Council of the European Union

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NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	Voluntary Coupled Support - Information from the Bulgarian, Croatian, Cyprus, Czech, Finnish, French, Greek, Italian, Latvian, Polish, Romanian and Slovenian delegations

Delegations will find in Annex a note from the Bulgarian, Croatian, Cyprus, Czech, Finnish, French, Greek, Italian, Latvian, Polish, Romanian and Slovenian delegations on the above subject to be presented under "Any other business" at the Council ("Agriculture and Fisheries") on 6 March 2017.

ANNEX

Note concerning the Voluntary Coupled Support

Supported by Bulgaria, Croatia, Cyprus, Czech Republic, Finland, France, Greece, Italy, Latvia, Poland, Romania, Slovenia

In accordance with the European Parliament and the Council Regulation 1307/2013, twenty seven (27) Member States decided to implement the voluntary coupled support (VCS) to specific agricultural sectors that are particularly important for economic, social and environmental reasons and undergo certain difficulties.

So far, 254 measures have been implemented while 264 measures have been notified for 2017, concerning important EU farming sectors, such as cereals, sheep and goat meat, beef and veal, milk and milk products, protein crops, fruit and vegetables, rice, sugar beet, starch potato, hops, flax, hemp, dried fodder. The importance of the VCS scheme is reflected through the specific sectors selected and the significant percentages of Member States' financial ceilings for direct payments allocated to the scheme.

However, the implementation of the VCS and the Member States' decisions are strongly questioned by the Commission. The eligibility conditions, in relation to the quantitative limits and the targeting of the sectors, are a challenging area regarding MS' compliance with the VCS rules. Additionally, the respect of each measure financial ceiling or quantitative limit (including the way in which these are pursued), the justification of the difficulties that specific types of farming or sectors undergo, e.g. the risk of decline or of the abandonment of production (not subject to predefined common rules), the estimated per unit support and the statistics are strictly monitored and cross examined by the Commission, disregarding a wider EU context. Issues concerning the unit rate and its justification for not over-compensating the farmers should also be underlined. Moreover, the fact that the measures are ex post monitored, whereas MS' were not supported by specific provisions in Commissions implementing/delegated act (nor the working guidelines), cause additional difficulties.

Bulgaria, Croatia, Cyprus, Czech Republic, Finland, France, Greece, Italy, Latvia, Poland, Romania, Slovenia are deeply concerned with all the additional information and justification required by the Commission for the above mentioned points, placing at risk the VCS effective implementation. In addition, a visible risk of financial corrections arises, affecting the direct payments and the farmers' income. Needless to mention the excess burden and cost resulting for the national administrations.

Bulgaria, Croatia, Cyprus, Czech Republic, Finland, France, Greece, Italy, Latvia, Poland, Romania, Slovenia strongly believe that a more flexible VCS scheme, allowing Member States to target sectors in need according to their national strategy, would serve effectively the objectives of the VCS and also the CAP. Taking into consideration that European farmers are exposed to global competition and markets' volatility, a more adapted VCS scheme would undoubtedly support the viability of holdings in sensitive sectors, the production of safe and high quality products, the creation of jobs and the maintenance of rural population.