.g. due to damage made by wild animals or invasive species), the necessary tillage can be carried out **to restore the grassland**. This reflects both **agronomic and biodiversity considerations for the renewal and regeneration** of such grasslands, though the actual impact of this flexibility will depend on Member States' implementation choices. If applied properly this flexibility should not, in principle, **substantially affect** the contribution of this requirement to the **standard's biodiversity objective**.

The possibility to grant **temporary derogations** (measure B.1 in Annex 1) will enable Member States to address the consequences of increasingly unpredictable weather events, such as the drought episodes and rainfalls of autumn 2023. As this concerns situations where farmers are prevented from respecting GAEC requirements, such temporary derogations should have a **neutral effect on the environment.** In some cases, the derogations should also serve the purpose of **avoiding counterproductive consequences** for farmers aiming to satisfy GAEC requirements against what is agronomically practicable.

It follows that, **overall**, these amendments to the CAP framework (**targeted exemptions and temporary derogations**) are expected to have a **limited environmental impact**, **if applied properly**, since they are tools to address specific situations and problems without substantially changing basic practices.

As regards **GAEC** 6 (minimum soil cover, measure B.1 in Annex 1), while in many cases the main objective of this GAEC (the protection of soil against erosion) is further supported by voluntary commitments relating to e.g. green cover, catch crops and enhanced crop rotation or diversification, the overall impact will depend on the scope and uptake of these commitments.

Crop diversification, as an alternative to crop rotation under GAEC 7 (measure B.1 in Annex 1) provides farmers with an extra choice but maintains its role in helping to make farming systems more resilient. With crop rotation, farmers change the crops grown on each parcel from one or more year(s) to another. This limits the depletion of soil nutrients and the spread of pathogens. Despite the requirement to have at least two or three different crops on a farm in any given year, crop diversification might not guarantee a similar change in crops on land over time. While this might not bring the full environmental benefits of crop rotation, one of the purposes of crop diversification is to prevent a generalisation of monoculture which could be happening in some arable areas due to structural changes. It also indirectly encourages rotation, as once farmers are obliged to have different crops, it makes sense agronomically to alternate them in the fields in the following year.

The environmental impacts of the change to GAEC 7 will depend on **the level of diversity that will be required**, especially the number and type of crops (e.g. leguminous crops), the share of different crops as well as the crop definition for this purpose, and then the extent to which farmers will choose this option. Allowing a high proportion of the land to be allocated for the main crop in diversification may imply a **more static situation** with **fewer environmental benefits**. To prevent this, the Commission proposal incorporates minimum requirements identical to the ones set under the greening scheme in the pre-2023 CAP (based on the requirement to have three crops, with a maximum of 75% coverage for the main crop).

The greening scheme's experience of the crop diversification requirement showed that while it had a limited influence over the cropping patterns at macro level it increased diversification of certain farms. This is particularly true in areas with high levels of monocropping, by

replacing maize or other cereals with crops that provide better soil cover (which improves soil structure) like legumes or fallow land. This requirement also encouraged rotation<sup>63</sup>.

As the most **plausible** scenario, a **return to practice of diversification of crops** could occur in most Member States, but farmers will continue to have the choice to fulfil the GAEC standard through rotation. Also in this case, the contribution of the CAP Plans will heavily depend on their articulation with voluntary commitments that go beyond GAEC 7.

The fundamental change in the simplification package concerns GAEC 8 (measure B.1 in Annex 1). The core new and strengthened requirement, compared to the pre-2023 CAP, was the share of arable land to be devoted to non-productive areas and elements at farm level (4%, and in some cases 3%). The assessment of the environmental impact of removing this obligation is constrained in particular by the lack of experience of full implementation (see also the previous section). Its replacement with a compulsory eco-scheme to improve on-farm biodiversity through incentives can only be assessed when the design and the level of uptake by farmers of these new eco-schemes becomes known. Furthermore, many CAP Plans include voluntary interventions that build on the first requirement of GAEC 8, in term of quality and/or quantity, and those might also be revised. With the removal of the obligation, it is likely that the total size of non-productive areas and features on arable land will decrease due to economic pressures.

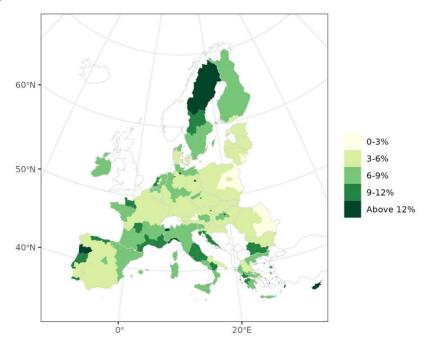
The best available **reference figures** to support an assessment come from the FADN records for fallow land (see also Section 6.2 above), the LUCAS (land use/land cover) survey for landscape features, and, as regards the areas covered by the first requirement of GAEC 8, from implementation of the obligation in the pre-2023 CAP to create Ecological Focus Areas (EFAs). However, productive areas such as catch crops, nitrogen-fixing crops and short-rotation coppices were also permitted under this EFA obligation.

At macro level (EU, Member States), the deletion of the first requirement of GAEC 8 on non-productive elements (areas and features) is not expected to entail an equivalent reduction in the arable land devoted to non-productive areas and features. GAEC 8 maintains a requirement to protect existing landscape features, and a certain level of fallow land will still be kept for agronomic purposes ('voluntary fallow').

Furthermore, the 2022 LUCAS survey determined that woody, grassy, wet and stony elements comprised an average of 4.9 % of EU arable land, ranging from 3% to 9% at the level of Member States. At the level of EU agricultural land this share is 5.6% (Figure 3). However, not all of these elements may have been within the scope of the GAEC 8 retention requirement and, therefore, were not declared under the EFA. The estimates based on the FADN data indicate that at least 1.2 million hectares under the CAP would remain fallow in the absence of the GAEC 8 requirement.

<sup>&</sup>lt;sup>63</sup> Commission Staff Working Document. Evaluation. Impact of the CAP on biodiversity, soil and water (natural resources), SWD/2021/0424 final.

Figure 3 Share of landscape features on agricultural land at NUTS 2 level (CAP impact indicator I.21)



Source: JRC, more at: https://publications.jrc.ec.europa.eu/repository/handle/JRC136069

There are certainly significant differences between farming systems and farm locations. There is an unequal distribution of fallow land and landscape features among farms. As a consequence, it is expected that the **impact of the removal** of the GAEC 8 first requirement **on biodiversity will be seen in regions with few landscape features** and **highly productive arable land**, which are then also less likely to commit to voluntary measures. The literature review has shown the **benefits** of a wide distribution of non-productive elements across holding parcels as regards ecosystem services. These benefits include: (i) the limiting of erosion thanks to the effect of hedgerows on improved soil quality; (ii) the effect of windbreaks on microclimates; (iii) a reduction in diffuse pollution by nitrates and phosphates; (iv) a reduced use of plant protection products; (v) increased pollination and (vi) greater control of crop pests. However, these benefits **may not materialise** for the farming systems characterised by few landscape features and highly productive arable land.

While GAEC 8 aims to improve biodiversity on farms, there are **other environmental effects** linked to non-productive areas given that, in general, they are free from fertilisers and plant protection products. Based on the estimates on the economic impacts calculated using the IFM-CAP model (Annex 4), the quantity of **nitrogen mineral-fertiliser** used in relation to the deletion of the GAEC 8 first requirement **could increase** by around 9.5 million tonnes (+2.1%) for the impacted farms. The **increase in annual greenhouse gas emissions** due to mineral fertilisation is estimated to be in the range of 900 kt CO<sub>2</sub> equivalent (+0.21%) for the impacted farms (compared to the situation with GAEC 8, first requirement). These figures do not represent actual increases in most Member States, as the GAEC 8 first requirement was not applied in many countries in 2023. So, these **figures rather represent the absence of a decrease that could have happened due to the GAEC 8 first requirement.** The figures cover the estimated use of mineral fertilisers on the 2.1 million hectares of arable land concerned. Other environmental impacts, in particular on biodiversity, could not be quantitatively assessed at the time of writing by using IFM-CAP.

#### 6.4 Social impacts

Farmer communities tend to perceive the control and penalty systems negatively, as being disproportionately focused on and penalising minor or incomprehensible non-compliances.

With better use of the tools that Member States have at their disposal during the 2023-2027 CAP and with adjustments brought by the simplification package, farmers' applications for CAP support can be completed more easily and then, if necessary, corrected in time so that eventual penalties may be avoided (measures A.6 and A.7 in Annex 1). There should also be fewer onsite checks and a more straightforward treatment of *force majeure* cases (measures A.3, A.5, A.6, B.2 and B.4 in Annex 1). These changes should not only simplify farmers' administrative tasks, but also **reduce stress factors**. Similarly, the increased flexibility and removal of certain restrictions on farm management (measure B.1 in Annex 1), should simplify their daily work and **reduce the incomprehension and frustration** linked to what farmers perceive as interference in farm management in opposition to the agronomic reality, and for which they see no direct economic benefits.

The advisory services have an essential role, particularly for small and medium-sized farms, when introducing new technologies and innovative solutions. Due to limited resources and technical knowledge, those farmers often have more difficulty in implementing modern agricultural practices and making their farms more competitive. Improving the availability of independent and targeted quality advice (measure A.8 in Annex 1) will have significant and positive effects on **the number of skilled people** employed and on **the management of farms**, considering their specific needs, including as regards more sustainable farming, thus promoting the CAP's **environmental and climate objectives**.

# 6.5 Impacts relating to the performance, monitoring and evaluation framework

The orientation on results as well as the increased flexibility in the new delivery model of the CAP, based on CAP plans, relies upon a robust performance, monitoring and evaluation framework (PMEF). The simplification changes made to existing legislation, and other accompanying actions, therefore also **require modifications of certain** elements of the PMEF set out in the CAP Plans: indicators, unit amounts, financial allocation and reporting.

When designing the PMEF, improved conditionality (including the first requirement of GAEC 8) has been treated as the baseline, i.e. the level of environmental improvements to be reached by all EU farmers receiving CAP support. Thus, area-based result indicators relate only to the voluntary commitments that go beyond these mandatory practices. Removing the GAEC 8 first requirement and replacing it with new **voluntary commitments** (measure B.1 in Annex 1) implies that the values that **result indicators** should reach for the share of areas under these commitments (such as R.31 Preserving habitats and species and R.34 Preserving landscape features) **would normally be higher** (since areas under the GAEC 8 first requirement were not considered in these indicators), though this does not necessarily lead to greater impacts.

Several interventions (mainly eco-schemes and agri-environment-climate commitments) that build on the GAEC 8 first requirement<sup>64</sup> are also impacted. When designing these interventions, Member States could not take into account the hectares needed to comply with the GAEC 8 first requirement. Following the removal of this requirement, Member States will have the **possibility to take these hectares into account** in the payments of the interventions

<sup>&</sup>lt;sup>64</sup> According to data extracted the 30 April 2024 from the <u>Catalogue of CAP interventions on the agri food data portal</u> 121 interventions across all 28 CSP.

to cover the related costs. This could lead to a higher uptake and, therefore, to higher outputs and higher values under the relevant result indicators.

Finally, to incorporate new eco-schemes in their CAP Plans or to increase the unit amounts of eco-schemes or other interventions, Member States will need to revise their CAP Plans, which may require them to reassess priorities and **reallocate the current financial allocations**, leading potentially to a reduction in the planned outputs for other interventions and in the relevant result indicators.

All these changes will require CAP Plan amendments before the start of the 2025 claim year.

#### **Monitoring**

The need to collect information on the temporary derogations from GAECs and the ecoschemes introduced in connection with deleting the GAEC 8 first requirement (measure B.1 in Annex 1) required **changes in the related secondary EU legislation**<sup>65</sup> as regards the **evaluation of the CAP Plans** and the provision of **information for monitoring and evaluation**. The amendment to this legislation was supported by a large majority of Member States<sup>66</sup> and the Commission adopted it on 18 July 2024<sup>67</sup>.

For the **eco-schemes**, two **additional variables** for the area of arable land supported (for non-productive areas and for the establishment of new landscape features) will **need to be reported by Member States**, as the current system provides only for reporting on the total area supported (including permanent grassland and permanent crops potentially eligible for the eco-scheme). The data collection is already in place, as Member States had implemented it to monitor the GAEC 8 first requirement. The changes are limited to ensure consistency with the basic CAP legislation and to follow the implementation of the simplification measures in 2024. In addition, due to the deletion of the first requirement of GAEC 8 **certain beneficiary variables will become redundant** and, therefore, will be deleted from claim year 2025 onwards.

In addition, the **application of the temporary derogations** from GAECs should be **reported by Member States**<sup>68</sup>. This is important for the Commission to be aware of the frequency or extent of these derogations, given their potential impact on the objectives of the CAP and to ensure the integrity of the policy. However, this does not entail an additional burden for farmers, as Member States will report the content, duration and scope of the derogations, and not which farmers applied the derogation and on how many hectares.

Changes to the other GAECs do not require any further modification of the EU implementing legislation for data on interventions and beneficiaries<sup>69</sup>.

#### **Evaluation**

The evaluation of the CAP is not influenced. While the adjustments in the implementation of the policy will be taken into account, including derogations and exemptions to certain GAECs, the overall content and approach will not be affected. The timing of the delivery of the evaluation reports, be it the interim evaluation or the ex-post evaluation<sup>70</sup> is not concerned by the proposed actions.

<sup>&</sup>lt;sup>65</sup> Commission Implementing Regulation (EU) 2022/1475

<sup>66</sup> https://ec.europa.eu/transparency/comitology-register/screen/documents/098645/1/consult?lang=en

<sup>&</sup>lt;sup>67</sup> Commission Implementing Regulation (EU) 2024/1962

<sup>&</sup>lt;sup>68</sup> See Explanatory Memorandum of the proposal of 15 March 2024: COM(2024) 139 final.

 $<sup>^{69}\,</sup>Annex~IV$  of Implementing Regulation (EU) 2022/1475.

<sup>&</sup>lt;sup>70</sup> The SCP Regulation, Article 141.

#### 7. CONCLUSIONS

The co-legislators modernised the CAP for the 2023-2027 period, to better address societal concerns about sustainable farming as well as to increase the efficiency of the policy through a new delivery model.

The policy's novel approach, with performance-oriented CAP Plans and the increased level of ambition, demanded **greater efforts** and resulted in **a steep learning curve** for both farmers and national administrations. This policy shift took place in the context of the Commission's ambitious Green Deal agenda and Green Deal legislative proposals, which will or may affect farmers both directly and through the requirements set out in the CAP Plans. Other significant factors were the considerable market disturbances due to the COVID-19 pandemic, and Russia's war of aggression against Ukraine, which led to a significant increase of farmers' costs and caused some farming families anxiety about their livelihoods. As the new policy was rolled out in 2023, these concerns found an outlet in the **farmers' wide-scale protests** of early 2024, highlighting their concerns about EU policies.

For this reason, the Commission decided to act immediately. In its brief consultation linked to this process, the Commission received over **three hundred different simplification suggestions** from EU farming organisations, Member States and the Committee on Agriculture and Rural Development of the European Parliament. They cover a broad range of policy, implementation, organisation, and economic issues, and demonstrate the need to clarify the existing rules.

The Commission carefully examined these suggestions, the provided explanations, and other feedback when proposing its simplification package of 22 February 2024, having weighed up the advantages and disadvantages of various options. The Commission maintained the overall orientation and ambition of the 2023-2027 CAP to steer the transition to sustainable and resilient farming, without generating unnecessary and disproportionate burdens on farmers and taking account of the sector's recent experience with implementing the CAP. This approach focused on solutions that immediately tackle farmers' concerns, that better equip national administrations to support and guide farmers in the necessary transition, and that help regain farmers' trust.

The resulting initiative consists of various EU legislative and non-legislative measures aiming to tackle these complex issues, and with only targeted changes to the policy framework to preserve its level of ambition but provide greater flexibility. The Commission also promotes better communication, peer exchange and guidance.

It is expected that the simplification package should help reduce paperwork, gain time, and increase flexibility in how farms are managed. This should lead to positive **effects not only on farmers' finances** but also on their **well-being** with **fewer stress factors** linked to the complexity of the rules, set against the day-to-day reality of farming. Better feedback on fulfilling the conditions for CAP support, and more workable monitoring and controls should further help in rebuilding trust and **acceptance** of the CAP requirements. Changes in the control approach alone are expected to bring at least EUR 164 million worth of savings linked to the reduced time and effort expended by farmers and national administrations. These resources could be dedicated, for example, to improving communication, knowledge and advice.

These changes also reflect the fact that the **cost of the transition is significant** and requires support. The economic impact of complying with the first requirement of GAEC 8 alone is estimated to be around EUR 930 million annually. The policy mix was thus rebalanced and

moved away from obligations towards incentives. This replacement of GAEC 8 first requirement with a voluntary eco-scheme aims to create areas for biodiversity in a way that takes account of farmers' concerns and compensates them for the efforts they make, mitigating the negative impact of ending the obligation. Providing advice, and a customised policy approach, remain of utmost importance. Making **requirements better adapted to specific sites** should improve farmers' understanding and **acceptance of the environmental objectives** of the policy and improve the environmental outcomes by avoiding counterproductive practices.

A variety of **suggestions** raised in consultation submissions can already be addressed under the **current CAP framework**. Member States play a key role in reducing administrative burdens and are encouraged to take advantage of the increased flexibility they now have. The Commission will continue to assist them and help them to learn from each other to build confidence and avoid situations where fear of the consequences of misapplying the rules lowers the ambition of their CAP Plans. This should also help them to better accommodate increasingly **unpredictable weather conditions** and capitalise on the benefits of **digital technology** for policy monitoring and improvement.

In the immediate term, certain reprioritisation and/or financial adjustments of their CAP Plans will be necessary to back up the flexibilities in the green architecture.

The Commission will work on completing the implementation of the simplification measures. Other actions to reduce the administrative burden are under way for 2024 and beyond and include reducing reporting obligations, while the outcomes of studies on the administrative burden and the new delivery model will help identify further actions to simplify policies for farmers. The parallel workstream to improve the position of farmers in the agri-food supply chain is also ongoing, to address the broader issues of farmers' remuneration.

Numerous **other suggestions** from the consultation were **not taken up**, so as not to change the fundamental elements of the 2023-2027 CAP. These ideas, as well as lessons learned from the implementation of the policy, will feed into the reflection on a wider policy review for the post-2027 period, as will the outcome of the Strategic Dialogue on the Future of EU farming.

## **ANNEXES**

Annex 1: Actions announced by the Commission on 22 February 2024 (the simplification package) and their delivery.

	Action	Delivery
A. Sh	ort term measures	
A.1	Revision of GAEC 1 rules on the permanent grassland ratio.	Amendment of the Commission Delegated Regulation (EU) 2022/126 adopted on 12 March 2024 (Commission Delegated Regulation (EU) 2024/1235)
A.2	Review of guidelines for GAEC 6.	Obsolete in light of the Commission proposal of 15 March 2024 to amend the CSP and the Horizontal Regulations. (measure B.1)
A.3	Revision of the EU methodology for the area monitoring system quality assessment.	Revised methodology published on 21 March 2024.
A.4	Clarify the possibilities of using geotagged photos under existing legislation and review the requirements linked to geo- tagged photos in the implementing regulation.	A clarification note was discussed with Member States on 15 May 2024. Presentation and discussion of the draft amendment of the implementing regulation in the Committee on CAP Strategic Plans on 5 June 2024. The opinion of the Committee was obtained on 11 July. The act was adopted on 4 September 2024 (Commission Implementing Regulation (EU), C(2024)6069 final)
A.5	Explanatory note on the use of the force majeure and exceptional circumstances clause.	Communication of 30 May 2024 from the Commission to the Council on force majeure and exceptional circumstances (COM(2024)225 final)
A.6	Rationalising controls, including the right of error.	Discussed with Member States in the expert group meeting on 26 April 2024.
A.7	Organise the exchange of best practices with Member States to simplify interventions and minimise the administrative burden of conditionality, eco-schemes and rural development interventions.	Exchange of best practices in the Thematic Group on Green Strategies organised by the CAP Network on 11 April and 4 June 2024.

	Action	Delivery
A.8	Encourage Member States to reinforce the role of, and budgetary support for, advisory services to assist farmers in complying with obligations and accessing CAP support.	Note sent to Member States on 12 April 2024.
A.9	Improve CAP Plans amendment procedure.	Note to Member State experts presented in the Expert Group on the CAP Strategic Plans on 9 April 2024.
A.10	Encourage stakeholders to submit views on the administrative burden of the Nitrates Directive, in consultation, for the purposes of the evaluation of the directive.	Public consultation closed on 8 March 2024 <sup>71</sup> .
B. Mi	id-term/long term measures	
B.1	Review of GAEC 8 and possible extension of the review to other GAECs, notably GAEC 6 and 7, for 2025-2027.	Addressed via the Commission proposal of 15 March 2024 to amend the CSP and the Horizontal Regulations. Adopted by the co-legislators and published on 24 May 2024. It entered into force on 25 May 2024 (Regulation (EU) 2024/1468, the Simplification Regulation).
B.2	Exemption of small farms (under 10 ha) from conditionality controls.	As above.
В.3	Exemption for organic farmers from GAEC 7 and GAEC 8 requirements.	Obsolete with the deletion of the first requirement of GAEC 8 (measure B1). Organic farmers are already deemed to be compliant with GAEC 7.
B.4	Exemption of farmers subject to conditionality from cross-compliance controls.	Addressed via the Commission proposal of 15 March 2024 to amend the CSP and the Horizontal Regulations. Adopted by the co-legislators and published on 24 May 2024. It entered into force on 25 May 2024 (Regulation (EU) 2024/1468, the Simplification Regulation).
B.5	Review the number of possible amendments of the CAP Plans.	As above.
B.6	Exchange of best practice to better coordinate the control systems of climate, environmental and animal welfare legislation with CAP	A first discussion with Member States took place in the expert group meeting on 26 April 2024.

<sup>71</sup> https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/14051/public-consultation\_en

Action		Delivery
	conditionality controls, including	
	through meetings of expert groups.	
B.7	Use remote sensing services as provided for in the proposed Soil Monitoring Law and proposed Forest Monitoring Law for assessing soil health and for forest monitoring.	After adoption of the legal texts.
B.8	Exempt plant protection products containing only biological active substances from record keeping obligations.	Consideration of a proposal to amend Article 67(1) of Regulation (EC) No 1107/2009.
B.9	Eliminate the requirement that farmers must submit individual applications for aerial spraying of plant protection products once relevant conditions are met.	Consideration of a proposal to amend Article 9(4) of Directive 2009/128/EC.
B.10	Eliminate the requirement for farmers to keep records of treatment of animals with medicinal products under Directive 98/58/EC.	Consideration of a proposal to amend Directive 98/58/EC.
C. Ev	idence gathering	
		Survey addressed to farmers launched on 7 March and closed on 8 April 2024.
C.1	Study on simplification and the administrative burden on farmers under the CAP.	First results published on Europa on 12 April 2024 (with update of 7 October 2024).
	under the CAL.	In-depth follow-up interviews with selected respondents in spring 2024.
		Study to be completed by beginning 2025.
C.2	Study on the administrative burden and the new delivery model of the CAP.	Study launched and to be concluded in Q4 2025.

## Annex 2. Overview of the simplification suggestions received

This is not a legally binding document. It was prepared by the departments of the Commission and does not commit the European Commission. The explanations, which are part of the assessments of the simplification suggestions submitted by Member States and stakeholders in respect of certain EU legal acts are provided for information purposes only. In the event of a dispute involving EU law, under the Treaty on the Functioning of the European Union, it is ultimately for the Court of Justice of the European Union to provide a definitive interpretation of the applicable EU law.

## I. CAP STRATEGIC PLANS – MINIMUM REQUIREMENTS, FINANCING, MANAGEMENT, PERFORMANCE

	Suggestions	Proponents	Assessment
	Definitions	and minimum r	requirements
1	<b>Permanent grassland:</b> greater flexibility for Member States to define the onset of permanent grassland/pasture including reference dates. No mapping of ineligible features on grasslands (e.g. bushes). All species typically found on grasslands belong to permanent grassland.	DE	The definition of permanent grasslands, including reference dates, is already very flexible as Member States set the definition of permanent grasslands in their CAP Plans within a framework definition laid down in the CSP Regulation. It is for Member States to define the plant species to better reflect local specificities, including bushes when they are not predominant and do not significantly hamper the performance of the agricultural activity (in accordance with <i>Article 4(4)(b)</i> of the CSP Regulation). The mapping is necessary to ensure that ineligible features are not predominant.
2	<b>Permanent grassland:</b> call to introduce a buffer tolerance for small patches of permanent grassland that lie within arable land. They should be classified with the same crop as the surrounding arable land.	DK, FI	It is already possible to address this issue within the current EU CAP framework. Small areas inside arable land may be classified as 'other landscape feature' in accordance with $Article\ 4(4)(b)$ of the CSP Regulation.

	Suggestions	Proponents	Assessment
3	<b>Eligible hectare:</b> call to reduce the complexity of the eligible hectare definition for areas covered by non-productive areas and landscape features by allowing them to predominate in the area for biodiversity purposes. <i>Article 4(4)(b)</i> of the CSP Regulation.	DK	For permanent grassland, the CSP Regulation makes it possible to apply fixed reduction coefficients to determine the area considered eligible, even if the ineligible features are predominant. Lessons learned from the current period will feed into the reflection on the post-2027 CAP.
4	<b>Livestock farming:</b> particular attention must be given to pastoral livestock farming, which must benefit from more flexibility on the eligibility of pastoral areas, in particular authorising those with woody resources.	ECVC	Member States have substantially more flexibility in determining eligibility rules for direct payments, including for woody pastures, compared to rules before the 2021 CAP reform. Lessons learnt from the current period will feed into the reflection on the post-2027 CAP.
5	<b>Active farmer:</b> remove active farmer criteria and replace them with criteria for minimum area/number of animals. <i>Article 4(5)</i> of the CSP Regulation.	DK	This issue can be addressed within the current EU CAP framework. The active farmer definition is one of the tools for targeting CAP support. The current framework definition of 'active farmer' laid down in <i>Article 4(5)</i> of the CSP Regulation is already flexible enough to accommodate diverse national implementation needs.
6	<b>Non-productive areas:</b> allow the presence of sheep and goats (and grazing by them) on non-productive areas required / financed under the CAP (conditionality, eco-schemes, AECC).	DE	This suggestion seems partly linked to the 'non-productive areas' under the first requirement of GAEC 8, which has been deleted by the Simplification Regulation. As regards interventions, Member States define the eligibility conditions and commitments, including elements related to maintenance of areas. With regard to the concept of 'non-productive areas' under GAEC 8, first requirement, the Commission has already clarified that, if compatible with the main objective of that GAEC, certain non-productive grazing practices (e.g. taking place outside the flowering season) could take place on such areas.

