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NOTE

From:	General Secretariat of the Council
To:	Delegations
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Subject:	Regulation establishing the conditions for the implementation of Union support under the CAP - Presidency suggested amendments

Delegations will find in the annex the Presidency suggested amendments. Changes to the text as compared to the Commission's proposal (11733/25) are marked in ***bold italics*** for additions and ~~striketrough~~ for deletions.

As compared to the previous Presidency suggested amendments presented in document 6582/1/26 REV1, this version includes the following changes: the deletion of references to Part B of Annex I in Article 3(3), and in Article 20k(1) and (4), and the addition of the word "the" to "school schemes" in Article 5(1)(q) and in Annex IIa. These corrections are highlighted in yellow. In addition, this version corrects the numbering of Articles 20f to 20l (not highlighted).

2025/0241 (COD)

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

**establishing the conditions for the implementation of the Union support to the Common
Agriculture Policy for the period from 2028 to 2034**

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 43(2) thereof,

Having regard to the 1979 Act of Accession, and in particular paragraph 6 of Protocol No 4 on cotton attached thereto,

Having regard to the proposal from the European Commission,

Having regard to the opinion of the Court of Auditors¹,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee²,

Having regard to the opinion of the Committee of the Regions³,

Acting in accordance with the ordinary legislative procedure,

¹ OJ C , , p. .

² OJ C , , p. .

³ OJ C , , p. .

Whereas:

- (1) The Commission Communication of 19 February 2025 entitled ‘A Vision for Agriculture and Food’⁴ announces that the common agricultural policy (the ‘CAP’) post-2027 enhances responsibility and accountability for Member States on how they meet the CAP objectives, supporting and stabilising farmers’ incomes and attracting a future generation of farmers, and guaranteeing food security. The new CAP is to be a simpler and more targeted Union common policy, with more flexibility for farmers and a shift from requirements to incentives, for farmers.
- (2) */The multiannual financial framework (MFF) 2028 to 2034 legislative package includes Regulation (EU) .../... of the European Parliament and of the Council [NRP] establishing the National and Regional Partnership Fund (the ‘Fund’) for the period 2028 to 2034, grouping the nationally pre-allocated funds under the Fund, including the European ~~Agriculture~~**Agricultural** Guarantee Fund (EAGF) and the European Agricultural Fund for Rural Development (EAFRD) established under Regulation (EU) 2021/2115 of the European Parliament and of the Council⁵ and Regulation (EU) 2021/2116 of the European Parliament and of the Council⁶. The Fund should be implemented through National and Regional Partnership Plans (the ‘NRP Plans’) and the EU Facility, which aim at increasing flexibility and cater for crises and interventions that require Union level steering or coordination. This Union support for the CAP will be provided under the Fund, in accordance with the rules governing that Fund set out in Regulation (EU) .../... [NRP]./*

⁴ COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS: A Vision for Agriculture and Food: Shaping together an attractive farming and agri-food sector for future generations, COM(2025)75 final; <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52025DC0075>.

⁵ Regulation (EU) 2021/2115 of the European Parliament and of the Council of 2 December 2021 establishing rules on the 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, ELI: <http://data.europa.eu/eli/reg/2021/2115/oj>).

⁶ Regulation (EU) 2021/2116 of the European Parliament and of the Council of 6 December 2021 on the financing, management and monitoring of the common agricultural policy and repealing Regulation (EU) No 1306/2013 (OJ L 435, 6.12.2021, p. 187, ELI: <http://data.europa.eu/eli/reg/2021/2116/oj>).

- (3) /With regards to agriculture, the general objective of the Fund referred to in Article 3, point (c), of Regulation (EU) .../... [NRP] recalls the objectives established in Article 39 TFEU. The CAP specific objectives directly contribute to sustaining Union's quality of life and are to be implemented by the Member States through their NRP Plans./
- (4) In order to ensure that the Union adequately addresses the most pressing challenges for the agricultural sector, it is appropriate to provide for a steering mechanism reflecting the orientations of the Vision for Agriculture and Food for a targeted policy. To advance towards a competitive, resilient and sustainable agricultural sector, in line with the outcome of the stakeholders' consultations, the CAP national recommendations should provide a sufficient level of policy steering at Union level, to guide Member States in the design of their NRP Plans as regards agriculture, defining the relevant interventions on the basis of their specific challenges and needs. ***Taking into account the non-binding nature of these recommendations, their function is to facilitate Member States in addressing the key challenges in agriculture and rural areas with the aim to achieve the CAP relevant specific objectives.***
- (5) To ensure a level playing field and common framework for support for the Union agricultural sector, Member States should define the elements of the framework taking into account the local specificities and needs with the CAP objectives in mind, while the Union should provide the common framework for a policy that supports those who need it most.
- (6) The CAP has showed a positive impact on generational renewal in agriculture, but there remain obstacles, in particular as regards the provision of basic infrastructure and services in rural areas, access to land and **a** social safety net for young as well as for retiring farmers. To address the specific needs of young farmers and new entrants, each Member State should be required to set in the NRP Plan a strategy for generational renewal that should be based on the assessment of the specific national context, in line with the Commission's Vision for Agriculture and Food, which prioritises the long-term sustainability and attractiveness of the EU's farming and agri-food sector. The Member States should also develop a comprehensive "starter pack" for young farmers, designed to facilitate the entry and establishment of young farmers in the sector, including a comprehensive package of interventions targeting young farmers.

