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NOTE

From:	General Secretariat of the Council
To:	Delegations
No. Cion doc.:	9645/18 + COR 1 + ADD 1
Subject:	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL 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 Regulation (EU) No 1305/2013 of the European Parliament and of the Council and Regulation (EU) No 1307/2013 of the European Parliament and of the Council <i>- Suggestions from the Austrian delegation on the environmental ambition (Article 86)</i>

Delegations will find in the Annex a contribution from the Austrian delegation on the environmental ambition of the future CAP, including suggested amendments to Article 86 of the above-mentioned proposal.

Austrian proposal on the environmental ambition – taking into account environmental obligations from the second CAP pillar*Amendment to Article 86 of the Strategic Plan Regulation*

The Green Architecture is a crucial element of the reform of the Common Agricultural Policy (CAP) for the period after 2022. Austria explicitly supports an increased environmental ambition of the CAP.

The political debate both in the Council and the European Parliament make apparent that eco-schemes shall play an important role in shaping the future CAP. For Austria it is important to contribute constructively to the Council position and at the same time to demonstrate that the second CAP pillar must be included when considering the environmental ambition of the CAP.

Eco-schemes will significantly but equally contribute to the environmental objectives as the agri-environmental programmes implemented in the second pillar. However, the starting points and the importance of the agri-environmental programs vary considerably amongst the Member States.

Austria is therefore of the strong opinion that, in the event that a minimum threshold is set for eco-schemes, Member States with large and comprehensive agri-environmental programs shall be allowed to apply reduced minimum thresholds for the funding of eco-schemes. In order to consider the different scope of agri-environmental programs two thresholds are proposed:

- a reduction of the threshold by 50% if the Member State uses EAFRD funds of at least the equivalent of 20% of its annual national ceiling for Direct Payments for environmental obligations according to article 65 or
- a reduction by 25 % if EAFRD funds of at least the equivalent of 10% of its annual national ceiling is used for such obligations.

This will ensure that significant resources are dedicated to environmental objectives in line with the overall goal of increased environmental ambitions.

The proposed approach would be implemented in the course of the approval process of each National Strategic Plan. During the approval process, the Commission would compare the annual national ceiling for Direct Payments in the respective Member State with the annual EAFRD funding for environmental measures under Article 65. If the resulting share reaches the values set out in the proposed provision, the Commission would check whether the applicable minimum funding for the Eco Schemes has been reached. If this were not the case, the respective Member State would have to adapt its National Strategic Plan accordingly. In case of modifications of the National Strategic Plans, the Commission would also have to ensure that the provisions are complied with during the approval process.

Based on the assumption that paragraph (6a) and (6b) to Article 86 of the CAP Strategic Plan Regulation are inserted according to the proposal of the German Presidency, Austria proposes to add a new paragraph (6c):

NEW (6c) By way of derogation from the paragraphs (6a) and (6b) Member States may decide to reduce the respective minimum allocation share

- a) **by 50% where the average annual EAFRD allocation for interventions in accordance with Article 65 exceeds the equivalent of 20% of the annual national ceiling for direct payments as laid down in Annex IV of the Member State concerned,**
- b) **by 25% where the average annual EAFRD allocation for interventions in accordance with Article 65 exceeds the equivalent of 10% of the annual national ceiling for direct payments as laid down in Annex IV of the Member State concerned.**