	Suggestions	Proponents	Assessment
7	<b>Non-productive areas:</b> possibility to use non-productive parcels no matter whether under GAEC 8 standard, eco-schemes or agri-environmental measures in extraordinarily dry or extraordinarily wet (with flooded areas) years for grazing or feed use.	DE	The Simplification Regulation deleted from GAEC standard 8 the requirement to maintain non-productive areas and features on arable land. In addition, under <i>Article 13(2a)</i> of the amended CSP Regulation Member States may also grant new temporary derogations from GAEC standards. Blanket exemptions for non-productive areas under eco-schemes and agrienvironment-climate commitments would hamper the achievement of the specific objectives of the CAP.
8	<b>Young farmers:</b> exclude the 'appropriate training or skills' requirement under the qualification as a 'young farmer'. Article $4(6)(c)$ of the CSP Regulation.	LT	The current EU CAP framework is flexible and can accommodate diverse national needs. It is up to the Member States to determine <i>'the appropriate training or skills'</i> that are required.
9	<ul> <li>Changes in and by national administrations:</li> <li>Ensure effective transfer of information within the national administration and/or control bodies. A document given to one administrative service by the farmer should no longer have to be given to another service;</li> <li>Improve the accessibility of letters sent to farmers. Their opaque nature generates questions and stress on the ground;</li> <li>Allow farmers to operate directly on their farm file in all European countries without the need for intermediaries;</li> <li>Process appeals within a reasonable time frame. Set a maximum deadline for administrations;</li> <li>Do not rely on the hyper technologisation of processing everything administrative. In addition, the use of data, if it is not truly protected, is a threat;</li> <li>Ensure the presence of real people, informed public administration personnel, to help with procedures;</li> <li>Limit the number of inspections on farms and their duration;</li> </ul>	ECVC	The requested simplification and other actions largely fall within the scope of Member States' responsibilities and thus beyond the remit of the Commission's role in the shared management of the CAP.

	Suggestions	Proponents	Assessment
		_	
	<ul> <li>Review the checklist of controls as it is too broad - in certain cases;</li> <li>Guarantee real simplification of permit applications (rapid processing without administrative complexity).</li> </ul>		
	CAP Strategic Plan (CSP) management		
10	Level of detail: less detailed CAP Plan with a more strategic approach. Detailed descriptions of requirements should be left to national authorities. Simplify obligations in terms of monitoring, reporting and other tasks.	CZ, EE, EL, HU, LV, MT, SE, SI, DK, CY ECVC, CEJA	The design of CAP Plans, including choices that affect their complexity, as well as implementation are the responsibility of Member States. Member States are encouraged to simplify the description of the interventions in their future amendments of the CAP Plans. The Commission services are committed to continue implementing a 'need to know' approach, by targeting their request on issues relevant for the assessment and approval of the amendments, working with Member States and substantially reducing the level of detail demanded in the CAP Plan approval process, while ensuring a level playing field between Member States and a continued focus on the CAP Plans' objectives and on performance. An open, constructive, and transparent dialogue between the Commission services and national authorities, based on advanced and complete proposals, helps speed up the approval process. Lessons learned from the current period will feed into the reflection on the post-2027 CAP.
11	Amendments: simplify the CAP Plan amendment procedure. Speed up the negotiation of the CAP Plan amendments and amendment procedures.	All Member States (except DE and ES) COPA- COGECA, CEJA, COM AGRI	This suggestion is covered by the Simplification Package. A review of the CAP Plan approval process is ongoing in the remit of the discussion between the Member States and the Commission in the relevant expert groups.

	Suggestions	Proponents	Assessment
12	Amendments: CAP Plan amendment frequency should be increased.	EL, LT, LV, PL, RO	The suggestion is covered by the simplification package. The Commission proposed to increase the maximum number of requests for amendment of CAP Plans which a Member State may submit per calendar year. Following the amendment of <i>Article 119(7)</i> of the CSP Regulation by the Simplification Regulation, Member States are now allowed to send two requests per calendar year.
13	Amendments: apply the notification procedure in <i>Article</i> 119(9) of the CSP Regulation for modifications of CAP Plan interventions financed by the European Agricultural Fund for Rural Development (EAFRD) also to those financed by the European Agricultural Guarantee Fund (EAGF). Harmonise the provisions regarding the entry into force of the amendment proposals for Pillar I interventions (EAGF) with the current provisions for Pillar II (EAFRD).	BG, CZ, EE, EL, FR, HR, PL, SI, SK, IE, BE	Lessons learned from the current period will feed into the reflection on the post-2027 CAP, taking into consideration the annual nature of the EAGF and the difficulties farmers may face in adapting to changes that would take effect during the claim year.
14	Amendments: allow retroactive application of amendments or the ability to apply modifications retroactively in certain cases without, however, going back before January 1 of the year in which the modification is introduced (to avoid generating legal uncertainty and regulatory instability).	BG, EL, HR, HU, MT, FR	The suggestion was not taken up because it does not take into account the differences between the EAGF, which covers annual interventions, and the EAFRD, which is mainly multiannual. The annual nature of the EAGF cannot be reconciled with retroactive changes for previous financial years. Besides, any retroactive changes to requirements which would be mandatory for farmers risk affecting legal certainty and the legitimate expectations of farmers, and may also entail a risk of discrimination. EU legislation, as well as its implementation, needs to respect these general principles of EU law, as laid down in <i>Article 9</i> of the CSP Regulation, and also reflected in <i>Article 119(8)</i> , third subparagraph, of that Regulation, for EAGF-related amendments of CAP Plans.
15	<b>Amendments:</b> validity of CSP amendments as of the date of submission. Harmonisation of provisions regarding the entry into force of the amendment proposals for EAGF interventions	EL	The suggestion was not taken up considering that this would require a review of the approval process of the CAP Plans, contradicts the strategic approach of the CAP Plans, and could not be reconciled with the annual

	Suggestions	Proponents	Assessment
	with the current provisions for EAFRD interventions. The validity of the amendments from the date of their official submission to the EU services to be applied for Pillar I as well, especially for the sectoral interventions.		nature of the EAGF. This proposal also entails risks from the perspective of legal certainty and legitimate expectations of the farmers that would be affected by such changes, in particular as regards the mandatory requirements that they need to meet.
16	<b>Approval:</b> flexibility in the approval of the CAP Plans in cases where similar solutions have already been accepted by the Commission.	PL	When assessing the proposed CAP Plans as well as their amendments, the Commission considers the entire intervention strategy to address the specific needs defined by the Member State under each specific objective, as well as, among other things, complementarity and consistency of the various elements in the CAP Plan (see <i>Article 118(2)</i> of the CSP Regulation). It would therefore not be possible for the Commission to approve an amendment to a CAP Plan merely on the grounds that another Member State has already introduced a similar amendment.
17	<b>Timing of implementation:</b> new standards should be communicated at least one year before their implementation (transition period) and under no circumstances should they be voted on and communicated urgently.	ECVC, CEJA	Article 119(8), third subparagraph of the CSP Regulation already provides safeguards as regards entry in effect of CAP Plan amendments, as it requires Member States proposing a date of effect for EAGF-related amendments (including for conditionality) to consider the need for farmers to have sufficient time to take the amendment into account. It is for Member States to decide when to submit a request for amendment of the CAP Plan. Such requests for amendment should therefore be timed in a way that allows farmers to be informed well in advance and to have sufficient time to take the amendment into account.
18	Involvement of national agencies in the policy evaluation: paying agencies and other authorities implementing the CAP should be systematically involved in the evaluation of the policy and the preparation of new reforms, particularly when it comes to the new governance logic. When reflecting on the CAP post 2027, it is crucial to objectively assess how national strategic	СЕЈА	The Commission is regularly in contact with paying agencies and national authorities. Governance and implementation are important aspects of the Commission's evaluations and impact assessments before adopting policy proposals. Member State authorities have an important responsibility to ensure policies are implemented in simple and efficient ways.

	Suggestions	Proponents	Assessment
	plans have weighed on those agencies and whether their capacity could be improved in the future.		
19	Establish better priorities and communication around agricultural policies: when formulating priorities and policies, it is essential to highlight that farmers, in their business decisions, will need to make choices, implementing progressive change rather than a radical one. Changing narratives around agricultural policies will be a key success factor, not only for the CAP but also for every farm around the EU.	СЕЈА	The Commission aims to communicate clearly about the CAP as well as other EU policies affecting farmers. Moreover, the EU co-finances projects to inform the public about the CAP.
		Unit amounts	
20	<b>Unit amount:</b> unit amount for projects and flat rate/area-based interventions considered burdensome.	CZ	These suggestions were not taken up. Unit amounts are an element in the management and monitoring of CAP implementation under the CSP
21	<b>Unit amount:</b> request to abolish the unit amount approach (and focus instead on outcome and result indicators).	LV	Regulation. Feasibility and impact of changes pertinent to this approach are under consideration (see also suggestion 120). Lessons learned from the first year(s) of implementation will be considered.
22	Unit amount: enable amendment of unit amounts for direct payments during the year.	BG, CZ, EE	The suggestion was not taken up, as it would create uncertainty for farmers and impact their legitimate expectations. Some degree of flexibility is available within the current EU legal framework, e.g. as laid down in <i>Article 102</i> of the CSP Regulation. Lessons learned from the first year(s) of implementation will be considered.
	Budget and financial management		
23	Advance payments: increase the level of advances and/or technical changes in relation to advances, such as introducing advances without a bank guarantee.	CZ, FR, FI, HR	These suggestions were not taken up. With the adoption of the CSP and the Horizontal Regulations, possibilities for advances were already expanded. In addition, bank guarantees secure the EU's financial interests.

	Suggestions	Proponents	Assessment
24	Advance payments: simplification of advance payments to help farmers with liquidity problems. Member States should be given more room for manoeuvre to pay advances, with possible overpayments taken care of by means of a recovery process.	FI COPA- COGECA	Member States are allowed to pay advances before checks are finalised, subject to the rules laid down in the Horizontal Regulation, but they should have a functioning mechanism to recover undue payments.
25	<b>EAGF:</b> simplify financial management of direct payment intervention	CZ	Lessons learned with regard to financial management will feed into the reflection on the post-2027 CAP.
26	<b>EAGF:</b> reduce the obligation of annual financial planning, or switch to multiannual financial management for the EAGF.	CZ, NL, LU	Lessons learned with regard to financial management will feed into the reflection on the post-2027 CAP.
27	<b>Transfers:</b> more flexibility for transfers between pillars ( <i>Article</i> 103(5) of the CSP Regulation).	PT, RO, BE	The suggestion was not taken up. To ensure the stability of programming, the co-legislators decided to limit the possibility to modify transfers of allocations between funds to once during the five-year period of the CAP Plans.
28	<b>Transfers:</b> flexibility for transfers between direct payment allocations and EAFRD allocations – allow review of CAP Plans already in 2024 (instead of 2025) ( <i>Article 103(5)</i> of the CSP Regulation).	PL	The suggestion was not taken up, as enabling review of the transfers in 2024 would result in uncertainty for beneficiaries, considering that implementation of CAP Plans for 2024 is ongoing.
29	<b>Transfers:</b> flexibility in reallocation of unused funds/direct payments e.g., between interventions and/or making them multiannual.	EL, SK, BE	The suggestion was not taken up. The limitations on reallocation are linked to the annual budgetary nature of EAGF appropriations, and this cannot be changed under this MFF.
30	<b>Transfers:</b> flexibility in reallocation of unused funds under 2014-2022 Rural Development Programme beyond 2025 (to CAP Plans or a national fund).	DK	The suggestion was not taken up. Member States are encouraged to implement and complete their 2014-2022 rural development programmes. Reallocation of unused funds beyond 2025 is not possible from a budgetary perspective.
31	<b>Undue/excessive payments:</b> reintroduction of provisions on unduly or excessively granted payments - up to EUR 100.	PL	This suggestion was not taken up. This reflection can take place in the post-2027 CAP discussion.

	Suggestions	Proponents	Assessment
32	<b>EAFRD:</b> abolish the requirement to set annual funding for each rural development intervention. Delete the detailed financial tables in descriptions of interventions.	LV	Lessons learned with regard to financial management will feed into the reflection on the post-2027 CAP.
33	<b>EAFRD:</b> change of the automatic decommitment rule from N+2 to N+3 with regard to EAFRD as applicable to other investment and structural funds ( <i>Article 34(1)</i> of the Horizontal Regulation).		The N+2 decommitment rule for the new CAP was decided in the context of the political agreement for the current MFF in 2020, and it was later enshrined in the CAP Horizontal Regulation by the co-legislators in 2021. The rule ensures a timely implementation of the CAP Plans, to the benefit of the CAP beneficiaries. It also facilitates a steady delivery on the targets and objectives of the Plans. Any delay should be avoided as it puts at risk the performance of the CAP Plans.
34	<b>EAGF/EAFRD:</b> request to place EAFRD and EAGF under the Common Provision Regulation (Regulation (EU) 2021/1060) to make it easier for Member States to adopt similar systems across different shared management funds at national level.	MT	The suggestion was not taken up. With the adoption of the CSP Regulation, the co-legislators decided to take the EAFRD out of the Common Provision Regulation to improve synergies between the EAGF and the EAFRD.
35	<b>Simplified Cost Options (SCO):</b> introduction of a system that enables a Member State to ask for <i>ex ante</i> legal assurance on the different forms of financing applied e.g. simplified cost options.	MT	The suggestion was not taken up. The legal assurance comes from the choice of SCO and is not approved <i>ex ante</i> by the Commission.
	IACS - Integrated	d administration	and control system
36	IACS should be optional. Control should only be within national competence.	NL	The suggestion was not taken up. Despite all the flexibility granted to Member States under the new delivery model of the CAP, there remains a need for assurance and protection of the EU's financial interests. Also, this would distort the level playing field between Member States under the EU CAP framework.
37	IACS should be simplified.	SE	Lessons learned from the current period will feed into the reflection on the post-2027 CAP.

	Suggestions	Proponents	Assessment
	IACS – id	lentification of b	eneficiaries
38	<b>Information on beneficiaries:</b> allow Member States to decide whether to request information from farmers or obtain this from another authentic source ( <i>Article 44</i> of Commission Implementing Regulation (EU) 128/2022).	BE	Addressing this issue is already possible within the current CAP framework.
	IACS – ide	entification of pa	rcels (LPIS)
39	Land parcel identification system (LPIS) update: in the northern conditions (late spring, snow cover), the digitised information from the update of the LPIS should be used in the aid applications only for the following year ( <i>Article 2(5)</i> of Commission Delegated Regulation (EU) 2022/1172).	FI	The suggestion was not taken up. The LPIS should be updated within 3 years. Any known need for update triggered by the AMS, geo-spatial aid application or other reliable information should be taken into account to give the correct and latest information to the farmers for their declarations.
	Aid applicatio	ons – submission	and withdrawal
40	<b>Automatic enrolment:</b> a possibility to provide for automatic enrolment in schemes (e.g. ANC) unless farmers choose to withdraw and notify their withdrawal.	IE	This is already possible under the current EU CAP framework. It is for Member States to design and implement the application system for CAP aid, including these elements.
41	<b>Single aid application:</b> establish a single aid application period for all interventions.	COPA- COGECA	The obligatory single application was abolished by the co-legislators. However, Member States may choose to apply a single application if they wish and decide the application period in line with the Horizontal Regulation and Commission Implementing Regulation (EU) 2022/1173.
42	<b>Modification:</b> farmers should be allowed more flexibility to modify their payment applications after the deadline so that they can better respond to the changing situation in agriculture.	PL	This is already catered for, as Member States have flexibility in designing their control and penalty system. This is one of the key advantages in applying the AMS. However, a deadline for aid application amendments

	Suggestions	Proponents	Assessment
			is necessary to ensure a proper administration of interventions, and it was set as late as possible, just 15 days before the first payment.
43	<b>Modification/withdrawal:</b> allow farmers to change or withdraw their aid application after detection of any errors to avoid sanctions and/or when detection of non-compliance has happened, also by means other than the AMS ( <i>Article 7</i> of	BG, HU, RO, SK	The suggestion was not taken up. The right to amend the application is linked to the use of the AMS as only the monitoring approach allows for such a preventive approach. This is to ensure the legality and regularity of payments. When all beneficiaries for a given intervention are not covered by administrative checks and/or by the use of the AMS, the deterrent effect of sanctions is still necessary.
	Commission Implementing Regulation (EU) 2022/1173).		Designing the control and penalty system is up to Member States, however, the penalty should be independent from how a Member State decides to control an eligibility condition.
44	<b>Payments:</b> allow payments to be made to farmers selected for inspections (with a fixed amount withheld for possible penalties).	IE	The EU CAP framework allows Member States to introduce this possibility as they have flexibility in designing the control and penalty system.
45	<b>Payments:</b> the Commission to issue a guidance note regarding farmers selected for inspection. This is to clarify that Member States are allowed to pay farmers the majority of their payment while holding back a fixed amount to cover possible penalties.	IE	The Horizontal Regulation does not empower the Commission to issue such guidance. It is for Member States to design and implement these elements.
	IACS – Arc	ea Monitoring Sy	ystem (AMS)
46	<b>AMS flexibility:</b> simplify, clarify, and make more flexible the implementation of the AMS and/or leave the extent of its application to Member States' discretion.	EE, MT, PL, BE, CZ	The current EU CAP framework already provides flexibility for Member States to choose their own solutions. In addition, in the simplification package the Commission proposed to make the use of geotagged photos under the AMS voluntary.
47	<b>Exploit agri-dataspaces:</b> when designing measures, the possibilities of future agri-dataspaces should be explored and exploited in the management of measures (reduced	BE	The Commission is closely following the development of the Common European agricultural data space (CEADS) as well as related initiatives that promote a more efficient re-use of data. CEADS should consider the

	Suggestions	Proponents	Assessment
	administrative burden for farmers and less calendar farming). It should be possible to align the grant conditions with an AMS-based approach (more generic conditions).		needs of both farmers and public administrations. In this set-up period of the CEADS, support from Member States to ensure delivery of data for public use would be greatly appreciated.
			Lessons learned from the current period will feed into the reflection on the post-2027 CAP and on the potential role of data from the CEADS to improve the design of measures while reducing reporting needs.
48	Control burden under the AMS, quality assessment should be reduced.	CY, LU	Within the simplification package the Commission revised the EU-level methodology for IACS quality assessment. This included changes to the AMS quality assessment sampling approach, allowing the reduction of the control burden under the AMS quality assessment.
49	Flexibility in controls: Member States should have greater leeway in choosing control methods	BE, FI, SE	It is already possible to address this issue within the current EU CAP framework. Member States fix their own control systems, except for controls related to conditionality.
50	<b>Timing of AMS:</b> postpone introduction of full AMS from 2024 to 1 January 2025 ( <i>Article 70(1)</i> of the Horizontal Regulation).	RO, HU, BG, SK, HR, BE	The suggestion was not taken up. The AMS should have been fully operational by 1 January 2024.
51	Satellite imagery: request to the Commission to provide high resolution satellite images for effective monitoring/implementation, to avoid the need for on-the-spot checks	HU, EL, FR, MT, BE	The Commission provides Member States with very high resolution (VHR) imagery for the IACS quality assessments, and it is for the Member States to decide how to use them in an efficient way, including for their control system, to reduce the number of on-the-spot-checks.  The Commission has no budget to buy VHR imagery for ordinary control purposes. It is for Member States to design interventions which can be easily and cost-efficiently controlled.

	Suggestions	Proponents	Assessment
52	Scope of the AMS: leave it to Member States' discretion which interventions and/or eligibility requirements fall under the AMS (monitoring, quality assessment and reporting). ( <i>Article 10</i> of Commission Implementing Regulation (EU) 2022/1173)	DE, PL	This is already the case as Member States categorise eligibility conditions as monitorable and non-monitorable and also design the interventions. Within the simplification package, the Commission proposed to make the use of geotagged photos under the AMS voluntary.
53	<b>Risk sample.</b> request to exclude the risk sample from the AMS system ( <i>Article 60</i> of the Horizontal Regulation).	CZ	The EU CAP framework leaves it to Member States to design their control system. The risk-based sample applies only to the classic control systems under <i>Article 72</i> of the Horizontal Regulation. There is no risk-based sample under the AMS provisions.
54	<b>Scope of the AMS:</b> delete the obligation that at least 70% of interventions with eligibility criteria that can be monitored only with geotagged photos will be subject to the area monitoring system before 1 January 2027. Geotagged photos should be optional. AMS verification should only cover satellite verification and related requests to farmers for additional information ( <i>Article 10 (3) and (4)</i> of Commission Implementing Regulation (EU) 2022/1173)	AT, BE, DE, ES, FI	The suggestion was addressed by the simplification package by making use of geotagged photos under the AMS voluntary (Commission Implementing Regulation (EU), C(2024) 6069 final). Moreover, the Commission has engaged to alleviate the administrative burden linked to geotagging while maintaining the benefits of this technology to reduce onthe-spot checks and ensure controllability of CAP spending. Geotagged pictures are also a means to detect possible issues at an early stage, giving the applicant the possibility to rectify them to avoiding penalties.
55	<b>Geotagging:</b> longer phasing in of the compulsory use of geotagged photos (such as from 2026 in place of 2025) ( <i>Article 10(3)</i> of Commission Implementing Regulation (EU) 2022/1173).	BG, HR, HU, SE	The suggestion was not taken up. Within the simplification package, the Commission decided to make the use of geotagged photos under the AMS voluntary (see above). Therefore, there is no need for a longer phasing in.
56	Geotagging: eligibility conditions that can be controlled by geotagged photos should not be considered as monitorable conditions. These conditions should be subject to a control sample.	DK	Within the simplification package, the Commission decided to make the use of geotagged photos under the AMS voluntary (see above). As such, in the scope of the AMS it is for Member States to decide if eligibility conditions monitorable by geotagged photos are classified as monitorable or not. However, considering an eligibility condition as monitorable is to

	Suggestions	Proponents	Assessment
57	Use of geotagged images for controls: the burden of proof lies on the applicant. Member States should have more flexibility to select an appropriate control method in cases where the AMS cannot be used. The use of geo-referenced images should be introduced only in cases where they bring clear benefits to the applicant.	COPA- COGECA	the advantage of the farmer due to its preventive approach, in contrast to the classic ex post (sample based) control approach.  The Commission has engaged to alleviate the administrative burden linked to geotagged photos, while maintaining the benefits of this technology to reduce the burden of on-the-spot controls on farmers and ensure controllability of the CAP spending.  Member States may choose to combine data from satellite images and data from geotagged photos. Member States can also choose to perform a cascaded analysis of satellite images and geotagged photos to reduce the number of non-conclusive monitored cases. It is up to Member States to decide if an eligibility condition is monitorable only via geotagged photos.
	Quality ass	essment of IACS	components
58	<b>Abandon the quality assessment</b> (as an alternative to changing it) ( <i>Articles 68, 69 and 70</i> of the Horizontal Regulation, <i>Articles 3, 4 and 5</i> of Commission Delegated Regulation (EU) 2022/1172).	DE, BE	The suggestion was not taken up. Quality assessment ensures information about the reliance of the system and the correctness of the data provided for indicators linked to area-based interventions. It also aims to be an incentive to improve Member States' IACS systems and continue digitalisation.
59	<b>Scope:</b> modify the IACS quality assessment rules to remove obligatory inclusion of all GSA parcels ( <i>Articles 3, 4 and 5</i> of Commission Implementing Regulation (EU) 2022/1172).	BG	The suggestion was not taken up. Fair treatment of farmers, impartiality and reliability of the quality assessment requires the sampling of the whole population.
60	<b>Scope:</b> IACS quality assessment – samples only at intervention level.	DE	The suggestion was not taken up. Fair treatment of farmers, impartiality and reliability of the quality assessment requires the sampling at level of Unit Amounts or Group of Unit Amounts with similar eligibility conditions to the whole population. IACS quality assessments ensure information about the correctness of the data provided for indicators,

	Suggestions	Proponents	Assessment
			which are reported at the level of Unit Amount, and not at the intervention level.
61	<b>Scope:</b> IACS quality assessment should be limited to the effectiveness of this system – exclude information related to indicators ( <i>Article 5(1), (2) and (5)</i> of Commission Delegated Regulation (EU) 2022/1172).	DE	The suggestion was not taken up. Within the simplification package, the Commission revised the EU-level methodology, in which the AMS methodology was included, allowing reduction of the control burden under the AMS quality assessment.
62	<b>Scope:</b> geospatial application quality assessment - area measurement should only be done on parcels covered by VHR imagery provided by the EU/Commission.	DE	The quality assessment methodology already considers the location of the satellite imagery and focuses on these parcels. It is noted that not all Member States request VHR imagery.
63	<b>Scope:</b> call to limit the AMS quality assessment only to monitorable requirements. Non-monitorable and administrative checks should be left outside the scope of AMS quality assessment( <i>Article 5(5)</i> of Commission Delegated Regulation (EU)2022/1772).	ES	The suggestion was not taken up. The sample should be drawn from the whole population. Such a change would heavily impact the reliability of the quality assessment and would also limit to farmers the profits of the preventive approach embedded in the AMS. The latest revision of the EU-level methodology for the IACS quality assessments already takes into account eligibility conditions that can be verified via administrative checks, excluding them from the quality assessment exercise.
64	<b>Scope:</b> the AMS quality assessment should be implemented in such a way that it only assesses the system and its functionality and does not function as a parallel control system, as is currently the case.	FI COPA- COGECA	The correctness of data provided for indicators is fundamental to the performance-based approach of the new delivery model. Hence there is a need for its assessment. Following its commitments within the simplification package, the Commission revised the AMS methodology, allowing a reduction of the control burden under the AMS quality assessment. The Commission encourages Member States not to run two parallel systems but to use the AMS and its preventive character as much as possible. However, this depends on how Member States have designed their intervention and their control system.