- (6a) *Women, and especially young women, may face structural disadvantages in access to land, finance, training, advisory services or farm succession that may constitute major barriers to entry in and development of farming businesses.***
- (7) In line with the objective of achieving a better balance between incentives and requirements, Member States should target support through their NRP Plans towards CAP priorities, which are essential for the long-term sustainability of agriculture. The CAP post-2027 should accelerate the transition towards more sustainable production methods, contributing to ***the*** climate-neutrality objective by 2050. The new CAP should offer better rewards for delivering more ambitious ecosystem services, ***that contribute to the resilience of the ecosystems and*** ~~which~~ go beyond the results achieved through mandatory requirements. The new CAP should strike a new balance between a farm stewardship with a set of mandatory requirements, and agri-environmental and climate actions which support commitments beneficial for the environment, ***biodiversity***, climate and animal welfare, ***including, where appropriate,*** ~~and~~ a transition towards more resilient production systems.
- (7a) *In view of their performance in respect of the environment, the climate and biodiversity, agri-environmental and climate action commitments and transition actions should cover, as appropriate, support for organic farming or more environmentally sustainable livestock production. Considering the significant costs and risks related to changes of production systems, the transition actions should encourage farmers to engage in transformative changes at farm level towards more resilient, sustainable and innovative production systems that are beneficial for the climate, environment and animal health and welfare. Support for maintenance of agricultural systems already environmentally resilient and efficient should also be possible. Given the importance of other land managers than farmers for nature conservation and improvement of biodiversity, it should be possible also for beneficiaries other than farmers to be included among the recipients of payments for voluntary management commitments.***

- (8) The farm stewardship should be established to guarantee compliance of the CAP support with the "do no significant harm" principle laid down in Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council⁷. The farm stewardship should comprise minimum environmental ~~and social conditionality~~ requirements, as well as protective practices designed by Member States to deliver on key objectives such as protection of soils and river courses from pollution. Member States should have the flexibility to adapt those protective practices to their specific geographical and climatic context and production systems including by establishing exemptions. ~~To promote socially sustainable agriculture, certain CAP payments require compliance with standards on working and employment conditions, occupational safety and health. The European Charter and diverse national frameworks and labour market models should be respected, no additional obligations should be imposed on social partners or Member States regarding enforcement or controls and double corrections avoided.~~
- (8a) Considering that the agricultural areas managed by small farmers who benefit from payments for small farmers are limited and the annual payment under those interventions is limited to EUR 3000 for each small farmer, the payments under those interventions should be deemed compliant with the "do no significant harm" principle laid down in Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council in line with the principle of proportionality, in particular in view of the small amounts of payments concerned and the administrative burden for farmers and public administrations. The impact on the environment related to such small amounts of payments and the limited area concerned is negligible, notably in view of the existing Union and national environmental legislation which continues to ensure protection of those areas.***

⁷ Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union (recast) (OJ L, 2024/2509, 26.9.2024), ELI: <http://data.europa.eu/eli/reg/2024/2509/oj>.

- (9) *[Income support for farmers should continue to be the central policy instrument to guarantee a fair income to farmers and sustainable farming and food production. It should contribute to fostering a competitive and resilient agricultural sector pursuing the benefits of high-quality production and resource-efficiency, while ensuring generational renewal and thus long-term food security. Income support allocations should be ringfenced to be used for Income support for farmers only, to provide stability and predictability for the Union agricultural sector. In order to ensure high impact and efficiency, the new CAP should entail a streamlined and consistent toolbox of Income support types of intervention enabling Member States to deliver on the CAP objectives.]*
- (10) Given the need to target the support to those most in need, Member States should pay the ~~area-based~~ *[degressive] area-based* income support only to those persons whose principal activity is ~~agriculture~~ *agricultural activity*, while ensuring that small and pluri-active farmers, who are engaged in at least a minimum level of agricultural activity, are not excluded. *Recognising the need to foster generational renewal in agriculture, and following the Commission Strategy for Generational Renewal in Agriculture⁸, Member States should provide for a higher area-based income support for young farmers. Member States should also be able to provide higher area-based income support to other groups of farmers, or to farmers in specific geographical areas or regions, with additional income needs, determined on the basis of agricultural income criteria determined by Member States, using the data sources and methodologies they consider appropriate. In line with the objective of providing targeted income support to those farmers who need it most, Member States should have the possibility to provide targeted support to certain groups of farmers, whether of a particular size, in a particular geographical area, or on the basis of another objective and non-discriminatory criterion. Since the degressive area-based income support is an income support measure, it is appropriate that the support levels for these groups of farmers are determined taking into account the average farm income of the group concerned as determined by the Member States.*