Suggestions	Proponents	Assessment
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	Controls and penalties			
65	<b>Simplification:</b> optimise control and monitoring procedures to reduce the burden on farmers, and to make them more proportionate.	CZ, FR, BE, COPA- COGECA	Actions taken within the simplification package will help reduce the control burden. Member States already have leeway to optimise controls and monitoring.	
66	<b>Simplification:</b> request to simplify the sanctions/penalty system (esp. for those that are 100% monitorable).	CY	The design of controls and the penalty system is up to Member States.  Monitorable interventions should prevent later penalties.	
67	<b>Flexibility:</b> greater leeway for Member States in setting controls and penalties (including for conditionality). Greater focus on risk-based controls ( <i>Articles 83 to 89</i> of the Horizontal Regulation).	SE, COM AGRI	Under the new delivery model of the CAP, Member States are authorised to fix their own control systems, except for controls related to conditionality. Member States must establish the control sample for the on-the-spot checks to be carried out each year based on a risk analysis.	
68	<b>Right of error:</b> extend the 'right of error' approach to animal-based interventions ( <i>Article 7(2)</i> of Commission Implementing Regulation (EU) 2022/1173).	SE	Addressing this issue is already possible within the current EU CAP framework.	
69	<b>Right of error:</b> allow the application of the right to error up to the dates defined according to the different payment dates of each type of aid, and not according to a single date ( <i>Article 7(2)</i> of Commission Implementing Regulation (EU) 2022/1173). Establish a right to error for new rules given the complexity of regulations, successive changes and late communications.	FR, HU ECVC	Addressing this issue is already possible within the current EU CAP framework. The Commission organised a workshop to support Member States in rationalising their control set-up and allows farmers to correct their applications where mistakes were made or adjust it based on realities on the ground.	
70	Allow for a margin of error in complying with conditionality rules, particularly in the first years of application or when faced with exceptional circumstances. Give farmers and public authorities time to adapt to the new specificities of the rules and give leeway to face exceptional circumstances.	CEJA	The simplification package clarifies the EU CAP framework as regards a 'right of error', as well as possibilities for farmers to correct their application later in the year when using the AMS. The Commission also proposed additional flexibility to enable Member States to establish specific exemptions from the requirements of GAEC standards 5, 6, 7 or 9 (see the adopted Simplification Regulation) and clarified the conditions	

	Suggestions		Assessment
			for use of <i>force majeure</i> and the exceptional circumstances clause (COM(2024)225 final).
71	<b>Warning system:</b> stop immediate sanctions for administrative failings but launch a warning system.	ECVC	A warning system is already allowed under the EU CAP framework. It is for Member States to introduce such a system.
72	<b>Exceptional circumstances:</b> clarification requested on the type of exemptions from penalties that can be justified by exceptional circumstances ( $Articles\ 3,\ 59\ and\ 84(2)(c)(i)$ of the Horizontal Regulation).	SE	Article 3 of the Horizontal Regulation lists all the exceptions in case of force majeure and exceptional circumstances. Sanctions do not apply on payments and conditionality in cases of exceptional circumstances. There is an exception for social conditionality: only cases of force majeure (not exceptional circumstances) can be exempted from sanctions (Article 88(2)(b)(i) of the Horizontal Regulation). Within the simplification package, on 30 May 2024, the Commission adopted a Communication to the Council on force majeure and exceptional circumstances in the Horizontal Regulation, which clarifies the application of this concept (COM(2024)225 final).
73	<b>Scope:</b> request not to apply controls and penalties/sanctions below a threshold for subsidies or for small farms.	CY	The design of the control and penalty system is up to Member States. As part of the simplification package the Commission proposed to amend the Horizontal Regulation to remove conditionality controls and penalties for small farmers (below 10 hectares of agricultural area) (see the adopted Simplification Regulation).
74	Scope: limit the control of animal numbers only to aid coupled to animal production.	EL, FR	It is in principle up to Member States to decide on their eligibility control rate, however the controls cannot be limited only to a single intervention. As regards conditionality, the control sample is set at 1% of beneficiaries. In any case, the whole farm approach (all parcels and premises are to be controlled on all conditionality obligations and all payments together will be affected if penalties are applied) applies in order to be a deterrent and proportionate. As from 2023, the identification and registration of animals is not within the scope conditionality.

	Suggestions	Proponents	Assessment
75	Scope: exempt small farmers from conditionality controls (Article 83 of the Horizontal Regulation.)	ES, RO, SI, EL, HR	This suggestion was addressed by the simplification package, which includes the Commission proposal to amend the Horizontal Regulation (see the adopted Simplification Regulation).
76	<b>Scope:</b> exempt communal pastures from controls and penalties ( $Article\ 83(6)(d)(iii)$ ) of the Horizontal Regulation.)	ES	The suggestion was not taken up. The simplification package already includes a significant simplification by exempting small farmers (<10 ha) from the controls and penalties of conditionality. Beyond this, it would not be appropriate to exempt certain types of holdings or areas due to the ownership or user structure. Beneficiaries subject to conditionality controls and penalties should be included in the population from which the 1% sample for controls should be extracted.
77	<b>Cross-compliance:</b> remove double/parallel checking and sanctioning of farmers in cases where both cross compliance (pre-2023) and conditionality rules apply ( <i>Article 104 (1) (a)</i> of the Horizontal Regulation, and <i>Article 12</i> of Commission Delegated Regulation (EU) 2022/1172/EU).	HU	This suggestion was addressed by the simplification package.
78	<b>Level of sanctions:</b> reduce conditionality sanctions, do not apply them in 2024 ( <i>Articles 9 to 11</i> of the Horizontal Regulation).	HU, RO	The suggestion was not taken up. The reductions of CAP payments linked to conditionality controls are already rather limited: 3% of CAP support as a general rule, with the possibility to reduce to 1%. This means a penalty of EUR 30 for every EUR 1 000 of CAP support. Further reduction of penalties would go against their deterrent effect.
79	SMRs/GAECs: remove the double penalty system (conditionality reductions in cases where fines have already been imposed in relation to the SMRs), review SMRs to avoid double sanctions.	BE, SE	The relevant EU environment/sanitary legislation creates a sanctions system (fines and other sanctions). The conditionality system under the CSP Regulation is not a sanction system under EU environment and sanitary legislation – it merely provides for a reduction of CAP support in case of non-compliance with a limited number of obligations stemming from certain acts of EU law.

	Suggestions	Proponents	Assessment
80	Reasonableness of costs: to determine that for non-IACS projects or costs under a certain amount no verification of reasonableness of costs is needed.	SI	The CSP and the Horizontal Regulations no longer provide for rules on the reasonableness of costs, unlike the legislation for the previous planning period. However, Member States have an obligation to take measures to ensure sound financial management and effective protection of the EU's financial interests based on Regulation (EU) 2018/1046 on the financial rules applicable to the general budget of the Union and <i>Articles</i> $59(2)$ and $60(1)$ of the Horizontal Regulation. It is therefore for Member States to determine appropriate measures to comply with these obligations, such as the verification of the reasonableness of costs for subsidised operations.
81	<b>On-farm inspection:</b> the use of AMS could be beneficial to reduce on-farm inspections, provided it delivers (example of several countries in which the use of AMS Quality Assessment has led to a significant increase in on-the-spot checks).	COPA- COGECA	The AMS is an automated process that does not involve on-the-spot checks. On the contrary, the more eligibility conditions are covered by AMS, the fewer field visits are needed to verify compliance with eligibility conditions.
82	<b>On-farm inspections:</b> reduce on-the-spot-checks to one visit per farm per year ( <i>Article 60</i> of the Horizontal Regulation).	EL, FR	It is up to Member States to set up an efficient control system that ensures that outputs are real. For conditionality, current EU CAP rules allow onthe-spot checks to be concentrated in one visit. Since the start of conditionality (cross-compliance in 2005), ensuring synergies with various control bodies is recommended. But if some elements to be controlled depend on a particular season of the year, it might be necessary to come back to verify them.
83	<b>Hemp:</b> call to reduce minimum on-the-spot control rate of hemp varieties from 30% to 10% of areas declared for support <i>Annex I</i> of Commission Delegated Regulation (EU) 2022/126.	DE	The suggestion was not taken up. A sufficient rate of controls contributes to the verification of the variety cultivated and thus prevent potential cases of illegal cultivation of hemp.
84	<b>Cumulative controls:</b> allow more possibilities for cumulative controls under different policies.	BE	It is for Member States to organise their control system in a way to avoid duplication of controls.

	Suggestions	Proponents	Assessment
85	Intentionality: request to change (conditionality) or withdraw the concept of intentionality from the assessment of non-compliance. Apply instead other criteria (severity and impact). (Article 85 (1) and (6) of the Horizontal Regulation and Articles 9 and 10 of Commission Delegated Regulation (EU) 2022/1172).	BG, CZ, HU,	The suggestion was not taken up. The notion of 'intentionality' is applicable only for conditionality (including social conditionality). Intentionality is a criterion that allows Member States to increase the level of penalties. It is not compulsory to apply this in every check. The applicable rules for aggregation were already simplified in 2021, bringing the reduction from 20% to 15% of the support concerned by conditionality as a general rule.
86	<b>Intentionality:</b> reduce the percentage of reductions in the case of unintentional non-compliance ( $Article 9(1)(2)$ of Commission Delegated Regulation 2022/1172).	HR	This is already possible under the current EU CAP framework. Reductions in case of unintentional non-compliance are decided at the national level.
87	<b>Penalties:</b> request to increase the <i>de minimis</i> threshold from EUR 100 to EUR 300 (the threshold from which penalties for conditionality are applied) ( <i>Article 84(2)b</i> of the Horizontal Regulation).	HR, HU, RO	Increasing this threshold would mean that a high number of non-compliances with conditionality requirements would not be sanctioned, which would reduce the deterrent effect of the controls and penalties system.
88	<b>Period of control:</b> reduce the period of control of livestock (from the entire calendar year) to allow advanced payments in a shorter time.	IT	It is up to the Member States to design their control and penalty systems for interventions. Compliance with <i>Articles 59</i> , <i>60</i> , <i>72</i> of the Horizontal Regulation must, however, be ensured.
89	<b>LEADER:</b> cancelling ex post checks for LEADER (intangible investments).	LU	The CSP and the Horizontal Regulations no longer provide for rules on ex post checks for these interventions, unlike the EU legislation applicable in the previous programming period. Member States must take measures to ensure effective protection of the EU's financial interests and set up efficient management and control systems based on <i>Articles 59(1) and (2) and 60(1)</i> of the Horizontal Regulation. It is therefore for the Member States to put in place a management and control system that functions properly.

Suggestions	Proponents	Assessment
Type of controls: preference should be given to controls based on documentation where it offers sufficient guarantees.	FR	It is up to the Member States to design their control and penalty systems for interventions in compliance with <i>Articles 59</i> , <i>60 and 72</i> of the Horizontal Regulation.
Type of controls: replace/reduce controls related to compliance with EU legislation with checks based on available databases.	CZ	Under the EU CAP framework administrative checks are already possible. Further to the simplification package, the Commission will organise an exchange of best practice with Member States on how to coordinate controls and sanctions systems under EU environment, climate and animal welfare legislation with checks related to CAP conditionality.
Reduce the frequency of controls to address unintentional errors and to provide for the right to error.	COPA- COGECA	Under the new delivery model of the CAP, it is up to the Member States to design their control systems, including the number of checks, the number of visits and the ways to visit, to get assurance that the amounts of aid requested are in line with the applicable legislation. Rationalisation of all controls on the farm is for the Member States to look into.
Avoid gold-plating: with the burden of control shifted to Member States and to avoid fines, many national administrations introduce gold-plating requirements, leading to more severe fines. It is important to take stock of the national control systems to identify simple, efficient, and proportional methods. Proactive individualised communications with farmers in advance of action deadlines to minimise non-compliance and/or associated appeals/penalties etc. is necessary.	COPA- COGECA	Avoiding 'gold-plating' (additional rules and regulatory obligations) is the responsibility of the Member State.  As to controls, the design of the control system is the responsibility of the Member State. The Commission encourages Members States to exchange best practice on this, including through the CAP Network.
Reduce controls and sanctions: stop the policy of over-control and sanctions, particularly for those who engage in agrienvironmental measures. It is proposed that there should be no baseline checks on eco-schemes or cumulative sanctions for previously unreported errors.	ECVC	A farmer who has taken up commitments under an eco-scheme must also comply with conditionality and other baseline requirements for that intervention. Under the new delivery model of the CAP, it is up to the Member States to design the control system for such interventions, including the number of checks, number of visits, ways to visit, and how

	Suggestions		Assessment
			to obtain assurance that the amounts requested for aid are legal and regular. Rationalisation of all the controls on a farm is a Member State's responsibility. The Commission engages with Member States to support rationalisation of their controls, as indicated in the simplification package.
95	Review the checklist of controls as it is too broad in certain cases.	ECVC	It is up to the Member States to design their control systems, including checklists. As announced in the simplification package, the Commission engages with Member States to support rationalisation of controls.
96	<b>Financing of controls:</b> controls must be paid for by a dedicated European Union fund outside the CAP.	ECVC	Controls are financed outside the operational CAP budget. Administrative costs for implementation and control of the CAP in the Member States are borne by national and regional administrations. Costs of controls by EU officials do not weigh on the operational CAP budget.
97	<b>Documentation:</b> reduce documentation requirements to prove compliance with the CAP rules. Clarify the conditions for implementing the principle of proportionality for controls (documentation).	AT, EL	The EU CAP framework already provides Member States with the flexibility to set their own control systems, including decisions on the required documentation and on arrangements to seek synergies based within their national systems in providing documentation and controls.
98	<b>Documentation</b> : provide EU-level rules in relation to proving the (legal) disposition of the agricultural land to avoid duplicate declaration of areas.	SK	The EU CAP framework provides Member States with the flexibility to design control systems, including decisions on the required documentation.
99	<b>Documentation:</b> information on the use of plant protection products for parcels under interventions for sustainable and reduced use of pesticides should not be a compulsory element of the geo-spatial application (GSAA). ( <i>Article 8 (3)</i> of Commission Implementing Regulation (EU) 2022/1173).	HU, BE	This suggestion was not taken up. This information is essential in the GSA for certain interventions e.g. to assess the effectiveness of the interventions for the sustainable and reduced use of plant protection products (eco-schemes and environmental and climate-related commitments).

Suggestions	Proponents	Assessment
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	Performance and reporting				
1	100	<b>Simplification of monitoring:</b> need for simplification of the monitoring and reporting approach (contents of the annual performance report, indicators, reporting on performance, table of indicators, unit amount logic, action plans and justification).	CY	Monitoring is essential in a performance-oriented policy, such as the new delivery model of the CAP. It allows the Commission to evaluate whether the planned results have been achieved. Lessons learned from the current period will feed into the reflection on the post-2027 CAP.	
1	101	Ex ante assessment: remove the requirement for an ex ante assessment of CAP Plans.	AT, CY, CZ, ES, MT	Lessons learned from the current period will feed into the reflection on the post-2027 CAP.	
1	102	<b>Indicators:</b> adjust the methodology of Result Indicator 34 (R.34 Preserving landscape features: Share of UAA under supported commitments for managing landscape features, including hedgerows and trees) to include all non-productive and other landscape features and areas.	HU	With the simplification package, the Commission adjusted the monitoring and evaluation legislation (Commission Implementing Regulation (EU) 2024/1962 amending Implementing Regulation (EU) 2022/1475). Member States will report hectares of arable land paid for maintaining non-productive areas, such as land lying fallow, including landscape features, under variable M101. This new variable will address the concern raised, while indicator R.34 will allow the monitoring of all landscape features under maintenance, whether on arable land, permanent cropland, grassland or other eligible area. The scope of R.34, included in the label of the indicator, cannot be changed by implementing regulation as it is defined in <i>Annex I</i> to the CSP Regulation.	
1	103	<b>Indicators:</b> allow retroactive modification of the values of relevant indicators in the case of amendment of CAP Plans.	BG	Retroactive amendments of CAP Plans related to the EAGF would in principle not be in line with <i>Article 119(8)</i> , <i>third subparagraph</i> , of the CSP Regulation. Retroactive amendments of values under result indicators would have a significant impact on the functioning of the performance framework for the CAP Plans. Such amendments would also go against the calls from farmers for a greater stability of CAP implementation.	

	Suggestions		Assessment
104	Indicators: reduce the number of categories of indicators.	AT	The suggestion was not taken up. The indicators are a cornerstone of the new delivery model of the CAP and its performance-based approach. Each category of indicators has a specific purpose, be it assurance, performance review, monitoring or evaluation of the performance of the policy.
105	<b>Indicators:</b> revise the methodology of calculation of beehives indicators (double counting).	ES	The calculation method of aggregated values for the indicator O.37 (apiculture) was simplified. R.35 (Share of beehives supported by the CAP) covers only the support granted directly to beekeepers, allowing the double counting of beehives to be eliminated.
106	Reporting: reduce reporting requirements.	CZ, IE	The Commission is rolling out a wide range of actions to reduce reporting obligations in all policies, including the CAP. Lessons learned from the current period will feed into the reflection on the post-2027 CAP.
107	<b>Reporting:</b> unify reporting obligations (types, deadlines) for monitoring and evaluation	CZ	Under Commission Implementing Regulation (EU) 2022/1475, dates and ways to report have been simplified as much as possible. Dates were adapted to Member States' requests, while ensuring the availability of data for monitoring and evaluation.
108	<b>Performance reviews:</b> simplify / reduce the biannual performance reviews (not two, but only one for 2026) or to align the timing with the mid-term review required for funds other than CAP ( <i>Article 135(1)</i> of the CSP Regulation).	BG, CZ, EL, LT, HU, MT, RO, SI	The suggestion was not taken up. Two biennial performance reviews are planned for financial years 2024 and 2026, respectively. Limiting the number of performance reviews further to one review only would undermine the new delivery model of the CAP 2023-2027 and its performance-based approach. Lessons learned from the current period will feed into the reflection on the post-2027 CAP.
109	<b>Targets/deviation:</b> call to change the acceptable rate of deviation from the milestones from 25% to 40% for 2026 ( <i>Article 135(2)</i> of the CSP Regulation).	CZ, BG, EL, SI, HU, RO	The suggestion was not taken up. Increasing the shortfall rates referred to in <i>Article 135(2)</i> of the CSP Regulation would undermine the new delivery model of the CAP 2023-2027 and its performance-based approach.

	Suggestions		Assessment
110	APR: simplify the process and/or content of the annual performance report (APR) (Article 54 of the Horizontal Regulation).	AT, CY, SI	The Commission has reviewed the APR template and the relevant parts of the IT module (SFC 2021) used for the submission of the APRs. Most changes were implemented in SFC2021 at the end of July 2024 for reporting for financial year 2024, to be submitted in 2025, with the remaining changes scheduled for September 2024.
111	<b>APR deadline:</b> postpone the 15 February deadline for submitting the annual performance report to allow the necessary collection and processing of data ( <i>Article 9(3)</i> of the Horizontal Regulation).	CZ, DK, EL, ES, SI	The suggestion was not taken up. The EU CAP legislation already offers Member States the possibility to request an extension of this deadline. However, the APR has to be submitted to the Commission within the applicable deadlines, to ensure the timely completion of the annual performance clearance and biennial performance review. Member States need to arrange an efficient exchange of information between the national bodies involved and adequate IT solutions.
112	<b>APR/aggregate values:</b> request to abolish the requirement to provide in the APR the aggregate values of realised outputs. Simplify rules on double counting ( <i>Section 2.3 of the Annex</i> to Implementing Regulation 2023/130 on the content of the APR).	ES, IE	The suggestion was not taken up. The aggregated values of realised outputs are fundamental for monitoring, communication, and evaluation.
113	<b>APR/outputs:</b> abolish reporting of partial output by financing year.	LV	The suggestion was not taken up. Member States need to report in the APR what outputs were reached with the expenditure paid in the given financial year, as this is a key element of the new delivery model of the CAP.
114	<b>Individual data:</b> request to remove a requirement to provide disaggregated data at the level of interventions and beneficiaries (Commission Implementing Regulation 2022/1475).	ES	The suggestion was not taken up. This data is key for monitoring and evaluation of the CAP and CAP plans under the performance-based approach. Besides, the data is already available in the paying agencies.

Suggestions	Proponents	Assessment
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	Assurance, annual performance clearance, and audits		
115	<b>Scope:</b> requests to limit assurance/conformity procedures ('potentially serious deficiencies' or expenditure outside the CSP, focus on realisation of policy goals rather than legality of spending) ( <i>Article 55</i> of the Horizontal Regulation).	AT, FR, NL, HU	The suggestions were not taken up. EU funds may not finance expenditure which was not effected in conformity with EU law. Member States must ensure that payments to farmers are legal and regular. This entails compliance with all elements of the approved CAP Plans, as laid down in the EU CAP legislation.  The focus on realisation of policy goals ('performance') is an objective
	spending) (Article 33 of the Horizontal Regulation).		that the Commission fully shares with the Member States. For this reason, lessons learned from the current period will feed into the reflection on the post-2027 CAP.
116	<b>Scope:</b> remove the controls on operations provided for in <i>Chapter III of Title IV</i> of the Horizontal Regulation. (Scrutiny of transactions of the system of financing by the EAGF.)	FR	Lessons learned from the current period will feed into the reflection on the post-2027 CAP. Removal of such controls would need to be weighed against their deterrent effect.
117	<b>Financial corrections:</b> financial corrections to apply above a certain budgetary risk rate for the EU agricultural funds (5% and with possibilities for quantifying this risk).	FR	Extensive discussions on financial corrections and serious deficiencies took place in the context of the preparation of new guidelines on financial corrections. The proposal to apply financial corrections above a certain threshold was introduced in the guidelines on financial corrections (document C/2024/5991), where the functioning of the Member States' systems is concerned. It was explained that the level of this threshold should be the materiality level for all EU funds, as accepted by the discharge authority.
118	<b>Control mechanism:</b> the criteria of 'efficient Member State control mechanisms' should be defined in a way that the resource needs of compliance should be proportionate to the financial risk ( <i>Articles 59 and 60</i> of the Horizontal Regulation).	HU	The criteria for efficient management and control systems have been discussed and set together with the Member States and will be assessed by the certification bodies.

Suggestions		Proponents	Assessment
119	Certification bodies: we invite the Commission to review and revise the content of guidelines for certification bodies (GL3) and reduce the required amount of information to the minimum necessary. For audit objective 2, the Commission is asked to consider the level of granularity of the information needed regarding the sample size and the sampling approach per intervention.  (Articles 9 and 51 of Regulation (EU) 1306/2013, Articles 5 to 7 and 29 to 33 of Commission Implementing Regulation (EU) 908/2014, Articles 12, 53 and 54 of the Horizontal Regulation, Articles 5 to 7 and 32 to 36 of Commission Implementing Regulation (EU) 2022/128)	HU	The feasibility and the impact of the proposal is under examination and GL3 for certification bodies will be updated by autumn 2024.
120	<b>APR/justification and unit amount:</b> simplify data/ justification requirements for the annual performance clearance and/or remove the potential financial consequences for Member States if the realised unit amount of an intervention exceeds the planned unit amount. ( <i>Article 134</i> (6) (a) and (b) of the CSP Regulation).	HU, SI	Based on the first annual performance clearance, there has been discussion with the Member States on the lessons learned in the Expert Group for Horizontal Questions concerning the CAP and the possible ways forward to streamline the exercise in the future. Several options to simplify the exercise were contemplated, one of which is introduction of a <i>de minimis</i> for justifying deviations from planned unit amounts for the annual performance clearance. Further steps as regards the annual performance clearance exercise will be considered.

## II. CAP STRATEGIC PLANS – THE GREEN ARCHITECTURE

	Suggestions	Proponents	Assessment	
	Contributions to targets set in the environment and climate legislation set out in Annex XIII of the CSP Regulation  (Article 120 of the CSP Regulation)			
121	Article 120 of the CSP Regulation: removal of this article that requires a review of CAP Plans in light of changes to the EU legislation in the areas of (mainly) environment and climate.	BG, CZ, LV, PT, BE	Partially addressed by the Commission proposal, which was part of the simplification package, limiting the application of <i>Article 120</i> of the CSP Regulation to amendments of these EU legislative acts that enter into force before 1 January 2026 (see also the adopted Simplification Regulation).	
122	<b>Details for</b> <i>Article 120</i> <b>assessment:</b> too much detail and lack of clarity on the follow-up to the assessment required from Member States	LV	Partially addressed by the Commission proposal that was part of the simplification package, which limits the application of <i>Article 120</i> of the CSP Regulation to acts that enter into force before 1 January 2026 (see also the adopted Simplification Regulation). Should any further notification under this Article be due before that date, the procedure will be clarified in advance.	
	CAP Strategic Plan – Conditionality			
123	<b>Level of detail:</b> CAP Plans should only contain a 'summary of the on-farm practice' for each GAEC standard.	DK	Lessons learned from the current period will feed the reflection on the post-2027 CAP.	

	Suggestions		Assessment
124	Overlap between GAEC standards requirements: avoid overlaps between GAEC standards requirements. Reduce the number of standards that relate to partly redundant requirements, for example GAEC 1 and 9 or even 2 (preservation of grasslands) as well as GAEC 6, 7 and 8 (soil conservation).	FR	The suggestion was not taken up. Each GAEC standard has a specific main objective and scope laid down in <i>Annex III</i> to the CSP Regulation. It is the responsibility of Member States to ensure a clear articulation between the requirements of the different GAEC standards.
125	<b>Eco-schemes instead of conditionality:</b> turn requirements related to GAEC standards (other than GAEC standard 8) into eco-schemes.	CZ, BE, EE, PT, SI, SK	The suggestion was not taken up. This proposal would hamper the achievement of the policy objectives of the CAP in 2023-2027. Conditionality is a key part of the higher environmental ambition of this CAP compared to the previous one. The combination of a higher baseline through conditionality with enhanced funding for eco-schemes is at the heart of the 'green architecture' of the CAP 2023-2027.
126	Make GAEC 8 an eco-scheme: turn requirements related to GAEC standard 8 into eco-schemes.	BE, CZ, PL, EE, SI, DK	Addressed by the Commission proposal as a part of the simplification package, as regards the first requirement of GAEC 8 (see also the adopted Simplification Regulation).
127	Make GAEC agri-environment-climate measures (AECM): exclude hectares under AECM from conditionality / replace GAEC standards by AECM.	DK, SI	The suggestion was not taken up. Conditionality is the basis for all areabased payments. This proposal would hamper the achievement of the policy objectives of the CAP in 2023-2027.
128	<b>Flexibility:</b> allow for GAEC exemptions, and flexibility, taking into account Member State specificities and farming systems and/or following extreme climatic events.	BE, CY, DE, DK, ES, IE, LU, LV, RO, MT COPA- COGECA,	Article 13 of the CSP Regulation already provides that Member States should take into account, where relevant, specific soil and climatic conditions, farming systems and practices and land use when setting their GAEC standards. The Commission proposal which is part of the simplification package provides Member States with additional flexibility in setting GAEC standards and additional possibilities to provide targeted

	Suggestions		Assessment
		ECVC	exemptions as well as temporary derogations for weather-related reasons (see also the adopted Simplification Regulation).
129	<b>Flexibility:</b> substantial revision of GAEC 6, GAEC 7, GAEC 8 to accommodate the practical possibilities of fulfilling the enhanced conditionalities by farmers and taking into consideration the national specificities from the geographical and meteorological point of view.	RO, SK, COM AGRI	As regards GAEC 6 and 7, the suggestion was addressed by the Commission proposal that is part of the simplification package. For GAEC 8, the Commission proposal entails deletion of the first requirement from <i>Annex III</i> to the CSP Regulation. See also the adopted Simplification Regulation.
130	<b>Derogations:</b> allow derogations from the GAECs (full or limited in time)	SI, EL, BG, CZ, HU, HR, SI, IT	Full derogations from GAEC standards would hamper the achievement of the policy objectives of the 2023-2027 CAP. However, the simplification package introduces the possibility for Member States to grant temporary and targeted derogations from requirements of GAEC standards where
		COPA- COGECA	weather conditions prevent farmers and other beneficiaries from complying with those requirements in a given year. See the adopted Simplification Regulation.
131	<b>Exemptions:</b> exemption from GAEC standards for small farmers	BG, CY, EE, ES, HU, MT, SI	The suggestion was partially addressed, as under the Commission proposal that is part of the simplification package, small farmers are exempt from conditionality controls and penalties. See also the adopted Simplification Regulation.
132	<b>Exemptions:</b> organic farmers should be deemed compliant with GAEC standards (other than GAEC standard 7).	ES, DE, SE IFOAM	Where relevant, organic farmers could also benefit from the new targeted exemptions (simplification package) from GAEC 5, 6 and 9, provided that the Member State setting such exemptions in its CSP complies with the conditions of <i>Article 13</i> of the CSP Regulation. Given the amendments to the CSP Regulation brought as a part of the simplification package, the

Suggestions		Proponents	Assessment
		,	request to exempt organic farmers from GAEC 8, first requirement is no
			longer relevant.
133	<b>Costs:</b> assess the conditionality requirements when it comes to their impact on the cost and burden for farmers.	COPA- COGECA	The Commission is carrying out two complementary studies that will assess the costs for farmers of environmentally sustainable farming practices, including those that are part of conditionality requirements. The first study will look into the economics of the adoption of agroenvironmental practices, while the second one will assess what motivates farmers to decide to change their farming practices and possibly their production systems and the role and effectiveness of policy instruments in supporting such a transition.
134	<b>GAEC1:</b> revision of GAEC 1 rules on the calculation of the permanent grassland ratio.	FR, LT  COPA- COGECA	The suggestion was addressed by the amendment of Delegated Regulation (EU) 2022/126 under the simplification package.
135	<b>GAEC 1:</b> modification of the rules for the calculation of ratios to replace the admissible surface area by the graphic surface area.	FR	The amendment of Delegated Regulation (EU) 2022/126 under the simplification package brought additional flexibility in the calculation of the 2018 reference ratio in case of structural changes to farming systems resulting in a reduction of permanent grassland area, as well as changes in the rules concerning reconversion obligations. However, the implementation of GAEC 1 must respect the definition of permanent grassland set by Member States in their CAP Plans, in accordance with Regulation (EU) 2021/2115.

Suggestions		Proponents	Assessment
136	GAEC 1: enable Member States to revise the scale used for calculating the ratio if they choose to do so, including during programming (for example to move from a calculation at the farm level to a calculation at the regional level, or from a calculation at the regional level to a calculation at the national level). This type of modification should be applicable immediately.	FR	The level at which the ratio of permanent grassland is calculated is set by Member States in the CSP. It can be modified subject to the applicable procedures and rules for amending CAP Plans ( <i>Article 119</i> of the CSP Regulation and Delegated Regulation (EU) 2023/370).
137	<b>GAEC 2:</b> in the absence of an EU definition of wetlands, the validation of the CSP by the Commission must respect strict regulatory requirements, without disproportionate requirements on the nature of the expected measures.	FR	It is for the Member States to ensure accurate mapping of wetlands and peatlands in agricultural areas for GAEC 2 purposes. GAEC 2 requirements set in the CAP Plans need to be based on such mapping and entail the adequate requirements to protect wetlands and peatlands, to be in line with the main objective of that GAEC and to contribute to the climate and environmental objectives of the CAP.  Footnote 1 to GAEC 2 in <i>Annex III</i> to the CSP Regulation states that 'Member States, when establishing GAEC standard 2, shall ensure that on the land concerned an agricultural activity suitable for qualifying the land as agricultural area may be maintained'. The Commission assesses the requirements proposed by Member States for GAEC 2 based on this requirement, as well as in the light of their contribution to the main objective of the GAEC standard and <i>Article 13</i> of the CSP Regulation.
138	<b>GAEC 2:</b> postpone the 2025 deadline for its application.	FR, IE, HU, SI	These suggestions were not taken up. The possibility to delay the implementation of GAEC 2 by 2 years is already provided for by the CSP

Suggestions		Proponents	Assessment
139	<b>GAEC 2:</b> more legal reliability for farmers in Member States with a staged approach for its implementation. Changing the rules during a CAP-period introduces a lot of misunderstanding and extra complexity for the farmers. Exemptions based on <i>Article 148</i> of the CSP Regulation.	BE	Regulation. Further delays would hamper the achievement of the policy objectives of the CAP and would undermine the level playing field between Member States, penalising farmers in those Member States that introduced the GAEC 2 requirements in compliance with the deadline laid down in that Regulation.
140	GAEC 2: avoid overinterpretation of the regulation (ban on ploughing peatland).	FR, LT	The requirements to be respected by farmers on peatlands and wetlands are set by the Member States as a part of GAEC 2 in their CAP Plans. Footnote 1 to GAEC 2 in Annex III to the CSP Regulation states that 'Member States, when establishing GAEC standard 2, shall ensure that on the land concerned an agricultural activity suitable for qualifying the land as agricultural area may be maintained'. The Commission assesses the requirements proposed by Member States for GAEC 2 based on this requirement, as well as in the light of their contribution to the main objective of the GAEC standard and Article 13 of the CSP Regulation.
141	<b>GAEC 2:</b> monitor the implementation of GAEC 2 to take into consideration the impact, at farm level, on the implementation of GAEC 7 and GAEC 8.	COPA- COGECA	Each GAEC standard has a specific main objective and scope. It is Member States' responsibility to avoid overlapping requirements and to design the requirements so as to ensure that they are in line with those main objectives.
142	<b>GAEC4:</b> request for this GAEC to be removed.	LU	The suggestion was not taken up as this would hamper the achievement of the policy objectives of the CAP 2023-2027.
143	GAEC 4: more flexibility regarding the required limits by taking into account field sizes and different types of water bodies.	LV	Annex III to the CSP Regulation sets the minimum requirements for the buffer strips under GAEC 4 with a view to ensuring the contribution to the main objective of the standard. GAEC 4 as laid down in Annex III to

	Suggestions	Proponents	Assessment
			the mentioned Regulation already provides some degree of flexibility in the requirements for the buffer strips.
144	<b>GAEC 4:</b> flexibility in the rules of Plant Protection Product (PPP)-free buffer strips, revision of the scope (water bodies definition).	LV, BE	The suggestion was not taken up, as it would hamper the achievement of the policy objectives of the CAP 2023-2027.
145	GAEC 6: changes to sensitive period, allowed practices, scope, arid area exclusion.	AT, ES, PL, MT, BE, BG COPA- COGECA, CEJA, ECVC	Partially addressed by the Commission proposal under the simplification package. Member States were given further flexibility to define key elements of the GAEC 6, including the 'sensitive period'. See also the adopted Simplification Regulation.
146	GAEC 6: targeted only at areas where water and wind erosion occur (not the entire country).	PL	The suggestion was not taken up. The changes to the sensitive period and the new possibility to set exemptions in the CAP Plans introduced by the Commission proposal within the simplification package provide considerable flexibility to Member States (see also the adopted Simplification Regulation). Soil protection is required on all soils, in particular to build up soil organic matter or to prevent its losses.
147	<b>GAEC 7:</b> elimination of GAEC 7.	IT	The proposal was not taken up as it would hamper the achievement of the policy objectives of the CAP 2023-2027.

	Suggestions	Proponents	Assessment
148	<b>GAEC 7:</b> exempting regions with a low share of arable land, changing period for secondary crops.	BE, ES, PL, PT, SE, SK	The suggestion to exempt certain regions from GAEC 7 was not taken up in the Commission proposal but the amendments of the CSP Regulation brought by the simplification package allow Member States, under certain conditions, to set targeted exemptions from certain requirements of certain GAEC standards where farmers have specific problems in respecting the requirements. See also the adopted Simplification Regulation
149	<b>GAEC 7:</b> allow for crop diversification instead of crop rotation.	BE, IE COPA- COGECA	The suggestion was addressed within the simplification package. See the adopted Simplification Regulation.
150	GAEC 7: Member States should be allowed to adjust the annual crop diversification commitments and/or annual crop rotation cycle commitments due to weather circumstances.	IE	The suggestion was not taken up, as such. However, the simplification package includes an amendment of GAEC 7, enabling Member States to add crop diversification to the CAP Plans, enabling farmers to choose whether they comply with GAEC 7 though crop diversification or crop rotation. The Commission proposal also includes the amendment of <i>Article 13</i> of the CSP Regulation, which enables Member States to grant temporary and targeted derogations from GAEC requirements where weather conditions prevent farmers and other beneficiaries from complying with those requirements in a given year. See also the adopted Simplification Regulation.
151	<b>GAEC 8:</b> continuation of the 2024 GAEC 8 derogation, modification of the minimum share of arable land devoted to non-productive areas and features.	BE, FR, HU, IT, RO COPA- COGECA	The suggestion was addressed within the simplification package. See also the adopted Simplification Regulation.

	Suggestions	Proponents	Assessment
152	GAEC 8: arable land under AEC commitments with management obligations or with obligations to cease production should be excluded from the calculation of GAEC 8 of arable land	DK	The suggestion was not taken up, in view of the deletion of the first requirement from GAEC standard 8, proposed as a part of the simplification package. See also the adopted Simplification Regulation.
153	<b>GAEC 8:</b> suggestions for various adjustments (derogations for irrigated land, landscape feature retention, conservation grazing, greenhouses, etc.).	DE, ES, BG, HU, DK, IE	The suggestion was partially addressed in the simplification package. The requirement to devote a minimum share of arable land to non-productive areas or features is removed from GAEC 8, as laid down in <i>Annex III</i> to the CSP Regulation. The requirement to retain landscape features on agricultural areas, which is part of GAEC 8, has not been modified. Instead, Member States are required to establish an eco-scheme to support farmers in keeping non-productive areas, including land lying fallow, and establishing new landscape features, on arable land. See also the adopted Simplification Regulation.
154	GAEC 8: long-term recourse to the alternative proposed by the Commission for the 2024 campaign. Compliance reached, with at least 4% of farms utilised agricultural area with non-productive elements through nitrogen-fixing crops or catch crops without the use of phytosanitary products.	FR	The suggestion was not taken up in view of the deletion of the first requirement from GAEC standard 8, proposed as a part of the simplification package. See also the adopted Simplification Regulation.
155	<b>GAEC 9:</b> requests to allow greater management flexibility (allow conversion to EAFRD-supported afforested land, ad hoc interventions, rotation, diversification).	HU, FR, BE	The suggestion was not taken up as it would hamper the achievement of the policy objectives of the CAP 2023-2027.

	Suggestions	Proponents	Assessment
156	GAEC 9: authorise flexibilities so that Member States can allow the use of one-off management interventions on permanent grasslands designated as sensitive.	FR	The suggestion was partially addressed in the simplification package. Changes to <i>Article 13</i> of the CSP Regulation brought by the Commission proposal of 15 March 2024 provide for the possibility to set out in the CAP Plan exemptions from this standard, in particular if interventions are needed to address damage caused to these environmentally sensitive grasslands by wildlife or by invasive species. See also the adopted Simplification Regulation.
157	<b>SMR 1:</b> exclusion from SMR 1 of the part related to <i>Article 11</i> , part 3, point (h) as regards mandatory requirements to control diffuse sources of pollution by phosphates of Directive 2000/60/EC, because phosphate pollution in agriculture can result from using manure, mineral fertilisers, and plant protection products.	LT	The suggestion was not taken up, as it would hamper the achievement of the policy objectives of the CAP 2023-2027.
158	<b>SMR 3</b> requirements must only apply to the protection of birds inside protected areas and not outside these areas.	LT	The suggestion was not taken up, as it would hamper the achievement of the policy objectives of the CAP 2023-2027.
159	<b>SMR 8:</b> exclude from SMR 8 the part related to <i>Article 13</i> , <i>part 3</i> of Directive 2009/128/EC, because the size and structures of the plant protection product storage are not related to the agricultural activity.	LT	The suggestion was not taken up, as it would hamper the achievement of the policy objectives of the CAP 2023-2027.

Suggestions Proponents Assessm	nent
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	CAP Strategic Plan Regulation – Other	r elements of the	climate and environmental architecture
160	<b>Green architecture:</b> adjustment of environmental and climate requirements for interventions under pillar I and pillar II and for animal welfare, which leads to complex implementation, monitoring, and evaluation.	RO	The suggestion was not taken up. The CSP Regulation lays down few requirements at intervention level, and Member States are responsible for designing the commitments/conditions of the interventions.
161	<b>Green architecture:</b> more synergy between different components of green architecture.	BE	Member States have considerable flexibility in designing the intervention strategy of the CAP Plans so as to ensure synergies between different components of the green architecture. Lessons learned from the current period will feed into the reflection on the post-2027 CAP.
162	<b>Funding:</b> more flexibility for unspent funds, more flexibility between pillars to manage pillar 2 AECM funds and pillar 1 ecoschemes, prolong the 'learning period' for eco-schemes.	CZ, MT, RO	Lessons learned from the current period will feed into the reflection on the post-2027 CAP.
163	Scope: expand payments for mandatory (national) requirements	DK, SE	The current EU CAP framework already provides certain possibilities to compensate for area-specific disadvantages imposed by certain EU legislation ( <i>Article 72</i> of the CSP Regulation). Also, for interventions based on <i>Articles 31 and 70</i> of that Regulation, Member States may continue to fund operations for 24 months from the date on which the new requirements became mandatory for farmers. Lessons learned from the current period will feed into the reflection on the post-2027 CAP.
164	<b>Scope:</b> allow CAP support for farmers to fulfil national legislation that goes further than the EU baseline, including on animal welfare. Look into the possibility of supporting farmers for common practices beneficial to the environment and the climate.	SE	Articles 31 and 70 of the CSP Regulation enable support for fulfilling national legislation for a period of 24 months from the introduction of the national requirement. Lessons learned from the current period will feed into the reflection on the post-2027 CAP.

	Suggestions	<b>Proponents</b>	Assessment
165	<b>Extensification of agricultural land:</b> setting qualitative restrictions linked to depreciation of the land and being able to compensate for that depreciation.	NL	Lessons learned from the current period will feed into the reflection on the post-2027 CAP.
166	<b>Premiums:</b> the Commission to be more open to eco-schemes with payment for results (ecosystem service). Provide guidance for eco-schemes with payments based on results.	BE, RO	The Commission welcomes and supports Member States that develop eco-schemes with payments based on results, several of which already exist. In expert groups and the CAP Network, the Commission promotes exchanges of best practice for result-based schemes and discusses how to simplify interventions and minimize the administrative burden linked with the implementation of conditionality, eco-schemes, and rural development interventions.
167	<b>Premiums:</b> allow for eco-scheme top-up payments.	BE	Lessons learned from the current period will feed into the reflection on the post-2027 CAP.
168	<b>Premiums:</b> the mechanism for reducing payments provided for at the level of eco-schemes does not respect the principle of balanced and appropriate compensation for the efforts of farmers. It provides a disproportionate advantage for financial management at the expense of fair compensation and balancing environmental impacts.	LU	Member States have considerable flexibility in setting planned unit amounts and their variability, according to the method of compensation, to ensure an appropriate reward for farmers' efforts. Lessons learned from current period will feed into the reflection on the post-2027 CAP.
169	<b>Premiums:</b> allow payments for agri-environment-climate measures (AECM) / eco-scheme measures that exceed the additional costs incurred and income foregone.	DK, BE, LU	Eco-scheme payments beyond the costs/income foregone compensation principle are possible under <i>Article 31 (7)</i> , <i>point (a)</i> of the CSP Regulation respecting WTO "green box" rules (no link to specific production). Lessons learned from the current period will feed into the reflection on the post-2027 CAP.

	Suggestions	Proponents	Assessment
		T	
170	Financing: allow annual AECM commitments.	SE	In addition to eco-schemes, annual commitments are possible for certain AECM interventions in duly justified cases. Lesson learned from the current period will feed the reflection on the post-2027 CAP.
171	<b>Environment targets</b> emanating from interventions that address environmental and climate-related specific objectives should be simplified for a more direct link between the intervention and the target.	MT	Only interventions which partially or fully contribute to these specific objectives are taken into account in the milestones and targets under these result indicators. Lessons learned from the current period will feed into the reflection on the post 2027-CAP.
172	CAP - Forestry carry-over: revision of the principle of 'new money, new rules - old money, old rules'. The rules of conditionality and cross compliance apply to multiannual areabased interventions for example AECM or forestry maintenance. The proposal is to apply the revision clause of <i>Article 48</i> of EU Regulation 1305/2013. The Article sets out rules for the measures/interventions for <i>Articles 28</i> , <i>29</i> , <i>33 and 34</i> , but does not have a rule for <i>Article 21</i> on investments in developing forest areas and improving the viability of forests, <i>paragraph 1.</i> ( <i>a</i> ), ( <i>b</i> ), ( <i>c</i> ) ( <i>d</i> ).	HU	The revision clause is only relevant for multiannual area-based commitments since rules may change during the contract with the beneficiary and the terms may need to be adapted to new conditions or a new baseline. By contrast, investment support is a one-off operation that is linked neither to conditionality (baseline) nor to multiannual commitments (with yearly payments).

## III. FARM INCOME AND COMPETITIVENESS

	Suggestions	Proponents	Assessment
	CAP Strategi	c Plan - Small Fa	armers Scheme
173	<b>Threshold Small Farmer Scheme:</b> increase the limit of payment for application of the small farmers scheme from EUR 1 250 to EUR 5 000 ( <i>Article 28</i> of the CSP Regulation).	ES	Lessons learned from the current period will feed into the reflection on the post-2027 CAP.
	CAP strategic plan -	coupled income	support interventions
174	<b>Potatoes:</b> inclusion of table potatoes in the list of products eligible for coupled income support ( <i>Article 33</i> of the CSP Regulation).	BG, HU	Lessons learned from the implementation of the CAP 2023-2027 interventions, including that of coupled income support, will feed into the reflection on the post-2027 CAP.
175	Water Framework Directive: remove or reassess the requirement for coupled income support to be consistent with the Water Framework Directive ( <i>Article 109(2)(c)</i> of the CSP Regulation).	BG, CZ, EL, HR, HU, SK	The suggestion was not taken up as this is an important sustainability requirement for coupled income support. Lessons learned from the current period will feed into the reflection on the post-2027 CAP.
176	<b>Animals:</b> abolish the condition of identification and registration of animals to access coupled income support ( <i>Article 34</i> (2) of the CSP Regulation).	DE	This rule is necessary to ensure that payments are made for the correct number of eligible animals. Lessons learned from the current period will feed the reflection on the post-2027 CAP.

	Suggestions	Proponents	Assessment
177	<b>Animals:</b> late registration of bovine and ovine animals should not disqualify the animals from coupled income support, provided the identification and registration of animals is performed by a date set by the Member State ( <i>Article 34(2)</i> of the CSP Regulation).	HU	The registration of animals by a certain date in the claim year concerned is necessary to ensure that payments are made for the correct number of eligible animals, while the actual date is left for the Member States to decide.
	CAP strateg	ic plan - Sectora	l interventions
178	Financial allocation: increased transfer from direct payments to sectoral schemes.	SK	Modification of the decision to transfer allocations from direct payments to other interventions in certain sectors is allowed in 2025 ( <i>Article 88(7)</i> of the CSP Regulation). Such transfer would give producer organisations (POs) the possibility to implement operational programmes as from 2027, the last claim year of this programming period.  The percentage level up to which allocations from direct payments can be transferred to interventions in 'other' sectors (the only option for transfer to these sector interventions under current EU legislation) is limited. However, at this moment, Member States do not even implement the transfer of the already planned amounts.  The feasibility and impact of this proposal is being examined.
179	<b>Financial allocation:</b> Member States should be allowed to increase the allocations for sectoral interventions more than once during the entire CAP period 2023-2027.	SK	The increase in the maximum number of requests for CSP amendments is included in the Commission proposal which is part of the simplification package. The Commission proposed to increase the number of requests for amendment of CAP Plans which a Member State may submit to two per year (up from one per year). See also the adopted Simplification Regulation.  A modification of the decision to transfer allocations from direct payments to interventions in certain sectors is allowed in 2025 ( <i>Article</i> 88(7) of the CSP Regulation). Such a transfer would give POs the

	Suggestions	Proponents	Assessment
			possibility to implement operational programmes as from 2027, the last claim year of this programming period.
180	<b>Financial allocation:</b> exclude the linking of Member States' allocations to the financial year for certain types of interventions in the wine and apiculture sectors	LT	This is linked to the annual nature of the EAGF allocations, which the planning per financial year for interventions in certain sectors in the CSP follows throughout the current programming period. Lessons learned from the current period will feed into the reflection on the post-2027 CAP.
181	<b>Simplified procedure:</b> the administrative burden of sectoral interventions is disproportionate. If support received by a Member State is less than 2%, the Member State should be allowed to follow a simplified procedure	FI	Lessons learned from the current period will feed into the reflection on the post-2027 CAP.
182	<b>Aid intensity:</b> increasing the aid intensity for producer organisations from the current 50% to 60%.	IT	The current EU legislation already sets out a list of cases where POs in the fruit and vegetables sector can get 60% instead of 50% EU support under specific conditions ( <i>Article 52(3)</i> of the CSP Regulation). This list of situations where an increase is possible had already been extended compared to the previous list in <i>Article 34(3)</i> of Regulation (EU) No 1308/2013.  Lessons learned from the current period will feed into the reflection on
183	<b>Partial payments</b> for sectoral interventions. Member States should be able to provide partial payments using EU/national funding.	ES, SK, HU	the post-2027 CAP.  The Commission provided on 25 July 2024 further clarifications to Member States on the possibility to pay interim payments for sectoral interventions.
184	<b>EAFRD interventions:</b> correlation between eligibility and implementing rules for sectoral interventions with similar EAFRD interventions (amendment of the secondary legislation).	RO	This issue has already been addressed in 2022 with the new secondary legislation ( <i>Article 11(4) to (8)</i> of Commission Delegated Regulation (EU) 2022/126) as regards water savings for instance.