⁸ *Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, Strategy for generational renewal in agriculture (to insert OJ C xxx 52025DC0872)*

- (10a) *Agriculture not only provides direct income to farmers but also is the driving force behind many other economic activities in the countryside that provide jobs, services and a sense of community to the countryside. Therefore, it is appropriate to enable Member States to designate additional areas with other specific constraints within certain limits, if these areas risk land abandonment and if it is necessary for land management practices to be continued in these areas.*
- (11) Recognising the need for more farm resilience and risk management, support should be granted to improve the ability of farmers to withstand increasing risks and crises, such as those related to the climate change or market instability, to enable farmers to participate in risk management tools, including support for insurance premiums and contributions to mutual funds in all Member States. A proactive approach to risk management reinforcing the sector's resilience should be promoted by fixing appropriate maximum support rates, with incentives for farmers who implement risk preventive measures.
- (12) ~~The CAPCAP-relevant specific~~ objectives should also be pursued through support for investments implemented by farmers, *including cooperatives or other forms of collective farmer structures, by recognised producer organisations under interventions laid down in Regulation (EU) No 1308/2013 and, where relevant, by ~~and~~ forest holders.* Such investments may concern, inter alia, ~~infrastructures related to the~~ *infrastructure in agriculture and forestry*, development, modernisation or adaptation to climate change ~~of~~ *in* agriculture and forestry, agro-forestry practices, energy and water, installation of digital technologies in agriculture, precision farming, diversification of income sources in other activities such as agro-tourism and bioeconomy *as well as processing, storage, marketing or other value-adding activities carried out by farmers.* It should also be possible to support investments in the restoration of agricultural or *where relevant* forestry production potential following natural disasters, adverse climatic events or catastrophic events, including fires, storms, floods, pests and diseases. *Investment support may also cover afforestation contributing to specific objectives other than environmental and climate-related objectives, provided that such investments are in line with sustainable forest management principles, as developed in Forest Europe's Pan-European Guidelines for Afforestation and Reforestation.*

- (13) Recognising the necessity for farmers to balance the professional duties with personal and family responsibilities, it should be possible to provide support for farm relief services facilitating replacement of farmers during leave for sickness, childbearing, holidays or in case of training participation. It should be possible to support establishment of these services as well as wages for temporary workers replacing the farmer.
- (14) To foster social, economic, environmental and digital transition in rural areas Member States should ensure that LEADER is supported. ***Given the need to support those most in need, the Member States should provide special focus on rural areas with disadvantage such as remoteness, intense depopulation, or limited services provision.*** It should be possible to grant support under the NRP Plans to quality schemes and promotion activities, short supply chain and local market development.
- (15) In line with the need to boost innovation and more sustainable practices, the European Innovation Partnership for agricultural productivity and sustainability (the ‘EIP-AGRI’) should remain a key policy tool, to support interactive innovation, enhancing the exchange of knowledge between actors with a view to spreading solutions ready for practice⁹. ***This should be complemented by support for training, skills development and impartial and qualified advisory services for farmers and forest holders, including in relation to forestry.*** Synergies between the CAP and the Union Research Framework Programme (FP10), established by Regulation (EU) .../... of the European Parliament and of the Council, should encourage agriculture to make the best use of research and innovation results, in particular those stemming from projects funded by FP10 and the EIP-AGRI, leading to innovations in the farming and bioeconomy sector and rural areas.

⁹ COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL on the European Innovation Partnership 'Agricultural Productivity and Sustainability', COM(2012)79 final.