	Suggestions	Proponents	Assessment
185	Guarantee: cancel the condition of lodging a security if a producer organisation is applying for an advance payment in other sectors.	SK	The suggestion was not taken up. Authorising advance payments without lodging a security would present a risk for the EU's financial interests (EAGF). All the more considering that for interventions in certain sectors, there is no Member State co-financing involved.
186	<b>Costs:</b> the obligation to apply cost moderation to expenditure of any amount hinders the management of aid, such as in the case of apiculture.	ES	Member States can reduce the administrative burden in how the support is distributed, for example by making use of simplified cost options (SCOs) and applying flat rates. SCOs have been extended to all types of sectoral expenditure ( <i>Article 44</i> of the CSP Regulation).
187	Wine: simpler management of wine promotion measures in third countries, simplification of administrative costs, simplified procedure for POs where support is a small share of turnover.	ES	This suggestion was not taken up, as the intervention already offers a high level of flexibility to Member States. Further simplification must be weighed against risks to the EU funds, which is considered high for these measures (e.g. requirement of reasonableness of costs, which was introduced via an amendment of <i>Article 21</i> of Delegated Regulation (EU) 2022/126). Administrative costs are also covered by <i>Article 23</i> of Commission Delegated Regulation (EU) 2022/126, already providing flexibility for Member States. Lessons learned from the current period will feed into the reflection on the post-2027 CAP.
188	<b>Wine:</b> introduce new types of intervention that make it possible to respond to the needs of the sector, such as deferred restructuring.	ES	Lessons learned from the current period will feed into the reflection on the post-2027 CAP.
189	<b>Proof of internal transport of POs:</b> due to complex controls, reintroduce an exemption limit of 300 km ( <i>Article 31 (6) b</i> of Commission Delegated Regulation (EU) 2022/126)	AT	Lessons learned from the current period will feed into the reflection on the post-2027 CAP.
190	<b>Wine:</b> simplify the definition of planted areas used for the vineyard restructuring measure, provided for in <i>Article 42</i> of Commission Delegated Regulation (EU) 2022/126.	FR	Lessons learned from the current period will feed into the reflection on the post-2027 CAP taking into account also the provisions of Article 66(1) of the Common Market Organisation Regulation ( <i>Regulation 1308/2013</i> ) on replantings. Technical discussion with Member States are planned in

Suggestions		Proponents	Assessment
			expert group setting (Expert Group for Agricultural Markets / Expert Group on the Implementation of the CAP Strategic Plans Regulation).
191	<b>Apiculture:</b> updating the list of eligible expenditures in sectoral interventions for apiculture to include vehicles for transhumance.	HR	The suggestion was not taken up. In apiculture, vehicles are only used twice a year for the transhumance of beehives. Allowing vehicles to be eligible could lead to abuse. The possibility of support for the leasing of transport services for transhumance should address the needs of the sector in this regard.
192	Olive oil: not to limit the financial assistance to the olive oil sector to less than 15% (of the value of marketed production of each PO or association of POs) from 2025 onward.	IT	15% applies in 2025 and 2026. In 2027, 10% applies ( <i>Article 65(2)</i> of the CSP Regulation). Lessons learned from the current period will feed into the reflection on the post-2027 CAP.
193	<b>Fruit and vegetables:</b> simplify the system of objectives for POs in the fruit and vegetables sector as regards applying recognition, and for operational programmes for specific interventions.	LV, PL	The suggestion was not taken up to maintain a level playing field between POs. Lessons learned from the current period will feed into the reflection on the post-2027 CAP.
194	Fruit and vegetables: to revise the requirements imposed on POs in the fruit and vegetable sector, to make the aid measure more accessible to POs with small operational funds.	LV	The suggestion was not taken up. Small POs should abide by the same rules as bigger POs, for example, on environmental ring fencing. Moreover, POs are free to concentrate their operational programmes in a few interventions that respond to their main priorities and are adjusted to their own resources. <i>Article 52(3)</i> of the CSP Regulation already provides financial incentives for POs under certain conditions.
195	<b>Fruit and vegetables:</b> requirements for POs are too burdensome, especially on small farmers in the fruit and vegetables sector.	МТ	Encouraging small farmers to form bigger economic structures to get a better position in the supply chain is the very purpose of this policy. It is the PO that has to assume the management of the operational programme, not the individual producer members.
196	<b>Fruit and vegetables:</b> extend the list of cases in which it is assumed that a PO has implemented one of at least three obligatory actions (environment, animal welfare, climate) with eco-schemes.	PL, PT	The suggestion was not taken up, since it is considered important to preserve the environmental contribution of POs. Lessons learned from the current period will feed into the reflection on the post-2027 CAP.

	Suggestions	Proponents	Assessment
197	Fruit and vegetables - irrigation: procedure for accessing irrigation investments in fruit and vegetables interventions should be simplified, avoiding reference to documentation proving water.	IT	The suggestion was not taken up. Provisions for irrigation investments are aligned with rules for similar rural development interventions.
198	<b>Fruit and vegetables:</b> do not change the objectives of POs' operational programmes, but make them much more flexible and simpler, by amending Commission Delegated Regulation (EU) 2022/126. This includes the financing of irrigation, and the reduction of the carbon footprint and plastic packaging based on fossil fuels. Requirements should be adapted to consider exceptional circumstances of drought.	COPA- COGECA	Objectives of the sectoral interventions are laid down in the CSP Regulation. Lessons learned from the current period will feed into the reflection on the post-2027 CAP.
199	Fruit and vegetables: clarification of Article 22(4) of the Commission Delegated Regulation (EU) 2022/126. To more effectively pursue the goals of reducing CO <sub>2</sub> emissions and plastics, in accordance with the objectives of the proposed Packaging and Packaging Waste Regulation, it is necessary to allow Member States to make the use of re-usable 'green' packaging eligible for the purpose of combating and adapting to climate change, and to count this towards the 15% minimum spend on the environment.	COPA- COGECA	The suggestion was not taken up. Re-usable 'green' packaging counts as production costs and should not be eligible. However, investments in innovative assets, methods and actions relating to re-usable 'green' packaging are eligible.
200	<b>Fruit and vegetables:</b> the sorting and packaging costs reimbursed to fruit and vegetable POs as compensation for the costs incurred in withdrawing products from the market for free distribution have been changed from 'lump sums' to 'maximum values' ( <i>Article 33</i> of Commission Delegated Regulation (EU) 2022/126). Therefore, these costs must be demonstrated in detail during the assessment. This represents a considerable administrative and bureaucratic burden for POs that is	PT COPA- COGECA	Lessons learned from the current period will feed into the reflection on the post-2027 CAP.

	Suggestions	Proponents	Assessment
	disproportionate to the modest scale of withdrawal operations, with the risk of favouring alternative destinations (e.g. animal feed) to the detriment of free distribution to people in need.		
201	Support for POs under the cooperation measures must make it possible to support not only installation, but also <b>maintenance</b> .	PL	The suggestion was not taken up. The current EU legal framework allows support for setting-up producer groups, producer organisations and interbranch organisations, limited to the first 5 years following recognition. After this period the expectation would be that the cooperation between POs, if profitable for participants, would remain in operation with the costs of continued cooperation funded by the participants themselves. Maintaining the cooperation after the 5-year period would be considered as an operational cost for participating producers and not eligible for support.
202	<b>Simplify PO support:</b> simplify the support for producer organisations by making them eligible for support in other interventions, combined with ringfencing of the EU-funding, instead of having separate sectoral interventions with requirements that are different to similar interventions in the strategic plan.	SE	Lessons learned from the current period will feed into the reflection on the post-2027 CAP.
203	<b>Financing POs:</b> allow financing before 2026 of commitments in the M09 measure (setting up producer groups and POs) of the RDP 2014-2020 in the framework of the CAP Plan 2023-2027 ( <i>Article 155 (4) and (5)</i> of the CSP Regulation).	PL	The suggestion was not taken up. Support for setting-up POs may be paid pursuant to Regulation (EU) No 1305/2013 until 31 December 2025. The support shall be paid in annual instalments for no more than 5 years following the date on which the PO was recognised. Remaining payments of such instalments after 31 December 2025 may be financed under the CAP Plans pursuant to the conditions in <i>Article 155(4)</i> of the CSP Regulation. However, it is not possible to pay for carry-over commitments before 31 December 2025 under the CAP Plans.

	Suggestions	Proponents	Assessment
			The current rules seem to be flexible enough and therefore no change is envisaged.
204	<b>Costs:</b> introduction of a general approach for the calculation of eligible costs in connection with the examination of the appropriateness of costs: definition of a general percentage for the reduction of costs, e.g. on the basis of past projects, graduated according to the type and size of the projects.	AT	Lessons learned from the current period will feed into the reflection on the post-2027 CAP.
	CAP Strategic Plan	Regulation - Inv	estment interventions
205	<b>Support rate:</b> increase support rate for collective investments and organic farming.	LT	The suggestion was not taken up. Lessons learned from the current period will feed into the reflection on the post-2027 CAP.
206	<b>Irrigation:</b> simplify conditions for irrigation investments (alignment with State aid rules, simpler eligibility conditions).	CY, FR, HU, MT, LT	The suggestion was not taken up since it would hamper the achievement of the policy objectives of the CAP 2023-2027. Detailed rules for investments in irrigation are needed to ensure that agricultural water use does not put the good status of water bodies at risk. The requirements ensure that investments are aligned with the objectives of the Water Framework Directive. The requirements for State aid are also aligned with
			those of the CSP Regulation.
207	<b>Irrigation:</b> the Commission should develop guidelines for the interpretation of eligibility criteria for investments in irrigation.	HU	The suggestion was not taken up. EU rules on interventions on investments in irrigation (e.g. <i>Article 74</i> of the CSP Regulation) already provide sufficiently detailed requirements that enable Member States to design such interventions.
208	<b>Irrigation:</b> exempt irrigated areas from the obligation to rotate (GAEC 7) and from having to allocate 4% to non-productive areas (GAEC 8).	ES	Partially addressed through the Simplification package. See the Simplification Regulation.
209	<b>Costs:</b> lift the obligation to have three offers for checking the reasonableness of the cost of investments.	BE	The CSP and the Horizontal Regulations no longer provide for rules on the reasonableness of costs, unlike the legislation for the previous

	Suggestions	Proponents	Assessment		
			planning period. However, Member States have an obligation to take measures to ensure sound financial management and effective protection of the EU's financial interests based on Regulation (EU) 2018/1046 and <i>Articles</i> 59(2) and 60(1) of the Horizontal Regulation. It is therefore for Member States to determine appropriate measures to comply with these obligations, such as the verification of the reasonableness of costs for subsidised operations.		
210	<b>Forestry carryover:</b> according to <i>Article 155</i> of the CSP Regulation, on the eligibility of certain types of expenditure relating to the CAP Plan period, the carry-over of expenditure is only available for area-based interventions. This should be expanded to forestry interventions.	HU	The suggestion was not taken up. According to <i>Article 155(4)</i> of the CSP Regulation, Member States already have the possibility to carry over certain non-IACS interventions under the conditions in that Article. This also includes non-IACS forestry interventions ( <i>Articles 23 to 26</i> of Regulation (EU) 1305/2013).		
211	Young farmers: young farmers should be able to receive investment support if the investment serves to comply with the applicable EU standards, on the condition that the investment is implemented within 24 months of the establishment of the young farmer's farm, or during the period of implementation of the measures specified in their business plan. This would be especially important for young animal farmers (wastewater treatment).	FR, HU	Under CAP Plans considerable investment support is available for young farmers. To strengthen generational renewal in farming, lessons learned from the current period will feed into the reflection on the post-2027 CAP.		
212	<b>Type of beneficiary:</b> allow collectives to be beneficiaries of subsidies, for example a cooperative. At the moment, only individuals may request subsidies	NL	Article 73 of the CSP Regulation does not exclude cooperatives or other similar types of organisations from investment support.		
	Financial instruments				
213	Increasing the ceiling for working capital to align with <i>de minimis</i> rules.	LT	Lessons learned from the current period will feed into the reflection on the post-2027 CAP.		

	Suggestions	Proponents	Assessment
214	Reduce the administrative and control requirements for the use of financial instruments (purchase of land).	EE	The suggestion was not taken up. Rules regulating the creation and implementation of financial instruments have already been considerably simplified.
215	Reduce the information burden for final recipients under financial instruments.	PL	The suggestion was not taken up. This would result in a considerable reduction of the visibility of EU programmes that benefit the public.
	Risk	and crisis mana	gement
216	<b>Derogations:</b> allow the use of <i>Article 148</i> of the CSP Regulation (adoption of implementing acts) to introduce derogations beyond a period of 12 months.	HU, HR, PT	The suggestion was not taken up. The aim of <i>Article 148</i> of the CSP Regulation is to provide quick but temporary responses to problems which arise during the implementation of the Regulation. If the problem persists there is time for an amendment of that Regulation to establish a longer-term solution, using an ordinary legislative procedure.
217	Create a national crisis payment envelope: increase CAP Plan allocations for crisis payments (e.g. 2% of a Member State's CAP Plan envelope for crisis measures), as an exceptional temporary relief measure.	EL, HR, HU, CY, BG	The suggestion was not taken up. Lessons learned from the current period will feed into the reflection on the post-2027 CAP.
218	<b>Crisis reserve:</b> setting up of a reinforced crisis reserve to be financed from non-CAP resources.	IT	The suggestion was not taken up. Lessons learned from the current period will feed into the reflection on the post-2027 CAP.
219	Activate dynamic crisis management measures (storage and other measures).	BE	Market safety-net measures are activated when required by the market situation. The Commission continuously monitors the situation on EU agricultural markets.
220	<b>Risk management:</b> more flexible rules for using DP for risk management (Article 19 of the CAP Regulation).	HU	Lessons learned from the current period will feed into the reflection on the post-2027 CAP.
221	<b>Risk management:</b> allow alternative calculation of losses under a risk management scheme (flexibility in calculating income loss, with the calculation based on turnover instead of yield loss or based on 4- or 8- year Olympic averages).	FR, PL	The current EU legal framework already grants a lot of flexibility for Member States to calculate losses. For instance, a calculation based on loss of farm income instead of loss in production yield is already possible. For other rules such as the 3-year or Olympic average, the lessons learnt

	Suggestions	Proponents	Assessment
			from CAP implementation in the current period will feed into the reflection on the post-2027 CAP.
222	<b>Risk management guidance:</b> Commission guidance for the implementation of risk management tools in the form of a measure sheet, as was done for the previous programming period.	FR	Guidance has already been provided to Member States on risk management. The Commission will engage with Member States to discuss the lessons learnt from the first years of implementation.
223	<b>Risk management:</b> allow verification of the reasonableness of costs for insurance premia at the level of the insurance company offering the products.	FR	The CSP and the Horizontal Regulations no longer provide for rules on the reasonableness of costs, unlike the legislation for the previous planning period. However, Member States have an obligation to take measures to ensure sound financial management and effective protection of the EU's financial interests based on Regulation (EU) 2018/1046 and <i>Article 59(2) and 60(1)</i> of the Horizontal Regulation. It is therefore for Member States to put in place appropriate measures to comply with these obligations, such as the verification of the reasonableness of costs for subsidised operations.
224	Risk management: allow risk management tools to calculate production loss per crop/animal.	RO	Subject to a SWOT analysis and needs assessment of the CAP Plan, Member States could introduce a sectoral intervention in sectors referred to in <i>Article 42</i> , <i>point (f)</i> of the CSP Regulation, comprising a production loss risk management tool for a certain sector, such as production insurance. In this case the calculation of losses should be either at a holding level or at the level of the holding's activity in the sector.  Lessons learnt from the current period will feed into the reflection on the post-2027 CAP.
225	<b>Top-up crisis payments:</b> future crisis payments as top-ups to existing support schemes	FI	Exceptional measures based on Regulation (EU) No 1308/2013 and providing emergency support funded through the agricultural reserve aim to address market disturbances or crises. Using the EU agricultural reserve

	Suggestions	Proponents	Assessment
226	Declarations: simplify declarations for disasters and crop damage.	ECVC	to top-up interventions in the CAP Plans would deviate from the objective of the reserve.  Lessons learned on the use of the agricultural reserve and crisis management measures will feed into the reflection on the post-2027 CAP.  This matter falls under the Member States' responsibility. For compensation under the interventions' risk management tools ( <i>Article 76</i> of the CSP Regulation), a formal recognition of the risk event in relation to production losses is no longer required (as was the case in the previous CAP programming period).
	Comm	on market orga	nisation
227	<b>Wine</b> : extend the validity of all vineyard planting authorisations to 8 years instead of 3 years. Elimination of the validity limit of replanting rights.	ES, IT	This suggestion was not taken up. Extending the validity of authorisations for new plantings would add more uncertainty to the evolution of production potential. A wider discussion on wine-related issues will take place in the high-level group on wine that the Commission is setting up, which will provide an input for future reflections on the EU wine policy under the post-2027 CAP.
228	<b>Wine</b> : allow modifications of authorisations for the location of vineyard plantings to be requested and approved without prior justification, as long as the other requirements are met.	ES	The feasibility and impact of this suggestion is being examined.
229	<b>Producer organisations (POs):</b> suggestion for manuals on the recognition and operation of POs, interprofessional organisations, practices, and exemptions from competition rules applicable to the agri-food sector.	PT	The EU CAP network regularly publishes good practices in implementing the CAP. It organises every year a forum to exchange best practices in the food supply chain. Recognition of POs and IBOs (interbranch organisations) often relies on national specificities and procedural rules that an EU-level manual would not be able to capture. Guidance on the exception to competition rules under <i>Article 210a</i> of Regulation (EU) No

Suggestions	Proponents	Assessment
		1308/2013 has been provided as a part of new 'Commission guidelines on the exclusion from <i>Article 101</i> of the Treaty on the Functioning of the European Union for sustainability agreements of agricultural producers pursuant to <i>Article 210a</i> of Regulation (EU) No 1308/2013' (C/2023/1446 of 8 December 2023).  The manual 'Establishing an Operational Programme - supporting producer organisations' is also available: <a href="https://op.europa.eu/en/publication-detail/-/publication/beca5d94-7d21-11ee-99ba-01aa75ed71a1/language-en.">https://op.europa.eu/en/publication-detail/-/publication/beca5d94-7d21-11ee-99ba-01aa75ed71a1/language-en.</a>

## IV. OTHER ELEMENTS OF THE CAP/OTHER INSTRUMENTS OF AND RELATED TO THE CAP

	Suggestions	Proponents	Assessment
	Knowleda	ge, digitalisation	, advice
230	<b>FAST:</b> make the use of the electronic Farm Sustainability Tool (FAST) optional for Member States and for farmers ( <i>Article 15</i> of the CSP Regulation).	BG, HU, RO	It is optional for farmers to use FAST but mandatory for Member States to offer it to farmers. Making this optional for Member States would go against the environmental ambitions of the 2023-2027 CAP and the need to support farmers in the necessary sustainability transition.
231	Knowledge: provide continuous education and information and increase targeted support to farmers about the applicable rules. Strengthen knowledge and advice throughout the agri-food value chain to reduce asymmetry of information.	CZ, PT	The Farm Advisory Services are funded under the CAP Plans for this purpose.  The Commission recognises the importance of knowledge, exchange of good practices and advisory services. At EU level this is done, for example, by the EU CAP network (e.g. annual forum on best practices in the food supply chain). Following its commitments in the simplification package, the Commission has organised exchanges with Member States and stakeholders on how to make better use of these knowledge/advisory tools.
232	<b>Digital tools:</b> develop digital tools and platforms for easier reporting, applications for support and administrative actions.	CZ	It is already possible to address this issue within the current EU CAP framework.
233	<b>Single contact point:</b> create a single contact point for all communication, to reduce the need to approach different institutions.	CZ	It is already possible to address this issue within the current EU CAP framework.  At EU level, the Commission has a single contact point through which citizens may make any communication.

	Suggestions	Proponents	Assessment
234	<b>Digital farm notebook:</b> the obligation to have a digital farm notebook should be removed given connectivity problems, lack of skills, age structures, and access to advisory services.	COPA- COGECA	There is no EU-level obligation in the EU CAP framework to have a 'farm digital notebook'. Nevertheless, digital administrative tools, including for CAP support, will become increasingly important and
235	<b>Digital tools:</b> do not rely on the hyper technologisation of administrative tasks. In addition, the use of data, if it is not truly protected, is a threat.	ECVC	therefore it is important to accompany and support farmers in managing and using such digital tools effectively and efficiently. The implementation and administration of digital tools is a Member State responsibility.
	CAP strategic	plans - social co	nditionality
236	Remove social conditionality.	BG, HU, LV, PL, SK, RO, CY	The suggestion was not taken up. The CSP Regulation already grants Member States the possibility to delay to 2025 the implementation of social conditionality, or to start applying it earlier. Several Member
237	Postpone the application of social conditionality.	HR, SI, BE	States already implement the social conditionality system. Postponing its application beyond 2025 would affect the level playing field in the EU and would hamper the achievement of the policy objectives of the 2023-2027 CAP in the area of social sustainability.
238	Align social conditionality with other conditionality.	FI	In any event, social conditionality should not add an additional complication for farmers since it relies on the existing implementation and control systems in Member States.
239	Avoid double penalties between systems of conditionality and cross compliance. With social conditionality, farmers may be subject to double penalties. If a farmer makes a small mistake, this could lead to a sanction on CAP payments and a sanction through national legislation on working conditions.	COPA- COGECA	The suggestion was not taken up. By expanding the system of conditionality for direct payments under the CAP, the co-legislators have chosen to include the obligation for Member States to apply administrative penalties linked to a range of social rights laid down in EU legislation, such as written contracts and rules on safety and health at work.

Suggestions	Proponents	Assessment

	Organic farming			
240	Automated IT system to record feeding regimes and growing periods per group of animals.	LT	EU legislation does not prevent the introduction of such IT systems. However, it should be considered whether this would contribute to simplification.	
241	Guidelines for organic livestock products should have all the requirements in a single place.	LT	The Commission has published notices on the use of veterinary medicines and on apiculture. In addition, DG AGRI discusses the correct implementation of the EU provisions in great technical detail with the Member States.	
242	Plant reproductive materials: derogation until 2036 from the requirement to use only plant reproductive material.	LT	According to <i>Article 53</i> (7) of Regulation (EU) 2018/848 the Commission will present a report on the availability of organic plant reproductive material by 31 December 2025. Based on this report and the assessment of the situation in the sector, the Commission will consider modifying the legislative act. It may do this by extending the derogation referred to in <i>point 1.8.5 of Part I of Annex II</i> or by ending the derogation on a date earlier than 31 December 2036. The empowerment could be used from 1 January 2029 and must follow the applicable procedure. In addition, certain organic operators have invested in developing organic plant reproductive material and the extension of the current derogation would undermine the development of their activities.	
243	Fewer secondary acts: reduction of the number of delegated and implementing acts for organic farming.	PL	The secondary legislation associated with Regulation (EU) 2018/848 stems directly from provisions in the Regulation. The co-legislators decided to leave the settlement of certain technical issues out of this Regulation and instead to empower the Commission to develop specific secondary legislation on these issues.	

	Suggestions		Assessment		
	Other issues				
244	Agricultural land: propose a directive on agricultural land and establish a European agricultural land observatory.	ECVC	The suggestion was not taken up. Land markets are within the competence of the Member States. The Commission monitors a number of key variables in relation to agricultural land, considering the importance of access to land, which also affects generational renewal.		
	Other genera	al suggestions fo	r the CAP		
245	<b>CAP Plans:</b> simplify the intervention logic of CAP Plans, focus on 'strategic elements', take a multi-year, more result-oriented approach, reduce the level of detail required in measures and actions. Strive for administrative simplicity.	AT, CZ, EE, EL, FI, HU, LV, MT, SE, SI, SK, BE	Member States have considerable flexibility in how they design their CAP Plans to address most of these suggestions.  Lessons learned from the current period will feed into the reflection on the post-2027 CAP.		
246	<b>Take a flexible approach</b> in CAP legislation to take account of different conditions and needs of various agricultural businesses and regions. Strengthen decision-making powers at the level of individual Member States.	SI	It is already possible to address this issue within the current EU CAP framework.		
247	<b>Stability:</b> set a longer CAP programming period. Avoid significant changes to CAP in the medium term. Set realistic timeframes for the implementation of new or modified legislation under CAP and a period of tolerance to allow people to understand the new CAP rules.	SI, BE, IE	The CAP programming cycle follows the 7-year period of the MFF and provides considerable stability. The Commission agrees on the importance of the stability of CAP support, and this is why its simplification package proposed limited changes, keeping the main elements of the 2023-2027 CAP intact. Lessons learned from the current period will feed into the reflection on the post-2027 CAP.		
248	<b>Balance</b> the environmental and climate elements of CAP to take account of the economic impacts on the sector.	SK	This is the case of the current CAP policy with balanced objectives for the economic, social, and environmental aspects of agricultural sustainability.		

	Suggestions	Proponents	Assessment
249	CAP budget: the CAP should be adequately financed, with the objective of supporting farmers' income, ensuring food security, and maintaining a viable rural area. The current financial allocation is not sufficient to ensure the necessary balance between economic and environmental sustainability.	IT	Lessons learned from the current period will feed into the reflection on the post-2027 CAP.
250	<b>CAP budget:</b> the budget intended for the CAP should be devoted exclusively to agriculture. Environmental and rural needs should be addressed outside the CAP budget.	BE	Lessons learned from the current period will feed into the reflection on the post-2027 CAP.
251	<b>CAP process:</b> follow-up the Strategic Dialogue on the Future of Agriculture. Importance of early engagement of farmers and the AGRIFISH Council.	IE	The Commission agrees that it is important to engage with farmers and other stakeholders at an early stage and will pursue this in preparing the future policy initiatives. The Strategic Dialogue delivered its report on 4 September 2024 and it is being discussed with other EU institutions and with stakeholders.
252	<b>Income:</b> adaptation of the EU legislative framework to regulate and guarantee a fair income for farmers, including the revision of the Unfair Trading Practices (UTP) Directive, the creation of a mechanism for fair price transmission throughout the value chain and promote collective actions and collaboration between sector partners across the supply chain.	COM AGRI, BE	This issue is covered by the reflection paper on the position of farmers in the food supply chain sent by the Commission to the co-legislators in March 2024. This paper lists short-term measures that aim to improve the position of farmers, in particular as regards their remuneration. In the longer term, the paper mentions the on-going evaluation of the UTP Directive, and a specific study on experiences in different Member States on such an approach. These will feed into the reflection on possible amendments to Regulation (EU) No 1308/2013 and the UTP Directive, while respecting the basic principles of market orientation of EU agriculture and of the freedom of the parties to set the parameters of their contractual relations.

	Suggestions	Proponents	Assessment
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	Statistics and the Farm Sustainability Data Network (FSDN)			
253	<b>FSDN:</b> reduction of the number or frequency of variables to be collected from participating farms.	DE, DK, FI COPA- COGECA	The discussion with Member States on the new variables for the FSDN has been concluded. <i>Implementing Regulation (EU)</i> 2024/2746, which sets out the FSDN variables, was published on 30 October 2024. The variables were carefully defined through close collaboration with Member State experts, with the aim of ensuring they are relevant for sustainability analysis at farm level while minimising the administrative burden of data collection on farmers and national administrations. To achieve this, the principle of 'ask once and reuse multiple times' was applied wherever possible. For example, variable definitions we aligned with those used in certain statistical surveys, such as the Integrated Farm Statistics (IFS) or the Survey on Agricultural Input and Output (SAIO), taking advantage of the fact that FSDN data is collected at farm level, providing a more detailed perspective.	
254	Reuse the data collected: enable the retrieval and reuse of data already collected under other EU legislation or systems (integrated farm statistics, IFS).	DK	A study on interoperability between the IFS and FSDN is currently ongoing, involving both national statistical institutes and the farm accountancy data network (FADN)/FSDN liaison agencies. The Commission continues to engage with Member States on improving data-sharing at both EU and Member States level.	
255	Statistics on plant protection products: request to carry out an assessment of the cumulative effect of the notification requirements for multiple statistical data (SAIO, FSDN, integrated farm statistics, etc.), (Regulation (EU) 2022/2379,	LU	The statistics on plant protection products (PPP) use collected under the SAIO and FSDN are fundamentally different in nature. While the SAIO aims to provide solid PPP use statistics at country level, helpful for analysing trends in usage, including as regards the targets set by the Farm to Fork Strategy, the FSDN data on PPP use will be collected	

	Suggestions	Proponents	Assessment
	Implementing Regulation 2023/564 on the content and format of the records of plant protection products).		for a sample of farms to allow in-depth analysis of the farm-level interrelation between PPP use and other farm management decisions, and the impact of policy interventions on these decisions, as well as the associated economic, social and environmental outcomes.  In the absence of the obligation to set up electronic registers at Member State level, the SAIO provides for a lower coverage for PPP use statistics to be collected as of 2028 (85% of usage instead of 95%). This burden reduction for the collectors should be carefully weighed against the necessity to collect the data from individual records, which however would considerably be alleviated by the compulsory electronic record-keeping of pesticides use as from 2026. Additionally, digitalisation can help meet the record-keeping requirements established for professional users since 2009.  Substantial financial support will be granted to Member States under the SAIO to help set up the collection of statistics on PPP use for the first reference year (2026). Similarly, under the FSDN, Member States will be able to benefit from support to set up and run the data collection system, as well as a transition period for collecting these data.
	Th	e School scheme	
256	Remove the obligation to approve applicants prior to participation.	LV	The Commission considered an amendment of Delegated Regulation (EU) 2017/40 to remove the obligation for Member States to approve aid applicants (business operators participating in the School scheme) prior to their participation in the scheme and discussed it with Member States on 23 May and on 20 June 2024 (Expert Group for Agricultural Markets). Based on Member States' feedback it was.

	Suggestions	Proponents	Assessment
			concluded this change would not simplify the application approval process
	Pron	notion programı	
257	Simplification of management procedures (checks, interim payments, sanctions).	ES, LV	The suggestion was addressed. The Commission is preparing targeted amendments to Commission Implementing Regulation (EU) 2015/1831. Among other changes, reporting obligations could be reduced from three to two times per (3-year) programme for both business-to-authority and authority-to-authority reporting. In addition, the content of reporting obligations related to payments will be reviewed to avoid overlap between reporting obligations under the final report and under the final interim report.
	Marketing sta	andards and orig	in labelling
258	<b>Simplify marketing standards:</b> simplify the existing rules and adjust them to the General Food Law Regulation. Avoid expanding them to other products ( <i>Article 75</i> of the common market organisation regulation).	DK	Marketing standards are tailor-made and proportionate to the market characteristics and challenges for certain products. They have, in addition, been subject to a recent evaluation, followed by a general exercise of simplification and technical adaptation, accompanied by a
259	<b>Proportionality of marketing standards:</b> the proportionality and necessity of certain marketing standards should be assessed so as not to penalise small family businesses, or structures in rural regions e.g. as regards the marketing standards applicable to eggs.	LU	thorough impact assessment. This is why only a reduced number of agricultural products are subject to marketing standards. The adoption of new marketing standards will follow a needs-based approach.

## V. LEGISLATION OUTSIDE THE CAP

	Suggestions	Proponents	Assessment
	EU legislati	ion and legislativ	ve process
260	Impact assessments: call for impact assessments of new European Green Deal legislation, especially on the environment, to take better account of the viability of the primary sector.  Call to review the cross-cutting requirements on environment and climate to determine the need for any exceptions, transition periods or alternative proposals, including maintaining the status quo, to facilitate compliance.	CY, CZ, EL, RO, COM AGRI	The Commission agrees on the importance of thorough impact assessments and will continue its practice in line with Better Regulation principles where, among other issues, the competitiveness and consistency of legislation are mandatory topics to be examined.
261	Analysis of burden: assess the burden of multiple laws on farmers. Develop methods/tools for analysis of the simultaneous burdens from multiple pieces of legislation on the different types of farmer, including the CAP as a tool to identify potential areas of legislation where it is necessary or possible to simplify.	SE	The Commission agrees on the importance of cumulative assessment of impacts and consistency of legislation.  The ongoing study on the administrative burden and simplification will provide insights into the sources of the burdens that weigh on farmers. The results of the study are expected by early 2025.
262	<b>Rural proofing</b> : call for the rural proofing of EU proposed legislation. Ensure the consistency and complementarity of the relevant policies.	SE, FI,  COPA- COGECA	The use of rural proofing is already part of the Commission's Better Regulation methodology and is essentially implemented through territorial impact assessments. Better Regulation also envisages the assessment of the impact of EU rules on SMEs, including rural businesses.

	Suggestions	Proponents	Assessment
263	Consistency between laws affecting farmers.: call to ensure consistency and complementarity between the different policies, legislative proposals and acts that affect farmers (e.g. between the CAP and legislation on deforestation and nature restoration, waste, the circular economy and trade) and for a clear framework with a long-term perspective to enable operators to plan ahead.	FI, LV, LU, MT COPA- COGECA CEJA	The Commission agrees that policies and legislation aimed at farms must be consistent. The Commission encourages Member States to reflect on the interplay of different measures when they implement EU legislation.
264	<b>Timely preparation of legislation</b> : call for the timely preparation and adoption of EU legislation to give Member States enough time to set up systems and procedures, and to provide certainty to operators. Call for swifter provision of answers and interpretation from the Commission.	CY, CZ, FI, HU, SI	The Commission takes note of this request. The Commission agrees that the stability and predictability of the legal framework is important for Member States and farmers. This issue will be taken into consideration in the work on the post-2027 CAP, which should build on existing frameworks and structures that are well established and have proven to function adequately (CAP Plans, control systems, etc). As a means of cooperation, the Commission shall continue to engage Member States in the reflection on upcoming legislation and to hold ad hoc consultations. The timing of the adoption and entry into force of new legislation also depends on the EU co-legislators.
265	<b>Deadlines:</b> set realistic deadlines for implementing environmental and climate legislation.	CZ, SI, RO	The Commission takes note of this request. Climate and environmental legislation work with a long-term perspective and should continue to do so.
266	<b>Taxing pollution:</b> additional taxation in terms of pollution should not be levied on farmers.	MT	The CAP supports farms in the transition to a sustainable farming model.  Any proposals for changes to EU environmental legislation are accompanied by impact assessments to assess the policy options available, including different tools and instruments to address pollution. In particular, these impact assessments also_analyse the impacts on all stakeholders concerned.

Suggestions		Proponents	Assessment
		Research	
267	<b>Horizon:</b> the reporting requirements for Horizon multistakeholder projects make it very difficult for farmers to participate.	COPA- COGECA	The reporting related to Horizon-funded projects applies to all projects, including those with a multi-actor approach. On behalf of the project consortium, the project coordinator submits all reports, payment requests, proof of deliverables and other documents as per the grant management between the Commission and the project consortium. The reporting obligations for the different actors involved in the project (including farmers) are largely organised and decided by the consortium. At the same time, a project officer at the Research Executive Agency accompanies the consortium throughout the project implementation and provides assistance to project coordinators to streamline reporting on project implementation.
		Trade	
	Standards in trade agreements: trade agreements between the		All agri-food imports must already comply with EU sanitary and phytosanitary requirements. Going one step further and envisaging the application of certain EU process and production methods standards to imports (on a case-by-case basis and in line with WTO rules) is a possibility contemplated by the Commission in its 2021 Trade Policy Review Communication (COM(2021) 66 final).
268	EU and non-EU countries should require the same EU standards on health, food, environment, and labour rights, avoiding 'import tolerance' for all imported food products. Consider: mirror clauses, quantity quotas and monitoring of compliance.	IT, MT, BE, COM AGRI	Trade agreements are a key driver of the transition to more sustainable food systems both in the EU and in partner countries. Modern EU trade agreements contain rules on trade and sustainable development, which require the effective implementation of international social and environmental commitments. In addition, several autonomous measures have been put in place since 2019 (on deforestation, the Carbon Border Adjustment Mechanism (CBAM), maximum residual levels of neonicotinoids, the ban on antibiotics as a growth promoter, corporate due diligence, etc.).

Suggestions		Proponents	Assessment
			The Commission may consider to propose, when necessary, further targeted autonomous measures, to address global concerns, on a case-by-case basis, in line with WTO rules, to promote the EU trade and sustainability agenda, while taking into account EU's interest in stable trading environment as a major participant of global trade.  Lastly, the EU's strong position in multilateral organisations and in bilateral relations with trade partners should be reinforced strategically to raise sustainability standards in a cooperative way.
			EU agriculture benefits from open trade and free trade agreements. Agri-food exports drive growth in the EU agri-food sector, as the increase in global food consumption is occurring outside the EU. These exports totalled EUR 228 billion in 2023, with a positive trade balance of EUR 70 billion. Imports are also essential to EU agriculture, as they provide crucial intermediate inputs or tropical / counter-seasonal products.
269	Agriculture and free trade agreements: the EU must remove agriculture from free trade agreements, and this must start by immediately ending the negotiations on the EU-Mercosur agreement.	ECVC	Together, EU exports and imports contribute to the global trade in agricultural and food products and help balance food supply and demand across the globe. This contributes to global food security and to the security of supply on the EU market, in particular if there are regional shortfalls in production, for example due to extreme weather events.
			Moreover, free trade agreements are a platform for cooperation on sustainable development issues and contribute to the resilience of value chains by helping secure and diversify both the sources of imports and export destinations.
			During trade negotiations with some partners, increasing access to the EU market in some sectors has been a key demand. However, for sensitive agricultural products, concessions under EU trade agreements are always carefully calibrated, for instance through limited tariff rate

	Suggestions	Proponents	Assessment
			quotas to offer some access to our market and mitigate possible negative effects on sensitive products.  In addition, trade agreements are a key driver for the transition to more sustainable food systems both in the EU and in partner countries. Modern EU trade agreements contain rules on trade and sustainable development, which require the effective implementation of international social and environmental commitments.  The Mercosur free trade agreement is no exception: it offers real opportunities for EU exporters, in particular for high value-added products such as wine, olive oil and dairy products as well as one of the highest number of EU GIs (Geographical indications) protected in an FTA. The FTA will contribute to securing reliable flows, as Mercosur is already a key source of imports for the EU, in particular feedstuffs necessary for agriculture and tropical products such as fruits or coffee, for which the EU needs to rely on imports. Potential impacts on the EU market are mitigated through Tariff Rate Quotas phased-in over long transitional periods, and for the first time in such an Agreement, protected by safeguard clauses. The negotiations are still on-going, and this includes an ambitious trade and sustainable development chapter, encompassing an addendum with Mercosur to ensure that the agreement delivers on the EU's sustainability goals.  Finally, free trade agreements must be consistent with WTO rules, which require that parties need to establish free trade on substantially all the trade between the constituent territories in products originating in these territories.
		State aid	
270	<b>State aid rules:</b> call to relax State aid rules, allow for a higher level of support, and to increase and make the maximum aid ceiling for farmers more flexible to take into account the increase in extreme climatic events to which farmers are exposed (Commission Regulation (EU) No 1408/2013).	FR, MT	The Commission is finalising the review of Commission Regulation (EU) No 1408/2013 (the 'agricultural <i>de minimis</i> Regulation') in light of the inflationary pressure in recent years and the current context with, amongst other things, high commodity prices affecting the agricultural sector.

Suggestions		Proponents	Assessment
271	Approval of State aid: approve State aid directly within a strategic or programme document (currently within the CAP strategic plan); adopt a 'single-window' approach for both.	CZ, SI	The proposal was not taken up. In so far as funding constitutes State aid, its compatibility with the single market has to be assessed under the applicable State aid rules. The current State aid rules ensure a balance between providing a swift basis for State aid clearance for CAP co-financed measures and keeping the necessary competition safeguards.  Lessons learned from the current period will feed into the reflection on
272	<b>State aid definitions:</b> unify the definitions and requirements between different state aid laws (e.g. <i>de minimis</i> and GBER/ABER legislation for the definitions of enterprise and applicant for training)	CZ, SI	the post-2027 CAP.  The Commission is determined to address any inconsistencies that may exist between different pieces of legislation. The Member States are invited to submit their views on the existence of any inconsistencies in the revision process of State aid legislation. Member States are always closely involved in this process, and for future revisions the Commission will also take into account any comments from Member States on potential inconsistencies.
273	Requirements for granting State aid: reduce certain requirements for granting State aid that create an administrative burden (checks on an enterprise in difficulty or limiting non-agricultural training only to SMEs).	CZ	The proposal was not taken up. State aid rules for the agricultural sector recently underwent a thorough review and only entered into force in 2023. The Commission considers that this new legal framework is fit for purpose. More specifically, the exclusion of undertakings in difficulties is a cross-cutting principle under State aid law. Given that their very existence is in danger, the Commission considers that aid to undertakings in difficulty may contribute to the development of economic activities without adversely affecting trade to an extent contrary to the common interest only under very limited and exceptional circumstances and should, beyond those circumstances, be confined to measures in line with the conditions set out in the Rescue and Restructuring Aid Guidelines. On the limitation of eligible undertakings to SMEs, it should be recalled that State aid should address situations of market failures only. For certain types of aid, such a market failure only exists for SMEs, while large enterprises are able to carry out the relevant activities even without State aid. For training

Suggestions		Proponents	Assessment
			aid, following an amendment of the General Block Exemption Regulation (Commission Regulation (EU) 651/2014) of June 2023, training aid does not fall within the scope of the agricultural-specific rules anymore, but under the rules laid down in that Regulation. As such, training aid is not limited to SMEs but can also be granted to large enterprises.
274	<b>Exemption for local action groups (LAGs):</b> request for the possibility to apply the same exemption for LAGs as for municipalities in the case of conditions for small enterprises ( <i>Articles 60 and 61</i> of Commission Regulation 2022/2472/EU for Community Lead Local Development).	CZ	The proposal was not taken up. Lessons learned from the current period will feed into the reflection on the CAP post-2027
275	Ceiling: setting new ceilings (300 000 EUR) for exemptions from the obligation to notify State aid.	SI	The general definition of 'de minimis' was increased to EUR 300 000 as from 1 January 2024 due to inflation in recent years. This applies to the sector of processing and marketing of agricultural products, but not to primary agricultural production. For agriculture (excluding marketing and processing), the Commission is finalising its review of the agricultural de minimis Regulation that will revise the applicable ceilings, in consultation with Member States, and also consulting stakeholders.
276	<b>Project ceiling:</b> change the ceiling of 200 000 EUR per project (or EUR 2 million) to facilitate international cooperation projects ( <i>Articles 60 and 61</i> of the ABER for Community Lead Local Development).	CZ	The proposal was not taken up. The Agricultural Block Exemption Regulation, which specifies these ceilings, has very recently been amended and all ceilings were adjusted to the current market situation. At this moment in time, therefore, the Commission does not consider that an increase is necessary.
277	<b>Evaluation of schemes:</b> withdraw the requirement to conduct ex post evaluation of schemes with large aid budgets (a budget of over EUR 150 million in a given year or EUR 750 million over the programme period), or significantly increase the applicable amounts, e.g. over EUR 300 million in a given year or EUR 1 500 million over the entire programme period.	PL	The proposal was not taken up. Evaluation provides a means to improve policy and to gather evidence on what went well and what did not. It is fundamental to assess effectiveness, efficiency, relevance, EU added value and consistency and thus always improve evidence-gathering for the better design of a performance-based policy.

Suggestions		Proponents	Assessment		
	Guidelines should be provided on State aid in the agricultural and forestry sectors and in rural areas.				
278	Conflict of interest: call for clearly defined and predictable conditions that do not allow for a broad interpretation - typically in the areas of conflict of interest, and reduction of administrative obstacles that make the setting of aid more difficult and do not allow flexibility in changing conditions.	CZ	State aid decisions provide clearance for aid, which complies with all the conditions set in a decision. Likewise, aid can only be block-exempted under the Agricultural Block Exemption Regulation if all the conditions stipulated therein are complied with. State aid decisions and the Agricultural Block Exemption Regulation do not allow a wide margin of discretion. The conditions are those clearly stated in the notification forms and in the national legal basis. In case of doubts when interpretating State aid rules, Member States can ask the Commission for an interpretation via the e-State Aid wiki platform. This platform provides transparent interpretation of rules, is accessible to all Member States and contributes to greater legal certainty when applying State aid rules.		
	Common Provision Regulation (EU) 2021/1061				
279	Community-Led Local Development (CLLD) support from EU funds: request to increase the upper limit for support from EU Funds for CLLD (currently 25% of the total amount of the public contribution to the strategy, for costs related to the management, monitoring and evaluation of the strategy and its day-to-day running) and leave it to each Member State to determine the limit ( <i>Article 34</i> of Regulation (EU) 2021/1060 - Common Provision Regulation).	LU	The added value of LEADER comes mainly from its projects, not from its day-to-day running and management. In order to avoid that too much of the funding goes to day-to-day running and management, an upper limit of 25% is considered necessary and reasonable.		
280	<b>CLLD public funding:</b> for community-led local development, calculate the 25% upper limit of the total public funding for the support of running costs of Local Action Group (LAG) management and day-to-day running at Member State level and not at individual LAG level.	AT	There is a relation between the projects implemented and the running costs of LAGs. Thus, it makes sense to apply the 25% limit at the level of local development strategies and not at national level. The funding of running costs is to support the implementation of the projects, and not a goal in itself.		

	Suggestions	Proponents	Assessment
281	CLLD project submission: enable continuous project submission procedures again, not only calls for community lead local development.	AT	This matter is related to national procedures. ERDF programmes can provide support to CLLD strategies where the Member State has included this option in the programme concerned. Under the responsibility of the Managing Authority (under the ERDF, or for Leader under the EAFRD Authorities), tasks to be carried out exclusively by Local Action Groups include the preparation and publication of calls for proposals. The relevant provision in the Common Provisions Regulation, <i>Article 33(3)</i> on LAG tasks, does not
	Carbon Removal Reg	gulation – propo	sal COM (2022)672
282	Currently in trilogue, but the regulation only defines the basic principles of certification (similar to the Renewable Energy Directive). The upcoming legal acts should be designed in such a way to ensure that legal requirements are as clear as possible for the companies concerned and that the additional effort for these companies is minimised.	AT	The certification methodologies are currently developed in consultation with an expert group. The recordings of the expert group meetings and all its papers are publicly available. The Commission welcomes the views of all stakeholders and wants to build on existing best practices when developing the certification methodologies.
	CBAM (Carbon l	Border Adjustm	ent Mechanism)
283	Amount of CO <sub>2</sub> in fertilisers: the CBAM includes strict requirements on documenting the amount of CO <sub>2</sub> in fertiliser and steel/aluminium products that companies import from countries outside the EU. This data can be very hard for companies to obtain.	COPA- COGECA	CBAM relies on actual embedded emissions in goods imported into the EU, which indeed may create challenges for declarants to collect information from supply chains. However, there are reporting flexibilities to address those cases where they do not manage to obtain information on actual emissions, such as the possibility to use default values. Also, Member States' national competent authorities will take these difficulties into account when deciding whether to apply penalties.

	Suggestions	Proponents	Assessment		
	Renewable Energy (Directive (EU) 2018/2001 as amended by Directive (EU) 2023/2413)				
284	Removal of certification: removal of certification requirements for biomass production in 'low risk' countries.	AT	The Renewable Energy Directive includes, in <i>Article 29 (6) and (7)</i> sustainability criteria for forest biomass, irrespective of whether the biomass originates from 'low-risk' (the so-called 'A-level') countries, where laws and regulations are in place, as well as monitoring and enforcement systems, or if it originates from countries where the above evidence is not available, and therefore management systems have to be in place at sourcing area level. In both cases, the Directive includes, in <i>Article 30</i> , rules for verification of compliance with the sustainability and greenhouse gas emissions savings criteria. These rules are binding. Some flexibility already exists for these low-risk countries, where, in <i>Article 30 (3)</i> , the possibility is given, for such cases, to use the first or second party auditing may be used up to the first gathering point of the forest biomass.		
285	EU database for biofuels (UDB): the EU database for biofuels should be stopped. It creates an immense bureaucratic burden for the agricultural sector. For example, a large amount of data has to be collected from farmers by the first collectors, entered into the database and regularly updated. We do not see any added value for the biofuel sector. If the Commission needs data on the biofuels value chain, it should use existing national databases instead of establishing a new one	COPA- COGECA	In the context of ensuring the sustainability of biofuels, the Commission has been mandated by the Renewable Energy Directive to develop and put into operation an EU database (UDB) as an important and unique traceability tool to increase market transparency, mitigating the risk of irregularities or double counting of energy units in the supply chains. The traceability of raw materials is crucial to ensure the traceability of the biofuels produced from them. The UDB is designed in such a way as to ensure that the traceability objective is achieved, avoiding any disproportional burden on economic operators.		
	EU Regulation on Deforestation (EUDR) - Regulation (EU) 2023/1115				
286	<b>Implementation of Regulation:</b> suspension or delay of the implementation of the regulation (including with regard to the treatment of small farmers and forest owners in the EU, documentation and information system requirements for 'low' versus 'high' risk countries, and operation of the electronic data transfer).	AT, SE, SK	EU farmers comply already with high standards, hence they are in a very good position to comply with EUDR without any further excessive efforts.  On 2 October 2024, the Commission presented a proposal for an additional 12-month phasing-in period, which – upon agreement of colegislators - will shift the date of entry into application by 12 months,		

	Suggestions	Proponents	Assessment
287	Legal security for agricultural and forestry work: to provide legal security for agricultural and forestry work (ditch cleaning, legal clearance obligations, etc.) it is proposed to add the possibility of derogation from the EUDR to the list of derogations provided for in <i>Article 16</i> of the Habitats Directive (92/43/EEC). This possibility would consist of recognising situations in which agricultural and forestry work is authorised by the administration, or regularly declared to the administration in compliance with the conservation objectives laid down in this Directive, and regularly carried out.	FR	to ensure proper and effective implementation for all parties in the scope of the Regulation.  The Commission also published the Guidance Document (C/2024/6789) and Frequently Asked Questions (FAQs) which address and clarify many issues raised by farmers and forest owners. The <b>Guidance Document</b> is divided into 11 chapters covering a diverse range of issues such as legality requirements, timeframe of application, due diligence, and clarifications on the product scope. All of these are supported by tangible scenarios. The document introduced flexibility on the issue of 'agricultural use', so that environmentally respectful
288	<b>Legal certainty for agricultural and forestry work:</b> to provide legal certainty for agricultural and forestry work (ditch cleaning, legal clearance obligations, etc.) it is proposed to exempt from criminal penalties infringements in the context of agricultural and forestry work that is regularly authorised by the administration or declared, and regularly carried out, by amending <i>Article 5</i> of the Directive on the protection of the environment through criminal law (Directive 2008/99/EC).	FR	agroforestry and farming practices are promoted and not regarded as conflicting with the EUDR, and that sustainable farming practices - such as setting aside land which is overgrown and then cleared - can be pursued continuously.  The FAQs provide clarification on the application of the rules and promote a pragmatic and consistent interpretation of the regulation, addressing requests from the private sector to have clarifications on EUDR implementation, and to simplify their work as much as possible.
289	Registration of a single due diligence statement: enable operators to register a single due diligence statement (DDS) that covers several consignments sent over a certain period, e.g. one DDS for all movements of fattened bulls or culled cows from one farm to a slaughterhouse per one year ( <i>Article 4</i> of Regulation (EU) 2023/1115).	SK	<ul> <li>It was clarified that companies do not need to file a due diligence statement for every shipment or batch. One statement can cover multiple shipments and companies can do so for every contract.</li> <li>The rules for products containing multiple commodities were explained (for instance, a chocolate bar containing cocoa powder, cocoa butter, coffee and palm oil): the operator only has to conduct</li> </ul>
290	Revision of the requirements of the EU Deforestation Regulation: a fundamental revision of the requirements of the EU Deforestation Regulation is needed. The urgently needed adjustments are: pure documentation obligation for primary producers in countries with a 'low risk' due to demonstrably stable or increasing forest area in previous decades; introduction of 'de minimis limits' to continue to enable farm developments in forest-	COPA- COGECA	<ul> <li>due diligence for the products falling under the main commodity group.</li> <li>The work for operators dealing with bulk commodities was simplified, for example by limiting obligations for products in silos and by allowing operators to declare plots of land in excess.</li> <li>The scope of the EUDR was clarified that operators using relevant products to produce non relevant products (examples: farmers</li> </ul>

	Suggestions	Proponents	Assessment	
	rich regions; development of a practical and state of the art EU information system; disclosure of a reference number instead of all information in the due diligence declaration; and extension of the implementation deadline for Member States until a revised regulation is published.		growing soy to feed their poultry) are outside the scope of the EUDR. Simplification efforts also focused on the scope: cattle animals born before the entry into force are not in scope and are not subject to the requirements.  • It was clarified that operators and traders are not made liable for forest degradation that takes place after they have placed relevant products on the EU market.	
	Proposal for a directive on Soil Monitoring	g and Resilience	(Soil Monitoring Law), COM(2023) 416	
291	<b>Technical annexes:</b> amendment of the proposal as regards Articles 6 to 8 and technical annexes I, II and III.	IT	The ordinary legislative procedure for this file is currently ongoing.  The European Parliament approved its first reading position on 10	
292	Monitoring and mapping: the new obligation for monitoring and mapping of all contaminated soil should not impose an administrative burden on farmers. It is difficult to identify a polluter of contaminated soils. Problem of involuntary contamination as a result of farming practices (e.g. building up of pesticides residues over time).	MT	April 2024, while the Council has adopted its general approach on 17 June 2024. The trilogues for the Soil Monitoring Law started on 22 October 2024.  The proposal aims to put in place a solid and coherent soil monitoring framework for all soils across the EU and to continuously improve soil health with the aim of achieving healthy soils by 2050. The proposed	
293	Administrative burden: comments on significant efforts involved in implementing the future legislation at Member State level and/or general request to limit the administrative burden in developing the legislation.	AT, BE	Directive therefore lays down measures on monitoring and assessment of soil health, sustainable soil management and contaminated sites.  Under the Soil Deal for Europe mission, a few projects have been put in place to better identify indicators and to provide support to the national bodies to update and develop adequate methodology for monitoring. The Commission's Joint Research Centre will work to this end in cooperation with researchers and national authorities.	
	Nitrates Directive (91/676/EEC)			
294	<b>Use of fertilisers:</b> reduction of administrative burdens related to the use of fertilisers containing nitrogen in rock and the control of their use.	PL	An evaluation of the Nitrates Directive is ongoing. The precise application of the Directive depends on national rules, which may be reviewed by the national authorities while ensuring the overall effectiveness of their national nitrate action programme.	