- (16) Enhancing interoperability between public agricultural information systems at national level can bring significant benefits, including reduced data collection burden, improved efficiency, and enhanced policy monitoring. In pursuing this aim, Member States should adopt the "collect once, use multiple times" principle to reduce reporting burden. Designating a single authority to coordinate interoperability efforts and investing in unique farm IDs, the EU ID Wallet referred to in Regulation (EU) No 910/2014 of the European Parliament and of the Council¹⁰, and data-sharing infrastructure can reduce administrative burden, streamline reporting obligations, and empower farmers within the data value chain, ultimately supporting the goals of the CAP. ***In view of its tasks, it would be appropriate to entrust this authority to a new or existing body with knowledge and expertise on the information systems used for implementation, administration, monitoring and evaluation of the CAP, such as Paying Agencies.***
- (17) In order to supplement the non-essential elements of this Regulation, the power to adopt acts in accordance with Article 290 TFEU should be delegated to the Commission. In order to ensure legal certainty, power should be delegated to the Commission to supplement this Regulation with measures ensuring that interoperability and seamless data exchange between information systems used for the implementation, monitoring and evaluation of the CAP are implemented by the Member States.
- (18) To ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred to the Commission to set out the Roadmap to achieve and maintain interoperability between information systems.

¹⁰ Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC (OJ L 257, 28.8.2014, p. 73–114) ELI : <http://data.europa.eu/eli/reg/2014/910/oj>.

- (19) The Commission should be empowered to adopt immediately applicable implementing acts where, in duly justified cases relating to solving specific problems while ensuring the continuity of income support in the case of extraordinary circumstances, imperative grounds of urgency so require. Moreover, the Commission should be empowered to adopt immediately applicable implementing acts, where in duly justified circumstances, extraordinary circumstances affect the granting of support and jeopardise the effective implementation of the interventions listed in this Regulation.
- (20) In order to ensure smooth implementation of the measure envisaged and as a matter of urgency, this Regulation should enter into force on the day following that of its publication in the Official Journal of the European Union.

HAVE ADOPTED THIS REGULATION:

Title I

Subject matter, CAP national recommendations and definitions

Article 1

Subject matter

In order to ensure a strong, sustainable and resilient ~~common~~ **European Union** agricultural ~~policy~~ **sector**, Union food security, generational renewal and vibrant rural areas, ~~this~~ Regulation lays down specific conditions for the implementation of the Union support for the common agricultural policy (CAP) in accordance with the general objective laid down in Article 2, **paragraph 1**, point (c), of Regulation (EU) [...] [NRP].

~~This~~ Union support shall be provided under the ~~National and Regional Partnership Fund~~ **European Fund for economic, social and territorial cohesion, agriculture and rural, fisheries and maritime, prosperity and security** (the ‘Fund’) in accordance with the rules governing that Fund laid down in Regulation (EU) [...] [NRP].

Article 2

CAP national recommendations and steering

1. The Commission shall adopt **non-binding** CAP national recommendations providing guidance to each Member State for the implementation of the CAP-relevant specific objectives set out in Article 3, point ~~(d)~~**(i), (ii), (iii) and (v)** of Regulation (EU) [...] [NRP], within their NRP Plans in line with Article 22 of that Regulation in advance of the submission of the NRP Plans by the Member States.- The CAP national recommendations shall be based on the following:
 - (a) contribution to fair and sufficient income for farmers and their long-term competitiveness, including the farmers' position in the value chain;
 - (b) improvement of attractiveness of the profession and foster generational renewal **including living standards**;
 - (c) enhancing climate action, ecosystem services provision, circular solutions, the conservation of biodiversity and natural resources, sustainable farming and improve animal welfare;
 - (d) improving resilience, farmers' preparedness and ability to cope with crises and risks;
 - (e) enhancing the access to knowledge and accelerate innovation and the digital transition for a thriving agri-food sector.;

(ea) improving the attractiveness and quality of life in rural areas.

In exceptional circumstances and after consultation with the Member State concerned, the CAP national recommendations may be updated by the Commission, ~~as appropriate.~~
2. The Commission shall base the CAP national recommendations on an **evidence-based** analysis, **carried out in consultation with the Member State concerned**, of the situation of the agricultural sector and rural areas, including demographic factors, structural and territorial characteristics as well as food security in each Member State.

3. In the CAP national recommendations, the Commission shall in particular identify key challenges ~~to be addressed by~~ *in* each Member State *to be addressed in that Member State* ~~in their~~ NRP Plan, on the basis of the CAP-relevant specific objectives set out in Article 3, point ~~(d)~~ *(d)(i), (ii), (iii) and (v)*, of Regulation (EU) [...] [NRP], *taking into account relevant national initiatives.*

Article 2a

[Article 4(14), (15) and (17) NRP Regulation]

Definitions

For the purposes of this Regulation the following definitions apply:

- (1) *‘Farmer’ means: a natural or legal person, or a group of natural or legal persons, regardless of the legal status granted to such group and its members by national law, who has a holding as defined in Article 4(16) of NRPP regulation, and who exercises an agricultural activity as determined by Member States in accordance with Article 2b(3) of this Regulation.*
- (2) *‘Agricultural Knowledge and Innovation system’ or ‘AKIS’ means the combined organisation and knowledge flows between persons, organisations and institutions who use and produce knowledge and innovations for agriculture and interrelated fields referred to in Article 20 of this Regulation;*
- (3) *‘organic farming’ means organic production system certified in accordance with Regulation (EU) 2018/848 of the European Parliament and of the Council*
- (4) *‘the smaller Aegean islands’ means any islands in the Aegean Sea except the islands of Crete and Evia;*

Article 2b

[Article 4(22) and (23) NRP Regulation]

Definitions to be provided for in the NRP Plans

1. *Member States shall further establish in their NRP Plans the definitions of ‘{active farmer}’, ‘agricultural activity’, ‘agricultural area’, ‘eligible hectare’, ‘young farmer’, and ‘new farmer’ pursuant to this Article, in accordance with objective and non-discriminatory criteria and the principle of proportionality.*
2. *{‘Active farmer’}*
3. *‘Agricultural activity’ shall be determined through one or both of the following activities:*
 - (a) *production of agricultural products, which consists of all activities aimed at obtaining those products; where agricultural products mean products listed in Annex I to the TFEU, with the exception of fishery products, as well as cotton and short rotation coppice;*
 - (b) *maintenance of agricultural areas, which consists of the activities aiming at keeping the land in a state suitable for grazing or cultivation; where duly justified for animal welfare or environmental reasons, extensive grazing of an agricultural area that does not result in an increase of agricultural production for the farmers concerned may also be considered ‘maintenance’.*
4. *‘Agricultural area’ shall be determined in such a way as to comprise only land which is used for agricultural activities, including when it forms agroforestry systems.*
5. *‘Eligible hectare’ shall be determined in such a way as to comprise only areas which are at the farmers’ disposal and which comprise:*
 - (a) *agricultural areas on which an agricultural activity is performed under the farmer’s control in terms of management, benefits and financial risks. If non-agricultural activities are also performed on these areas, the agricultural activity shall be predominant;*

- (b) *areas for which support was provided under interventions referred to in Article 5(1) points (a) and (g) [degressive income support, small farmers] of this Regulation, or gave a right to payments under the basic income support for sustainability under Title III, Chapter II, Section 2, Subsection 2, [BISS [all incl. entitlements], small farmers scheme], of Regulation (EU) 2021/2115, where agricultural activity is not performed due to commitments and obligations arising from Union or national interventions or other programmes which contribute to the environmental and climate-related CAP specific objectives;*
- (c) *Member States may decide to include in the notion of ‘eligible hectare’ landscape features, not covered by the commitments and schemes referred to in point (b), provided that these landscape features do not significantly hamper the performance of agricultural activity and are not predominant on the agricultural parcel.*

Production of hemp varieties with Tetrahydrocannabinol (THC) content exceeding 0,3% shall not be eligible for support under this Regulation.¹¹

6. *‘Young farmer’ shall be determined in such a way as to comprise natural or legal persons meeting the definition of ‘farmer’ referred to in Article 2a(1) who fulfil at least the following conditions:*

- (a) *an upper age limit set between 35 years and 40 years;*
- (b) *being ‘head of the holding’.*

Where a farmer is deemed to fall within the definition of ‘young farmer’ at the moment of first access to support, that status shall be maintained for the full duration of the period of eligibility established under the relevant support scheme, irrespective of the farmer subsequently exceeding the upper age limit.

7. *‘New farmer’ shall be determined in such a way as to refer to a farmer other than a young farmer and who is head of the holding for the first time.*

¹¹ *Text to be adapted*

Title II ***General requirements and types of interventions***

Chapter I ***General requirements***

Article 3

Farm stewardship

1. Farm stewardship shall comprise statutory management requirements listed in Annex I, Part A [Annex with SMRs]; ***and*** protective practices defined by Member States in the NRP Plan in accordance with paragraph 4 of this Article and Annex I, Part C, ~~and the social conditionality system which comprises the statutory management requirements listed in Annex I, Part B.~~

2. Payments under ***the following*** interventions ~~referred to in Article 5(1), points (a) to (f), and points (o) and (p), to the extent they concern support for local agricultural products,~~ shall be subject to compliance with a system of statutory management requirements and ~~protective practices collectively referred to as ‘farm stewardship’.~~
 - (i) ***the interventions referred to in Article 5(1), points (a) to (f), and***

 - (ii) ***the interventions referred to in Article 5(1), points (o) and (p) that concern support for local agricultural products referred to in Article (the correspondence of art. 44 NRPP) of this Regulation and Article 48 of NRPP.***

The list of statutory management requirements and the objectives of protective practices are set out in Annex I.