	Suggestions	Proponents	Assessment
295	<b>RENURE products:</b> RENURE (recovered nitrogen from manure) products should be recognized as fertilisers instead of continuing to be labelled as 'animal manure'.	BE	On 19 April 2024 the Commission presented a draft Commission Directive amending <i>Annex III</i> of the Nitrates Directive in this respect.
296	<b>RENURE:</b> allow for a temporary exemption from the Nitrates Directive limit, in the short term, so that the safe use of RENURE products is allowed above the limit of 170 kg of nitrogen per hectare per year in specific areas, based on the RENURE criteria developed by the Commission's Joint Research Centre, and propose a revision of <i>Annex III</i> of the Nitrates Directives to allow for a permanent exemption of RENURE products from the Nitrates Directive limit in the medium term.	COPA- COGECA	The draft act is pending the opinion of the Member States in the Nitrates Committee and the scrutiny of the co-legislators before coming into law. An evaluation of the Nitrates Directive is ongoing, which will further analyse the role of different forms of organic fertilisers under the Directive.
	Proposal for a Forest m	onitoring regula	ation, COM(2023) 728
297	<b>Data collection:</b> the law is not needed as Member States already have monitoring systems. Questions on the purpose of data collection. Issues of data protection.	AT	Information on forest is patchy and uncoordinated and does not make it possible to check the impact of legislation nor to ensure forest resilience in a changing environment. This proposal does not go beyond what is necessary in order to achieve that objective and it should therefore be maintained. In particular it builds on existing national systems by promoting harmonisation and it complements them by providing standardised data though Earth observation. It also includes safeguards on data protection.
298	Forest management plan: concerns about the extensive contents of a 'reforestation plan'. Owners of forests up to 100 ha should be exempted from the obligation to draw up a forest management plan. The requirement for a climate benefit analysis should be removed	AT	The proposal does not include requirements for forest management plans. It is up to the Member States to decide the threshold for these plans and their content.
	Proposal for a Nature	e Restoration La	w, COM(2022) 304
299	Mandatory indicators: reduce the number of mandatory indicators and remove or make optional the 'woodland index' indicator.	AT	Following the positive vote in the European Parliament, the Council approved the Nature Restauration Law (NRL) on 17 June 2024, which ended the ordinary legislative procedure.

	Suggestions	Proponents	Assessment
300	<b>Agricultural ecosystems:</b> eliminate provisions relating to agricultural ecosystems ( <i>Article 11</i> of the proposal).	IT	The adopted act was published in the Official Journal of the EU on 29 June 2024 (Regulation (EU) 2024/1991).
301	Requirements of the Nature Restoration Regulation: fundamental revision of the requirements of the Nature Restoration Regulation needed to ensure that any additional EU requirements are also financed with additional EU funds outside the CAP and do not counteract the objective of food and supply security.	COPA- COGECA	The Regulation cannot and does not prejudge the prerogatives of colegislators for the adoption of the MFF post-2027.
	Industrial Emissions Di	rective (revised	Directive 2010/75/EU)
302	No expansion of scope: the transitional provisions should ensure that already existing livestock buildings are not affected by the new requirements under the Industrial Emissions Directive (IED). The scope of application should not be expanded.	COPA- COGECA	The legislative process on the revised IED has been completed. The revised Directive contains certain extensions of scope as a result of the co-decision procedure.  The document containing the detailed technical requirements (uniform conditions for operating rules) will be prepared in the near future in an inclusive process with operators, Member States and other stakeholders and will take into account the difference between existing and new installations where relevant.
303	Reporting requirements: all major companies in the food industry (slaughterhouses, dairies, biogas plants, etc.) and livestock farms (pigs and chickens) will now be subject to requirements to reporting in a comprehensive environmental management system. For various industries, there will be requirements for many sub-management systems (often 6 to 8). For example, slaughterhouses must have specific management systems for water, energy, chemicals, odour, noise, refrigeration, and abnormal operation, in addition to a general environmental management system. This will significantly increase the administrative burden without being proportional to environmental improvements.	COPA- COGECA	The revised IED does not significantly increase the administrative burden on the agricultural sector. It does not include an environmental management system requirement for pig and poultry farms.  The requirement to implement an environmental management system for slaughterhouses was laid down in Commission Implementing Decision (EU) 2023/2749 establishing best available techniques conclusions (BAT conclusions) for slaughterhouses, animal byproducts and/or the edible co-products industries.  For dairies, such a requirement was introduced by Commission Implementing Decision (EU) 2019/2031 establishing BAT conclusions for the food, drink and milk industries.

	Suggestions	Proponents	Assessment
			The above documents are from 2019 and 2023 and are therefore based on the existing Directive.  Moreover, according to these documents, the management plans covering various aspects (energy, noise, etc.) are all part of the same environmental management system, which aims at covering all environmental impacts.
304	Best available techniques (BAT): new BAT conclusions for individual industries continuously set more measurement requirements for pollutants with increased frequency. All these additional measurements must be reported to the authorities, regardless of whether the measurements are stable over days, months or years. This leads to increased administrative costs.	COPA- COGECA	The revised IED allows the use of emission factors instead of measurements for pig and poultry farms where relevant.  This approach was also possible under the existing Directive.  Moreover, BAT conclusions account for cases where measurements are stable and give the option for less frequent monitoring in such cases, thus allowing a proportionate monitoring (see for example footnote 4 of BAT 4 of Commission Implementing Decision (EU) 2019/2031 establishing BAT conclusions for the food, drink and milk industries).
305	Link with the Nitrates Directive: formal clarification sought that farms that comply with the requirements of the Nitrates Directive due to their area-based livestock farming system do not fall within the scope of the IED, regardless of the number of livestock units.	COPA- COGECA	The Nitrates Directive does not ensure a comprehensive assessment of emissions to air, water and soil of the installations on livestock farms, but is only concerned with the land application of manure and fertiliser and with the presence of sufficient storage capacity for manure. For large installations there is still a need for an integrated approach to pollution prevention and emissions control to air, water and soil in line with the IED.

Suggestions	Proponents	Assessment		
CSDDD (Corporate Sustainability Due Diligence Directive, Directive (EU) 2024/1760)				
Clarification necessary: key terms, including 'value chain' and 'business relationship' must be clarified, to ensure that human rights, environmental and climate-related due diligence requirements are only applicable and enforceable where companies have the legal or factual ability to influence the value chains they operate in, including the downstream sector.	COPA- COGECA	The coverage of the downstream value chain in the final version of the Directive has been limited to value chain partners that operate 'for or on behalf of' the large company in question. This ensures that only those business relationships over which the company has factual control are covered.		
<b>Importance of legal certainty</b> : attention must be paid to guidelines and delegated acts, to ensure they do not lead to further fragmentation and undue burdens on companies.	COPA- COGECA	Several safeguards have been introduced in the final version of the Directive to ensure that the delegated acts do not lead to further fragmentation and undue burdens.		
Restricted scope of affected parties: to achieve legal certainty and avoid undue burdens on companies, this scope must be limited to those genuinely affected by adverse impacts set out in this Directive, to avoid the risk of mass litigation by parties that are not genuinely affected stakeholders.	COPA- COGECA	The definition of stakeholders has been limited to affected stakeholders and it is only these affected stakeholders who have rights under the final version of the Directive.		
<b>Director's duties provision:</b> the provision on directors' duties is not necessary to achieve the aims of this directive. Such a provision would have negative impacts on cooperatives, which differ from other companies as regards the roles of their governance bodies and management, their role in the social economy, and the different relationship the farmer-members have toward their cooperatives compared to the relationship between a shareholder and a limited company	COPA- COGECA	All directors' duties have been deleted in the final version of the Directive.		
Reporting under the CSRD Directive (Corporate Sustainability Reporting Directive, Directive (EU) 2022/2464)				
Voluntary standards: introduce voluntary standards for non-listed SMEs – such standards must be treated as a ceiling and take into consideration the very limited capacities of SMEs to dedicate resources to sustainability reporting.  Sector standards: the current NACE codes are concerning, as	COPA- COGECA	Voluntary standards for non-listed SMEs: the Commission expects to publish such standards next year, taking account of the capacities and resources of SMEs.  Sector standards: the Commission will consider how to proceed with the development of sector standards.		
	CSDDD (Corporate Sustainability I Clarification necessary: key terms, including 'value chain' and 'business relationship' must be clarified, to ensure that human rights, environmental and climate-related due diligence requirements are only applicable and enforceable where companies have the legal or factual ability to influence the value chains they operate in, including the downstream sector.  Importance of legal certainty: attention must be paid to guidelines and delegated acts, to ensure they do not lead to further fragmentation and undue burdens on companies.  Restricted scope of affected parties: to achieve legal certainty and avoid undue burdens on companies, this scope must be limited to those genuinely affected by adverse impacts set out in this Directive, to avoid the risk of mass litigation by parties that are not genuinely affected stakeholders.  Director's duties provision: the provision on directors' duties is not necessary to achieve the aims of this directive. Such a provision would have negative impacts on cooperatives, which differ from other companies as regards the roles of their governance bodies and management, their role in the social economy, and the different relationship the farmer-members have toward their cooperatives compared to the relationship between a shareholder and a limited company  Reporting under the CSRD Directive (Corporate Voluntary standards: introduce voluntary standards for non-listed SMEs – such standards must be treated as a ceiling and take into consideration the very limited capacities of SMEs to dedicate resources to sustainability reporting.	CSDDD (Corporate Sustainability Due Diligence Di Clarification necessary: key terms, including 'value chain' and 'business relationship' must be clarified, to ensure that human rights, environmental and climate-related due diligence requirements are only applicable and enforceable where companies have the legal or factual ability to influence the value chains they operate in, including the downstream sector.  Importance of legal certainty: attention must be paid to guidelines and delegated acts, to ensure they do not lead to further fragmentation and undue burdens on companies.  Restricted scope of affected parties: to achieve legal certainty and avoid undue burdens on companies, this scope must be limited to those genuinely affected by adverse impacts set out in this Directive, to avoid the risk of mass litigation by parties that are not genuinely affected stakeholders.  Director's duties provision: the provision on directors' duties is not necessary to achieve the aims of this directive. Such a provision would have negative impacts on cooperatives, which differ from other companies as regards the roles of their governance bodies and management, their role in the social economy, and the different relationship the farmer-members have toward their cooperatives compared to the relationship between a shareholder and a limited company  Reporting under the CSRD Directive (Corporate Sustainability  Voluntary standards: introduce voluntary standards for non- listed SMEs – such standards must be treated as a ceiling and take into consideration the very limited capacities of SMEs to dedicate resources to sustainability reporting.  Sector standards: the current NACE codes are concerning, as		

Suggestions	Proponents	Assessment
must be taken to avoid introducing unnecessary administrative complexities in the value chain.  Ensure that there is alignment between SME standards and sectoral standards.  Many of the metrics in the standards are unclear and poorly defined in the environmental context.  Risk of double reporting: there is a lack of consistency between current reporting at the company level under the EU's environmental regulation and CSRD reporting.  There is a revision of reporting at the company level under the EU's environmental regulation (the new European Industrial Emissions Portal) without it being coordinated with CSRD reporting.  Increased costs for auditing sustainability reporting.  Overall, the above contributions are seen to lead to significant costs and a lot of hassle for businesses.	Proponents	Alignment between SME standards and sector standards: The Commission and the European Financial Reporting Advisory Group (EFRAG) will ensure adequate links between these two dimensions.  Metrics: EFRAG has established an online Q&A platform where companies can ask for specific advice. EFRAG can also publish additional implementation guidance.  Consistency with EU environmental legislation: EFRAG and the Commission took care to ensure adequate consistency but remain open to examine specific issues if they are highlighted by stakeholders.  Industrial Emissions Portal: data on the environmental impacts of the biggest European industrial installations have been reported by economic operators and published for more than 15 years under Regulation (EC) 166/2006 and, as from 2028, under the IEPR (Regulation (EU) 2024/1244 repealing the E-PRTR). This data will serve companies as a robust source of information when preparing consolidated reports under the CSRD. The Regulation introduces an option for a simplified reporting for livestock and aquaculture sectors to reduce the reporting burden.  Audit: the co-legislators decided in the CSRD that sustainability reporting should be subject to assurance (audit) and this indeed implies costs for companies. However, the Directive starts with a lower and less costly level of assurance (limited assurance'), moving only to a higher level of assurance ('reasonable assurance') after a feasibility assessment.

	Suggestions	Proponents	Assessment
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			implementation guidance for companies; and the Commission is launching a new flagship technical support instrument to assist Member States in supporting companies with implementation.
	Proposal for a Green C	laims Directive	(COM(2023)166 final)
311	Verification of environmental measures: the Green Claims Directive can create a potential administrative burden at farm level. In fact, the CAP is not excluded, nor the voluntary additional efforts (eco-schemes) that can be done at farm level. If a farmer or a trader decides to (voluntarily) communicate on some environmental aspect of production (such as the benefits of a measure implemented under an eco-scheme), the farmer risks going through a double verification (under CAP and under Green Claims). There is a need to make sure that verification of environmental measures is done only once.	COPA- COGECA	This specific issue is under discussion by the co-legislators as part of the co-decision process.
	Plant health	, Plant protectio	n products
312	Electronic recording of plant protection products (PPP): reduce the administrative burden associated with the electronic recording of plant protection products (PPP), laid down in Commission Implementing Regulation (EU) 2023/564 as regards the content and format of the records of plant protection products kept by professional users.  Proposal for postponing, phasing in or testing through a pilot scheme the implementation of electronic recording of the use of PPP until 2026, including of the application of the requirement to identify the location or facility through geospatial aid application of the IACS system.	CY, FI, LU, PL	The proposal was not taken up. The timing for keeping records on the use of plant protection products (which has existed since 2009) in electronic format was extensively discussed prior to adoption of Commission Implementing Regulation (EU) 2023/564. The longest possible time frame has been chosen to enable Member States to comply with their reporting obligation under Regulation (EU) 2022/2379 on Statistics on Agricultural Input and Output (SAIO). Delaying electronic records further would create difficulties for Member State authorities to collect and report the records as required by SAIO.
313	Plant protection products applications based on geodata: deletion of the obligation to specify the plant protection products in the geodata-based application; also, deletion of the obligation to do this electronically.	AT	Inclusion of PPP in the geodata-based application is an option that Member States can use, not an obligation.

	Suggestions	Proponents	Assessment
		COPA- COGECA	
314	<b>Authorisation procedures:</b> faster authorisation procedures for market access of new active substances (without compromising the safety of the products).	COPA- COGECA	Regulation (EC) No 1107/2009 already contains clear deadlines for the various pre-marketing procedures, which are, however, in many cases not respected by the Member States due to resource constraints. The Commission has already repeatedly reminded Member States (and will continue to do so) to increase resources and respect deadlines and it has provided financial support to Member States for this purpose.
315	<b>Status of seeds:</b> clarify the status of seeds treated with a plant protection product (mixture or an item/an article) in the context of their export (Regulation (EU) 649/2012).	FR	The Commission, in consultation with the Member States, is considering the matter. As an interim approach, such treated seeds are handled as a mixture when exported.
316	Maximum limits on residues: simplification of the lowering of the maximum limits on residues for prohibited plant protection substances The lowering of maximum residue levels (MRLs) for pesticide residues could become systematic after the end of the approval of a plant protection product and the expiry of grace periods, at least for all substances presenting an exclusion criterion for human health or for which the level of risk cannot be properly assessed due to the absence of an update of the toxicological dossier (Regulation (EU) 1107/2009 and Regulation (EC) 396/2005).	FR, HU	Lowering MRLs for substances after the expiry of approval and grace periods is already current practice. Existing Codex MRLs must be considered in line with the EU's international obligations, and a targeted risk assessment by the European Food Safety Authority (EFSA) is needed in most cases. Such a risk assessment is also needed to see whether the toxicological dossier is outdated and, therefore, whether the toxicological reference values are no longer appropriate. This is not always the case.
317	Alternatives for plant protection products: alternatives to plant protection products must be available on the market before PPPs are withdrawn or banned.	МТ	The availability and placing on the market of alternatives to PPPs is indeed an important element in the shift to a more sustainable use of PPPs.  The decisions on approval of active substances and/or authorisation of PPPs must be taken in the light of the outcome of a risk assessment to prevent risks to human health or the environment.  The Commission has called multiple times on Member States to accelerate the assessment procedures for new, low-risk and biologically active substances and products to increase the availability of such products to farmers.

	Suggestions	Proponents	Assessment
			The Commission also provides financial support to Member States (EUR 10 million over 5 years) and training to increase the capacity and expertise to conduct such assessments.
	Hygiene require	ments for food o	of animal origin
318	<b>Temperature of melting ice:</b> definition of the range temperature corresponding to the temperature of melting ice to facilitate trade between Member States for fishery products (Regulation (EU) 2004/853).	EL	The international standard refers to the temperature of melting ice. The Commission is not aware of any trade issues linked to this provision.
319	Approval of wild game collection centres: withdraw the requirement to approve wild game collection centres receiving venison from other wild game collection centres.  Explanation: These are establishments where no handling of product is allowed. The health approval process is complex for these primary producers, knowing that no health mark can be applied to carcasses covered in hair or feathers which have not been checked by veterinary inspection services (Regulation (EC) 853/2004, Annex III, Section IV, Chapter II, Point 10 and Regulation (EC) 853/2004, Annex III, Section IV, Chapter III, Point 8).	FR	In accordance with <i>Article 4(2)</i> of Regulation (EC) 853/2004, establishments handling products of animal origin need approval, with some exceptions e.g. primary production.  Primary production means only the activity of producing primary products. To avoid burdening primary producers, other activities that are not primary production are considered 'associated operations' only if the primary producers do carry them out.  Therefore, to consider the first collection centre where the hunted animals arrive as primary production (no approval), is already a very flexible interpretation of the definition which is currently applied.  A collection centre collecting wild game from other collection centres does not carry out primary production and must therefore be approved. However, there is no limit to the number of collecting centres which may supply the 'approved' or 'registered' collecting centre.  Amendments to <i>Article 4</i> of Regulation (EC) No 853/2204 would require an ordinary legislative procedure.
320	Authorisation of exceptional carcasses: remove the process of authorising the transport of 'exceptional carcasses' (carcasses leaving slaughterhouses with a core temperature above 7°C). Explanation: to transport 'exceptional carcasses', transporters must have a written authorisation issued by the competent authority. This means that each time 'exceptional carcasses' are	FR	Point 3(b) of Chapter VII to Section I of Annex III to Regulation (EC) 853/2004 already allows carcasses, half carcasses or half carcasses cut into three wholesale cuts, to leave the slaughterhouse before the core temperature of 7°C is reached (Amendment by Regulation (EU) 2017/1981). This additional flexibility was introduced based on an

	Suggestions	Proponents	Assessment
	loaded, the competent authority must be present to issue these written authorisations. Loadings are often carried out outside the slaughterhouse's operating hours, when the veterinary inspection service is not present. This authorisation therefore represents a significant logistical obstacle to the free movement of goods, knowing that an authorisation has already been issued in advance to the slaughterhouse to remove these 'exceptional carcasses'.		EFSA opinion <sup>72</sup> . The EFSA opinion provided combinations of maximum surface temperatures at loading, and maximum chilling and transport times that result in the same microbiological safety as a core temperature of 7°C.  Increasing the core temperature without considering the other conditions laid down in the Regulation will increase pathogen growth.  To avoid any food safety issue from the transport of 'exceptional carcasses', a certain level of control by the competent authorities in the slaughterhouse needs to be ensured until the safe temperatures of the carcasses has been reached.
321	Health standards: differentiated health standards depending on the destination of the animal product: export, national and/or short circuit; financial and administrative support, small milk-processing units, butcheries and other animal production facilities.	ECVC	Health standards and risk mitigation measures, including biosecurity, are based on science (risk assessment) and aligned with SPS international standards regardless of the size or commercial vocation of farm.  EU Harmonised rules apply across the EU, whether the product is destined for export or for trade within the EU, covering the hygiene of foodstuffs and the production and placing on the market of products of animal origin applicable to all food and all food operators right through the food chain ("from farm to fork"), together with effective instruments to manage food safety and any future food crises throughout the food chain. Specific rules are applicable for primary production, and these are less burdensome already if compared to those addressing other businesses in the food chain.  Exporting countries may have additional conditions. The Commission or Member States address these via export certificates. Companies in Member States decide if they want to participate and meet these conditions. Having different export certificates based on type and size of operators (farms/companies) is impractical.

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 $<sup>^{72}~\</sup>underline{https://www.efsa.europa.eu/en/efsajournal/pub/3601}$ 

	Suggestions	Proponents	Assessment
	Feed /	animal by-prod	lucts
322	Upcycle of waste: upcycling of waste and the introduction of new feed sources to develop sustainable and circular feed production in the EU.  Proposal: a more integrated approach between transmissible spongiform encephalopathy (TSE) legislation and feed hygiene legislation; a revision of the current EU rules, including lifting		This is a significant change to the basic rules that cannot be envisaged before scientific advice is obtained and further discussion takes place. The feed ban is the basic preventive measure against TSE and consists of a ban on the use of processed animal protein (PAP) in feed for farmed animals. The EU feed ban provisions are reviewed regularly based on EFSA opinions and the development of new analytical methods for official controls. The feeding of ruminants with any animal-derived protein is and must remain prohibited, as it was at the origin of the bovine spongiform encephalopathy (BSE) epidemic, which has been detrimental to the meat sector for decades mainly due to the consumer perception that ruminants became carnivores. In September 2021, a significant relaxation of the feed ban rules was adopted with the authorisation to use PAP derived from pigs and

	Suggestions		Assessment
			insects in poultry feed and PAP derived from poultry and insects in pig feed. PAP derived from insects is therefore already authorised in the feeding of all major farmed animal species (except ruminants) and pet and fur animals. These measures already allowed a wider use in feed of high-quality protein derived from pigs, poultry and insects, which are locally produced in the EU, partially substituting soybean imported from the Americas and contributing to a more level playing field for European farmers. In addition, the use of di- and tricalcium phosphate of animal origin is already broadly authorised in the feeding of all animal species except ruminants.  The feed ban is supplemented by the prohibition of cannibalism laid down in the Animal By-products Regulation 1069/2009.  Insects are feed-producing animals and subject to risk mitigation measures for the prevention of animal health risks posed by feed. The Commission is in close contact with the stakeholder organisations of the feed industry, which are developing new technology for the safe use of new feeding substrates for insects, including feeding from catering waste. When a new technology is developed, it will need be subject to the EFSA risk assessment before any change in legislation might be envisaged.
323	Revision of the feed additive regulation: in connection with the revision of Regulations (EC) 1831/2003 and 429/2008, the Commission is invited to speed up the authorisation of innovative feed additives, clarify requirements and provide guidance on endpoints. Rules on sustainability claims should preferably be introduced as well. There is a need to improve the current system for the application for authorisation for all types of feed additives, for all relevant animal species. The possibility of extending the authorisation period for certain feed additives beyond the current 10 years, or making the authorisation permanent for certain feed	DK	Feed additives are important for the competitiveness of EU farmers and the sustainability of the climate and the environment, given their potential to improve nutrient intake.  Certain additives enable a reduction in methane emissions. This will be one of the main building blocks of the EU's response to curb emissions form livestock, supported by research and innovation funding and projects.  The outcome of the evaluation of Regulation (EC) 1831/2003 published by the Commission on 28 February 2024 did not identify major issues. However, reflections on possible improvements are

	Suggestions		Assessment	
	additives, should be considered without compromising safety and consumer protection.		ongoing. The Commission is prepared to work with Member States to provide clarity on the requirements and procedures as needed, keeping in mind that EFSA provides its own guidance on safety and efficacy assessments of feed additives.	
			In the meantime, the Commission will continue to process the numerous requests for feed additives authorisations to improve market access for companies, and the existing legal framework is to be used to its full extent to support innovation, in particular as regards sustainable feed additives.	
324	Food waste and food safety: repeal EU legislation that has no added value for food safety: rules that prohibit the feeding of kitchen waste, food scraps, manure and category 2 offal, and the rules that prohibit feeding manure (relevant for insects) (Regulation (EC) 1069/2009, Regulation (EU) 142/2011 and Regulation (EC). 767/2009).		Both recently and in the past there are many examples of animal disease outbreaks in the EU (e.g. ASF in Portugal) which were further spread because catering waste was fed to animals. Manure and other animal by-products of category 2 material also present significant health risks. For this reason, the prohibition on feeding kitchen waste to animals should remain in place, in particular for the purpose of ensuring animal health.  Any change to those rules can only be made after a thorough risk	
		Animal Health	assessment.	
	Highly Pathogenic Avian Influenza (HPAI) vaccination:			
325	proposal concerning Regulation (EU) 2023/361 (Highly Pathogenic Avian Influenza - HPAI vaccination). While vaccination against HPAI is an effective tool for reducing the risks of spreading the virus, it is desirable to allow farms that have scheduled preventive vaccination to carry it out, even in restricted areas. However, farms that have not committed to a vaccination schedule before the date of confirmation of the outbreak will not be allowed to use preventive vaccination in restricted areas.	FR	The proposal was not taken up. EU rules on HPAI vaccination are recent (Regulation (EU) 2023/361) and are modern, proportionate, based on science (EFSA) and aligned to international standards (World Organisation for Animal Health). The differentiation between measures applied under preventive vaccination and emergency vaccination needs to be kept. Future amendment to EU rules can only be envisaged after new science (EFSA) and experience is gained on use of vaccination under these two scenarios.	

	Suggestions	Proponents	Assessment
326	Epizootic haemorrhagic disease (HEH): following the emergence of the HEH in Europe in 2022, the Commission amended Regulation (EU) 2020/688, which introduced derogation conditions (for vector-protected establishments or seasonally free zones) for movements between Member States, in case of HEH outbreaks.  The derogation conditions do not provide the expected operational solutions. They are not applicable in Member States in southern Europe which do not have a vector inactivity period and are poorly adapted to extensive livestock farming (vector-protected establishment). The other option offered in the Regulation is to accept all animals 'unconditionally' and to inform the Commission of this, which amounts to allowing some countries to deregulate the disease, and to enabling its spread to other Member States, which is contrary to the very spirit of the LSA.  Proposal: a new amendment to the provisions of Regulation (EU) No 2020/688 so as not to block trade, which has an important economic impact on the Member States.	FR	EU rules on Epizootic Haemorrhagic disease (EHD) are limited to: (i) surveillance and notification; (ii) preventing the disease from spreading on account of movements of animals between Member States or from third countries.  EU rules on vaccination are being laid down to take account of the imminent availability of new vaccines together with some other optional risk-mitigating measures. The relevant Commission Delegated Regulation (C(2024)6985) was adopted by the Commission on 9 October 2024 and is currently under scrutiny by the European Parliament and the Council.  More substantial amendments to EU rules, if appropriate, can only be envisaged after new science has been developed (requiring an EFSA assessment) and experience has been gained.
327	Quarantine pests: simplification of the steps in the administrative procedure for EU co-financing of actions against quarantine pests. Revision of mandatory elements of veterinary programmes due to an increase in costs borne by the authorities and the reduction of EU co-financing (Regulations (EU) 2016/429 and (EU) 2021/690).	FR, HU	As regards veterinary programmes, Regulation (EU) 2016/429 and supplementing legislation (chiefly Commission Delegated Regulation (EU) 2020/689) lay down the minimum basic requirements for the control and eradication of certain animal diseases through the implementation of EU-approved programmes.  The requirements are technical aspects based on international standards, scientific advice, and experience. They include surveillance, movement control, vaccination, and disease control measures. Regardless of the possible EU co-financing of those programmes, they cannot be subject to simplification as they are the minimum necessary for the proper control of certain animal diseases.

	Suggestions	Proponents	Assessment
			EU co-financing (Regulation (EU) 2021/690) enables the reimbursement of eligible expenses incurred by Member State authorities to implement those veterinary programmes. As amount of EU funding for veterinary programmes is limited, Member States have to finance the remainder of the costs.  Regulation (EU) 2019/6 was published in January 2019. The stepwise approach provided for in its <i>Article 57</i> aims at providing Member States with sufficient time to put in place data collection systems: i) by
328	Data collection on veterinary medicinal products: delay the mandatory data collection by Member States of the use of antimicrobial veterinary medicinal products until 2027 (Regulation (EU) 2019/6).	LV	January 2024, for the species and categories included in Commission Implementing Decision 2013/652/EU; (ii) by January 2027, for all food-producing animal species; (iii) by January 2030, for other animals which are bred or kept.  Commission Delegated Regulation (EU) 2021/578 (published in April 2021) provided Member States with the requirements for the data collection. Under the single market programme, the Commission has also provided support to Member States (through multiannual grants) to put in place and operationalise such systems (Latvia being one of the beneficiaries). Therefore, the requested delay until 2027 of the submission of use data seems difficult to justify.
			Commission Delegated Regulation (EU) 2021/578 provides a framework for Member States to decide how to organise such data collection at national level. <i>Article</i> 13(1)(a) provides that Member States shall collect those data from the following data providers, as appropriate: veterinarians, retailers, pharmacies, feed mills and endusers, including farmers or breeders. Therefore, Member States may consider collecting the data from possible providers other than farmers to avoid an administrative burden on farmers.

	Suggestions		Assessment
329	Registration of vaccines and medicinal products: simplification of the registration regimes for vaccines and medicinal products, e.g. by having any medicines or vaccines that are registered in a Member State automatically recognised by all Member States (Regulation EU 2019/6, Veterinary medicinal products/VMPs).	MT	The objective of this proposal is already addressed by Regulation 2009/6 on Veterinary Medicinal Products (VMPs). It already provides for the 'centralised procedure' ( <i>Articles. 42 to 45</i> ), under which the marketing authorisations of VMPs are granted by the Commission and valid across the EU i.e. in all Member States). The 'decentralised' and 'mutual recognition' procedures ( <i>Articles. 42 and 52</i> , respectively) also provide for the authorisation of a VMP in several Member States. The 'subsequent recognition' procedure ( <i>Article 53</i> ) provides for the authorisation of aa VMP by additional Member States. Further provisions ( <i>Articles. 112 to 116</i> ) allow the use, under certain circumstances, of VMPs authorised in other Member States.
330	Cost of certification: reduction in the costs of certification (e.g. of genetic material) and by reconsidering what should be done by an official veterinarian and what can be done by another official (Delegated Regulation (EU) 2020/686).	NL	The type of information and attestation that must be certified by officials necessitate a person with a veterinary degree (e.g. to certify the presence or absence of clinical signs, tests related to transmissible animal diseases, official controls related to the activities of the veterinarian who is responsible for collecting and producing germinal products and running the germinal products establishment, etc.). This is also in line with international standards.
331	<b>Definitions of cattle/bovines:</b> request to define the term 'cattle/bovines living under semi-wild conditions' and set a derogation for the identification of these animals (Regulation (EU) 2016/429 ('Animal Health Law')).	LV	The proposal has not been taken up as it is legally not possible. Regulation (EU) 2016/429 defines in <i>Article 4</i> animals as either kept (i.e. kept by humans), or wild (not kept by humans). This regulation leaves it up to the competent authority in each Member State to decide, depending on the specific circumstances, whether animals should be considered as kept or as wild. This may depend on several factors, and it is often a case-by-case decision taking into account the risk those animals pose for animal and public health. Moreover, several derogations for animals kept in extensive conditions are already provided in Commission Implementing Regulation (EU) 2021/520 as regards identification and registration. Adding a new definition for a

	Suggestions		Assessment		
332	Differentiated health standards: request for differentiated health standards depending on the destination of the animal		category of semi-wild animals would not, however increase the clarity of the rules, but even reduce their clarity. It would also undermine, animal traceability, a key element in disease prevention and control leaving major populations of e.g. cattle, susceptible to several serious animal diseases including zoonoses (FMD, LSD, brucellosis, etc), outside the effective control of the competent authorities. This would therefore pose a direct threat to the health of animals and to human health.  In accordance with <i>Article 3</i> of Commission Implementing Regulation 2021/520, the competent authority may extend the deadline to transmit the information on those movements for bovine animals within the same Member State from establishments of origin to registered pasture establishments located in mountain areas for grazing. A similar derogation could be laid down for ovine and caprine animals.  Health standards and risk mitigation measures, including biosecurity, are based on science (risk assessment) and aligned with SPS international standards regardless of the size or commercial vocation of farm.		
	air breeding.  Biotech	nology and nove	l food		
334	<ul> <li>Revision of the novel food legislation: the legislation has become too restrictive, while the approval process is too expensive and time-consuming, hampering innovation.</li> <li>Reintroduce the 'substantial equivalence' procedure to ease the burden on companies developing new food or food ingredients similar to already known ingredients, which do not pose safety risks for consumers.</li> <li>Move the cut-off date to prove that a food or food ingredient has been consumed to a significant degree 10 years forward.</li> <li>A triviality limit for safe plants used in small quantities. For example, the use of edible flowers in restaurants to decorate a</li> </ul>	DK	There is currently no intention to reopen the Novel Food Regulation, which has only been applicable since 2018 and has proven to be successful in authorising innovative products when compared to the previous legislation on the matter.  The 'substantial equivalence' concept was used under the previous Novel Food Regulation to speed up the authorisation process at a time when novel food authorisations were applicant-specific. In the current Novel Food Regulation authorisations are generic (i.e. not related to specific companies), which in most cases allow for any food business operator to place their novel food on the market, provided the food is		

	Suggestions	Proponents	Assessment
	dish. Denmark has a list of plants that include various wild Danish plants that are assessed to be safe. Despite this, some of these plants are prohibited from use as there is no historic documentation of consumption prior to 15 May 1997.		compliant with the authorised specifications and conditions of use, in other words essentially equivalent to an already authorised novel food. The safety assessment of novel foods is conducted by EFSA. EFSA is about to adopt a guidance document on the safety assessment of novel foods: Member State authorities have had the possibility to express their views on what should be changed and how.  By keeping the date of 15 May 1997, the Parliament and the Council aimed to provide legal certainty, predictability and equal treatment in all situations and for all food business operators submitting novel food applications, thus providing for regulatory consistency.
335	Adaptation of legislation: there is an urgent need to adapt the legislation on microorganisms developed with the help of new genomic techniques (NGT) to ensure competitiveness and contribute to innovation and sustainability, including the objectives of the European Green Deal and its Farm to Fork strategy.  Live NGT microorganisms used e.g. as starter cultures for fermented foods, food supplements, probiotics for human health, feed additives, and silage agents fall under the risk assessment and labelling requirements of Regulation (EC) 1829/2003 on genetically modified food and feed. Their use as biopesticides and biofertilisers (inoculants) is regulated by Directive 2001/18/EC on the deliberate release of GMOs into the environment. These legal acts need to be adapted to allow the development and marketing of NGT microorganisms in the EU, while maintaining a high level of safety for human and animal health and for the environment.	DK	Any potential new policy initiative addressing NGT microorganisms first of all needs a solid scientific basis.  The Commission has started to lay this foundation, by mandating specific work to EFSA and the European Union Reference Laboratory together with the European Network of GMO Laboratories.  In addition, in the context of the Commission's Communication on 'Building the future with nature: boosting biotechnology and biomanufacturing in the EU' (COM(2024) 137 final), the Commission will launch a study analysing how the legislation that applies to biotechnology and biomanufacturing could be further streamlined across EU policies, exploring targeted simplifications to the regulatory framework, including for faster approval and bringing products to market more quickly. The study will be finalised by mid-2025 and could lay the foundations for a possible EU Biotech Act.

### Annex 3. Impact analysis: who is affected and how?

This staff working document mostly makes use of a qualitative assessment of measures taken to address the issues brought to light during farmers' protests. The Commission has proposed to change certain provisions of the CAP.

These proposals will mainly reduce the burden related to checks on EU farmers. They will also provide them with greater flexibility in complying with certain environmental conditionalities, without undermining the related policy objectives. National administrations will also benefit from greater flexibility in applying certain standards.

It is difficult to estimate the time spent on checks, but rough assumptions have been made to provide an indication of the effect of the elements of the simplification package. These were also based on the replies received to the questionnaire 'Simplifications - the farmers' point of view' through the EU survey platform.

The measures quantified, including those referring to reporting under CAP rules and to the Area Monitoring System (AMS), will bring estimated savings of around EUR 164 million per year for farmers and administrations together. This refers mainly to administrative savings and does not include other impactful initiatives, such as those on biodiversity, crop rotation or soil coverage.

#### Revision of the EU methodology for the quality assessment of the AMS

The Commission has adjusted the methodology of the AMS, so that Member States can significantly reduce the number of visits to farms, while maintaining the effectiveness of the methodology to ensure that taxpayers funds are well spent. In particular, the AMS quality assessment provides diagnostic information on the sources of incorrect decisions at the level of interventions and eligibility conditions, with the aim of improving the Member States' AMS. This will result in a reduction of at least 50% in the number of visits to holdings and a reduction of on-the-spot checks for AMS quality control of up to 3% for all holdings, which translates to 174 000 fewer controls. Using the standard cost model, and assuming an average 12 hours dedicated by a farmer to a single visit this equals a reduction of total cost for farmers of EUR 61.8 million, linked to time spent on these on-the-spot controls, and of EUR 82.4 million for national administrations in the Member States assuming a workload of 2 working days per control.

### Exemption of small farms (under 10 ha) from conditionality controls

The Commission proposed to exempt small farms of under 10 hectares from controls and penalties related to compliance with conditionality requirements. This will significantly reduce the administrative burden related to controls for small farmers, who represent 65% of CAP beneficiaries, and will result in approximately 37 600 fewer controls every year. We estimate, using the standard cost model that this will produce savings of around **EUR 6.7 million for farmers** assuming a simple metric of 0,75 working day per control for a farm below 10 hectares (6 hours, drawing on the results of the recent survey of farmers). Assuming a workload of 1,5 day per control for administrations this translates into **EUR 13.4 million** of savings for national administrations, based on average EU values for labour costs (in hourly earnings) using the standard cost model.

### Use of the force majeure and exceptional circumstances clause

The application of the concept of *force majeure*/exceptional circumstances will reduce the administrative burden for farmers by eliminating the need to introduce individual requests and for a case-by-case assessment by national administrations. It was not possible to quantify the benefits as this depends on the occurrence of unpredictable events.

# Rationalisation of controls including the right of error/exemption of farmers subject to conditionality from cross-compliance controls

This will result in fewer on-site visits from the national administration and will benefit farmers by leaving them more time to work. Rationalisation will also reduce uncertainty since it will prevent the withdrawal of CAP support and will positively impact the mental well-being of beneficiaries. It will ease the control burden, remove the hassle costs for these beneficiaries and will result in cost benefits for national administrations, though these benefits could not be quantified due to the lack of data.

### Adjustments to GAECs

Changes to the rules under the GAECs will give Member States the possibility to allow farmers to better manage their farms in response to market developments and weather conditions, thus supporting their economic viability. Farmers will be able to better organise soil preparation and the related financial risks will be reduced. The flexibility and the removal of certain restrictions on farm management are intended to simplify farmers' daily work, address any incomprehension or frustration linked to what farmers perceive as the unnecessary interference of policymaking in farm management, and address their income related concerns.

Lifting the GAEC 8 first requirement is estimated to impact roughly 1.1 million farms by freeing close to 2.1 million hectares of GAEC 8 non-productive land for production. The economic impact measured as the annual change in the gross margin of arable crops (additional income/avoided income loss), is estimated to be around EUR 930 million. This corresponds to a 1.5% increase in gross margin for the impacted farms.

These adjustments require modifications of certain PMEF elements of the CAP plans. The incorporation of new eco-schemes in the CAP Plans may require the reallocation of the financial allocations. These changes may incur adjustment costs for national administrations (it has not been possible, however, to quantify this increase).

Table 1 provides a qualitative overview of the key benefits of the measures in the simplification package. Table 2 presents an estimation of cost savings and Table 3 describes how the one in, one out approach will be applied.

### Summary of costs and benefits

Table 1 - Overview of benefits

I. Overview of benefits (total Description	Amount	Comments
Description	Amouni	
		Direct benefits
Benefits for farmers – reduction in administrative	EUR 61.8 million annually	Revision of the IACS quality system will result in fewer visits to farms.
costs	EUR 6.7 million annually	Exemption of small farms (under 10 ha) from conditionality controls will result in fewer controls*
		The Commission's clarification of the concept of <i>force majeure</i> /exceptional circumstances reduces the administrative burden for farmers as it eliminates the need to introduce individual requests, including gathering the evidence and providing it to the authorities.
	Not quantifiable	Exemption of farmers subject to conditionality from cross compliance controls will contribute to the simplification of controls.
Benefits for farmers - reduced uncertainty and hassle costs	Not quantifiable	Reduction of uncertainty for farmers with the improvements to the early warning systems and the right of error. Reduction of uncertainty costs resulting in positive impacts on farmers' frustration due to adjustments to rules under the GAECs.
Benefits for farmers – improved economic viability of farms	EUR 930 million annually	Deletion of GAEC 8, 1 <sup>st</sup> requirement, is estimated to result in a 1,5 % increase in gross margin for the impacted farms.  Additional benefits (not quantifiable) include better management of farms, support of economic viability and preservation of land productivity thanks to adjustments to rules under GAECs*
Benefits for national administrations – reduction	EUR 82.4 million annually	The revision of the IACS quality assessment methodology will result in cost savings for national administrations.
in enforcement costs	EUR 13.4 million annually	The removal of controls on conditionality for farms under 10 hectares will result in cost savings for national administrations*
	Not quantifiable	The clarification of the concept of <i>force majeure</i> eliminates the need for a case-by-case assessment by national administrations.
		Exemption of farmers subject to conditionality from cross compliance controls will contribute to the simplification of controls.
	Not quantifiable	Rationalising controls, including the right of error, will reduce administrative checks by national administrations.
		Streamlined process to approve CSP amendments will reduce administrative costs.
	-	Indirect benefits
Benefits for farmers - positive impact on mental well-being	Not quantifiable	Reduction of uncertainty and hassle with a positive impact on farmers' well-being by reducing stress factors.

<sup>\*</sup> Actions embedded in Regulation (EU) 2024/1468 (The Simplification Regulation).

Table 2 - Overview of costs

		Citizens	/Consumers	Busi	nesses	Admin	istrations
		One-off Recurrent		One-off	Recurrent	One-off	Recurrent
Commission's clarification of the	Direct administrative costs	-	-	0	Reduction in costs (not quantifiable)	-	-
concept of force majeure	Direct enforcement costs	-	-	1	-	0	Reduction in costs (not quantifiable)
Revision of the IACS quality	Direct administrative costs	-	-	0	- EUR 61.8 million	-	-
system will result in a reduced number of visited farms	Direct enforcement costs	-	-	1	-	0	- EUR 82.4 million
Removal of controls on conditionalit	Direct administrative costs	-	-	0	- EUR 6.7 million	-	-
y for farms under 10 hectares*	Direct enforcement costs	-	-	-	-	0	- EUR 13.4 million
Exemption of farmers subject to conditionalit	Direct administrative costs	-	-	0	Reduction in costs (not quantifiable)	-	-
y from cross compliance controls	Direct enforcement costs	-	-	-	-	0	Reduction in costs (not quantifiable)
Rationalising controls,	Direct administrative costs	-	-	0	Reduction in costs (not quantifiable)	-	-
including the right of error	Direct enforcement costs	-	-	-	-	0	Reduction in costs (not quantifiable)
Streamlined approval process of CSP amendments	Direct administrative costs	-	-	-	-	0	Reduction in costs (not quantifiable)
Lifting of GAEC 8, 1 <sup>st</sup> requirement*	Indirect cost - GHG reduction not materialised	0	Not monetised; estimated at 900 kt CO <sub>2</sub> eq	-	-	-	-

Adjustments to certain GAECs	Adjustment costs - reallocation of financial allocations, incorporation of new eco-schemes, modification of result indicators	-	-	-	-	Increase in costs (not quantifiable)	0
TOTAL		n/a	n/a	n/a	- EUR 68.5 million	- EUR 95.8 million	n/a

<sup>\*</sup> Actions embedded in Regulation (EU) 2024/1468 (The Simplification Regulation).

*Table 3 – One in, one out* 

III. Application of the 'one in, one out' approach			
(EUR million)	One-off	Recurrent	Total
Farmers			
Removed administrative burdens (OUTs)	0	EUR 68.5 million	EUR 68.5 million

## Annex 4. Modelling the impact of the removal of the GAEC 8 first requirement (share of non-productive areas and elements in arable land) according to the IFM-CAP model.

The *Individual Farm Model for Common Agricultural Policy Analysis* (IFM-CAP) is a model designed by the Commission's Joint Research Centre for the *ex-ante* economic and environmental assessment of the medium-term adaptation of individual farms to policy and market changes. The IFM-CAP simulates how a given scenario, for example a change in farm resources, or environmental or agricultural policy (in the specific case, a change in GAEC 8 requirements), might affect a set of selected indicators.

To obtain the **estimate of the economic impact** of the removal of the GAEC 8 first requirement, the IFM-CAP has been applied to each individual farm recorded in the Farm Accountancy Data Network (FADN)<sup>73</sup>. This database of the income and business activity of roughly 80 000 EU commercial farms has been used to ensure the highest possible representativeness of the EU agricultural sector. Farmers are assumed to maximise their expected utility at given yields, product prices and CAP subsidies, subject to resource endowments and policy constraints.

In addition to the intrinsic characteristics of the IFM-CAP model, estimating the impacts of removing the first requirement under GAEC 8 required additional assumptions, as explained below.

The economic impact of the policy change is estimated as the income of the land potentially 'freed up' by the lifting of the GAEC 8 first requirement for farms that would be subject to this requirement. More precisely, for the impacted farms it is measured as the change in income that results from the product of: (i) the area of land lying fallow due to the GAEC 8 first requirement; and (ii) the gross margin of the arable crop that would be cultivated in this 'GAEC 8 fallow area'.

- 1. The first step (i) consists in estimating the area of fallow land that is fallow due to the GAEC 8 first requirement. This is done, for each farm in the FADN database, as follows:
  - (a) Multiplying the arable land area recorded in FADN by 4% as mandated by the GAEC 8 first requirement. For the 15 Member States where farms had been given the option to comply with the requirement of GAEC 8 by leaving 3% of arable land as fallow (instead of 4%), combined with an extra 4% of area covered with catch crops or nitrogen-fixing crops cultivated without the use of plant protection products, it is assumed that all farms would adopt this option<sup>74</sup>. This assumption is made, in the absence of precise, farm-level data on the uptake of this option at the time of writing.
  - (b) Further refining the estimation: as not all land is fallow due to GAEC 8 requirements, land lying fallow for agronomic reasons i.e. not due to policy requirements, but as a business-driven decision of the holding ('voluntary fallow'), is estimated and subtracted from the previous calculation. This estimation is based on the share of fallow land in farms not subject to EFA requirement in the pre-2023

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<sup>&</sup>lt;sup>73</sup> <a href="https://agriculture.ec.europa.eu/data-and-analysis/farm-structures-and-economics/fadn\_en">https://agriculture.ec.europa.eu/data-and-analysis/farm-structures-and-economics/fadn\_en</a>. For the estimations FADN 2020 data are the basis.

<sup>&</sup>lt;sup>74</sup> BE, BG, CZ, EE, EL, ES, NL, PT, FR, CY, LT, HU, PL, RO, SK as in <u>approved-28-cap-strategic-plans-2023-27.pdf (europa.eu)</u> p 55.

- period. The result is an estimation of the land lying fallow due to requirements of GAEC 8 ('imposed fallow').
- (c) In the same line of reasoning, the area devoted to landscape elements is subtracted<sup>75</sup>, using the amount of EFA landscape features under the pre-2023 period.

A second step (ii) in the computation is the estimation of the **gross margin of the crop** that is **assumed** to be **planted on the 'freed up' land**. This is estimated by multiplying the price of this crop times its yield, taking into account CAP coupled payments, and subtracting the input costs per hectare available in the FADN dataset e.g. seed, plant protection products and fertilisers.

- 2. To avoid a strong assumption of the crop assignment on the 'freed up' land, the assigned crop is estimated to be the one with the **minimum gross margin** among the ones already present on the holding. This is because farmers are likely to have allocated their least productive land as fallow land under GAEC 8.
- **3.** Then, we filter in those **farms that are actually impacted** by the change in policy. Farms displaying characteristics that exempt them from the GAEC 8 first requirement are excluded as there is no potential impact on income for them. Overall, about 56% of farms are exempted from the GAEC 8 first requirement.

For the non-exempted farms (44%): when the sum of the fallow land and any landscape elements is equal or greater than 4% (or 3% in case of the 15 Member States) of the arable land, a zero impact on income from removing the GAEC 8 first requirement is assumed. This is because these farms already comply with the GAEC 8 requirements without having to change their agronomic practices. As a result of these refinements, we estimated that the removal of the GAEC 8 first requirement impacts roughly 1.1 million farms, covering approximately 76 million hectares of arable land in total. Overall, the removal of the GAEC 8 first requirement 'frees' an area of approximately 2.1 million hectares that in the absence of the policy adjustment, would be required to stay non-productive.

Implementing steps 1 to 3 for the EU-level aggregate leads to an **estimated** annual change **of about EUR 930 million** in the gross margin of arable crops (the economic impact). This corresponds to a 1.5% increase in gross margin for the impacted farms.

The same modelling framework was used to estimate the **environmental impact** of the removal of the GAEC 8 first requirement.

1. In the estimation, **greenhouse gas emissions** are indirectly approximated by changes (increases) in fertiliser use due to the crops cultivated in the GAEC 8 fallow land being 'freed up', as estimated above.

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<sup>&</sup>lt;sup>75</sup> Estimations are based on the following publication: D'Andrimont, R., Skoien, J., Koble, R., Yordanov, M. and Terres, J., EU Landscape Feature indicator fact sheet, European Commission, 2023, JRC136069. <a href="https://publications.jrc.ec.europa.eu/repository/handle/JRC136069">https://publications.jrc.ec.europa.eu/repository/handle/JRC136069</a> as well as Ecological Focus Area declarations under the previous programming period of the CAP.

<sup>&</sup>lt;sup>76</sup> Farms with less than 10 hectares of arable land, farms where 75% of the arable land is used to produce grasses or other herbaceous forage, land lying fallow, cultivation of leguminous crops, or a combination of these, farms where more than 75 % of the eligible agricultural area is permanent grassland.

- 2. To estimate the potential changes in fertiliser use, the quantity of nitrogen in mineral fertilisers used, as recorded in FADN, is utilised. Applying the input allocation method of IFM-CAP, the quantity of nitrogen in fertiliser on each crop at farm level is derived.
- 3. Once the increase in fertiliser use is estimated, the related change in greenhouse gas emissions at the farm due to the application of extra fertiliser in GAEC 8 fallow land is calculated, using the default emission factor suggested by the United Nations' Intergovernmental Panel on Climate Change (2019)<sup>77</sup>.

Other environmental impacts, notably on biodiversity, could not be quantitatively assessed using the IFM-CAP at the time of writing.

<sup>&</sup>lt;sup>77</sup> https://www.ipcc-nggip.iges.or.jp/public/2019rf/pdf/4 Volume4/19R V4 Ch11 Soils N2O CO2.pdf