~~However, the conditions of farm stewardship listed in Annex I, Parts A and C, shall not apply to farmers receiving support under Article 5(1), point (g).~~

3. Support subject to the farm stewardship conditions *listed in Annex I, Parts A and C, and payments under the intervention referred to in Article 5 (1) point (g) of this Regulation* shall be deemed to comply with the principle of ‘do no significant harm’ in accordance with Article 33(2), point (d), of Regulation (EU, Euratom) 2024/2509.

For the purposes of this Article, ‘statutory management requirement’ means each individual requirement listed in Annex I, **Parts A and B**, set out within a given legal act listed in Annex I, **Parts A and B**, differing in substance from any other requirement in the same act.

The legal acts listed in Annex I concerning the statutory management requirements shall apply in the version that is applicable and, in the case of Directives, as implemented by the Member States. ~~Acts implementing directives may however not have the purpose or effect of an exemption of farmers or other beneficiaries from the statutory management requirements listed in Annex I, Parts A and B.~~

4. Member States shall define in accordance with Annex I, Part C, at a national or regional level, protective practices to be respected by farmers and, *where relevant*, other beneficiaries receiving the support referred to in paragraph 2, to achieve the following *general* objectives:

- (a) ~~protection of carbon-rich~~ **carbon rich** soils, ~~landscape features and permanent grasslands on agricultural area~~ **and biodiversity sensitive areas**;
- (b) ~~protection of soil against erosion, preservation of the soil potential, maintenance of soil organic matter, including through crop rotation or diversification, as well as protection against burning of stubble on arable land~~ **health and resilience**;
- (c) ~~protection of water courses and ground water~~ against pollution and runoff.

In defining their protective practices, Member States may decide to set them in a way consistent with mandatory requirements established by national law and do not go beyond them, provided that those existing national mandatory requirements comply with the specific objectives listed in Annex I to this Regulation.

5. Member States shall include in the NRP Plan a description of the protective practices defined for each of the **general** objectives set out in paragraph 4 including their territorial scope, farmers and other beneficiaries subject to the practice and a summary of the protective practice. ~~In setting the protective practices, Member States shall take utmost account of the CAP national recommendations referred to in Article 2.~~ Member States shall adapt, **where relevant**, the protective practices to different land management systems and, different environmental and climatic conditions **and other specificities** in their territory.
6. Farmers whose ~~entire~~ holding is certified in accordance with Regulation (EU) 2018/848 of the European Parliament and of the Council¹² shall be deemed to comply with protective practices set out in the NRP Plans in respect to objectives set out in paragraph 4, points (b) and (c) **listed in Annex I, Part C to this Regulation in relation to their organic production units, as defined in Article 3, point (10), of Regulation (EU) 2018/848, and their in-conversion production units, as defined in Article 3, point (11), of that Regulation.**

Member States may, taking into consideration the administrative burden of checks, decide that only farmers certified in accordance with Regulation (EU) 2018/848 whose entire holding consists of organic production units, as defined in Article 3, point (10), of Regulation (EU) 2018/848, or of in-conversion production units, as defined in Article 3, point (11), of that Regulation, or of both such production units, are deemed to comply with protective practices listed in Annex I, Part C to this Regulation.

7. In setting the protective practices referred to in paragraph 4, Member States may establish in their NRP Plan specific exemptions from those protective practices based on objective and non-discriminatory criteria, such as crops, soil types and farming systems or damage to permanent grasslands due, inter alia, to wild animals or invasive species. Those specific exemptions shall be limited in terms of their area coverage, shall be established only in the event, and to the extent, that they are necessary to address specific problems in the application of those practices and shall not hamper **significantly** the objectives set out in paragraph 4 or distort competition.

¹² Regulation (EU) 2018/848 of the European Parliament and of the Council of 30 May 2018 on organic production and labelling of organic products and repealing Council Regulation (EC) No 834/2007 **No 834/2007** (OJ L 150 14.6.2018, p. 1, ELI: <http://data.europa.eu/eli/reg/2018/848/oj>).

8. Member States may grant temporary derogations from protective practices, where weather conditions, **plant diseases or pest infestations** prevent farmers and other beneficiaries from implementing those practices ~~or where the implementation of those protective practices would hamper the objectives set out in paragraph 4~~. Member States shall ensure that the temporary derogations are limited in their scope and duration to the extent necessary, granted based on objective and non-discriminatory criteria and that they do not hamper **significantly** the objectives set out in paragraph 4 or distort competition.
9. Member States may recognise the management practices under agri-environmental and climate actions referred to in Article 10(1), point (a), that contribute to the objectives set out in paragraph 4 of this Article in an equivalent way as the relevant protective practices established in the NRP Plan pursuant to that paragraph. Member States may deem farmers and other beneficiaries who commit to implement those equivalent practices to be compliant with the relevant protective practice.

Article 4

Environment and climate priority areas

1. Member States shall provide support to farmers and, **where relevant**, other beneficiaries at least in each of the following ~~environmental~~ **environment** and climate priority areas:
- (a) climate change adaptation and water resilience;
 - (b) climate change mitigation **such as including** carbon removals and on-farm renewable energy production, including biogas production;
 - (c) soil health;
 - (d) preservation of biodiversity, such as conservation of habitats or species, landscape features, reduction of **the negative impact from the** use of pesticides;
 - (e) **support for and** development of organic farming;
 - (f) animal health and welfare;
- (fa) protection of water quality and sustainable use of water resources.**

Member States with areas affected by water pollution due to nitrate surplus shall provide support to farmers, ***such as support*** for extensification of livestock systems ~~or for~~, diversification to other agricultural activities ***or other actions that contribute to mitigating the causes of pollution or restore the water bodies.***

2. For each of the priority areas referred to in paragraph 1 support shall be provided under the conditions laid down in Articles 9, 10 ~~and~~ 13.

Chapter II ***Types of interventions***

Article 5

[Article 35(3) NRP Regulation added]

Types of intervention and financial support provisions

1. The following ***types of*** CAP interventions are set out:
 - (a) degressive area-based income support;
 - (b) coupled income support;
 - (c) ~~crop-specific~~ ***crop-specific*** payment for cotton;
 - (d) payment for natural and other area specific constraints;
 - (e) support for disadvantages resulting from certain mandatory requirements;
 - (f) ***support for*** agri-environmental and climate actions;
 - (g) payment for small farmers;
 - (h) support for risk management tools;
 - (i) support for investments for farmers and forest holders;
 - (j) support for setting-up of young farmers, new farmers, rural business ~~and~~ start-ups, ***farm household income diversification and business*** ~~and~~ development of small farms;

- (k) support for farm relief services;
- (l) **support for** LEADER;
- (m) support for knowledge sharing and innovation in agriculture, forestry and rural areas;
- (n) **support for** territorial **development** and local cooperation initiatives;
- (o) **support for** interventions in outermost regions, **as referred to in Article X of Regulation (EU) .../... [NRP Regulation]**;
- (p) **support for** interventions in smaller Aegean islands;
- (q) **support for** **the** EU school scheme referred to in ~~Title I, Part II, Title I, Chapter IIa, Section 2~~ of Regulation (EU) No 1308/2013 of the European Parliament and of the Council¹³;
- (r) **support for** interventions in certain sectors referred to in ~~Title I, Part II, Title I, Chapter IIa, Section 3~~ of Regulation (EU) No 1308/2013;
- (s) crisis payments ~~for~~to farmers **following natural disasters, adverse climatic events and catastrophic events**.

2. ~~The~~ interventions referred to in paragraph 1, points (a) to (k), ~~and interventions in certain sectors referred to in Title I and (r), Part II, Chapter IIa, of Regulation (EU) No 1308/2013~~ shall be income support interventions to be financed from the Fund in accordance with Article 10(2), point (a), ~~second subparagraph, (ii)~~ of Regulation (EU) [...] [NRP].
3. ~~Production of hemp varieties with Tetrahydrocannabinol (THC) content exceeding 0,3% shall not be eligible for support under this Regulation.~~

¹³ 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, ELI: <http://data.europa.eu/eli/reg/2013/1308/oj>).

Article 6

[Article 35(3), second subparagraph, NRP Regulation added as paragraph 7a]

Degrressive area-based income support

1. Member States shall provide **annual** area-based income support for eligible hectares to farmers to address income needs.
2. ~~The payment per eligible hectare shall be differentiated by groups of~~ **Member States shall provide for a higher area-based income support for eligible hectares to young farmers or geographical areas, on the basis of objective and non-discriminatory criteria. The groups of farmers or geographical areas that are basis for the differentiation of payments shall be established based on farmers' income from agricultural activity in a representative reference period.**

~~When differentiating the payments, Member States shall target~~ **may also provide for higher area-based income support for eligible hectares to other groups of farmers that have additional income needs. In that case the support at farmers who are the most in need, in particular young and new farmers, women, family or small farmers, farmers combining the production of crops and livestock or farmers in areas with natural or other area-specific constraints level shall be based on agricultural income over a representative reference period determined in accordance with Article 8 by the Member State.**

The differentiation of payments may take the form of annual lump sum payments that replace fully or partially the area-based income support per eligible hectare. ~~Members States shall increase the support per eligible hectare granted to young farmers.~~

3. ~~The total amount of payments per farmer established in accordance with paragraph 2 shall be degressive in accordance with the following rules:~~
 - (a) Member States shall reduce the annual amount of the area-based income support exceeding EUR 20 000 to be granted to a farmer by 25 % where the amount of the area-based income support granted to a farmer is between EUR 20 000 and EUR 50 000;

- (b) Member States shall reduce the annual amount of the area-based income support exceeding EUR 50 000 to be granted to a farmer by 50 % where the amount of the area-based income support granted to a farmer is more than EUR 50 000 and not more than EUR 75 000;
- (c) Member States shall reduce the annual amount of the area-based income support exceeding EUR 75 000 to be granted to a farmer by 75 % where the amount of the area-based income support granted to a farmer exceeds EUR 75 000.]
4. /The total amount of area-based income support shall not be higher than maximum EUR 100 000 per farmer per year. In the case of a legal person or groups of legal persons, the capping shall cover all holdings under the control of one legal or natural person./
5. ~~The Member States shall ensure that the support under this Article is primarily directed towards farmers who exercise an agricultural activity on their holding and actively contribute to food security. Small farmers, whose principal activity is not agriculture, but who are engaged in at least a minimum level of agricultural activity, as set out by Member States, shall be considered farmers as well.¹⁴~~
6. ~~Member States shall ensure that at the latest by 2032 they~~ **may decide that** applicants who reach the retirement age, determined by national law, and who receive a retirement pension, **are no longer to** receive support under this Article. **Member States that make use of this possibility shall ensure compliance with the principles of equal treatment and non-discrimination and shall justify it under the objectives of better targeting of the income support or generational renewal.**

Member States shall provide in their NRP Plans for voluntary measures aiming at farm succession as referred to in Article 16(1a), point (bb), of this Regulation and in accordance with Article 74 of Regulation (EU) [...] [NRP] for farmers who have reached the retirement age determined by national law and receive a retirement pension.

¹⁴ *To be adjusted after the discussion on farmer definition*

7. ~~Member States shall ensure that the eligible hectare comprises only areas which are at the farmers' disposal and which comprise:~~
- ~~(a) agricultural areas on which an agricultural activity is performed under the farmer's controls in terms of management, benefits and financial risks. If non-agricultural activities are also performed on these areas, the agricultural activity shall be predominant;~~
 - ~~(b) areas for which support is provided under Article 5(1), points (a) and (g), or under the basic income support for sustainability under Title III, Chapter II, Section 2, Subsection 2, of Regulation (EU) 2021/2115, where agricultural activity is not performed due to commitments and obligations arising from Union or national interventions or other programmes which contribute to the CAP environmental and climate priority areas referred to in Article 4;~~
 - ~~(c) Member States may decide to include in the 'eligible hectare' landscape features, not covered by the commitments and schemes referred to in point (b), provided that these landscape features do not significantly hamper the performance of agricultural activity and are not predominant on the agricultural parcel.~~
- 7a. *The planned average aid per hectare for degressive area-based income support under this Article shall not be less than EUR [130] and not more than EUR [240] for each Member State. [Article 35(3), second subparagraph, NRP]*

Article 7

Payment for small farmers

1. Member States shall provide income support to small farmers, as determined by the Member States, replacing the support under interventions referred to in Article 5(1), points (a), (b) and (d). Member States shall design the intervention in the NRP Plan as optional for farmers.

~~The Member States shall ensure that the support under this Article is primarily directed towards farmers who exercise an agricultural activity on their holding and actively contribute to food security.~~

The annual payment for each small farmer shall not exceed EUR 3 000.

2. ~~Member States may differentiate support granted under this Article for different groups of farmers or geographical areas.~~

Article 8

Payment for natural or other area-specific constraints

1. Member States shall provide support to compensate farmers for natural or other area-specific constraints.
2. The payment for areas with natural ~~and/or~~ other specific constraints ~~may~~ **shall** be provided in respect of ***at least one of the following categories of*** areas that:
 - (a) were designated pursuant to Article 32 of Regulation (EU) No 1305/2013 of the European Parliament and of the Council¹⁵;
 - (b) are newly designated ***by Member States*** in view of specific constraints ~~defined by Member States~~ ***in accordance with paragraph 2a*** and have been included in the NRP Plan.

~~Member States may carry out a fine-tuning with the purpose of excluding areas within the areas designated in accordance the first subparagraph, points (a) and (b), under the conditions laid down in Article 32(3) of Regulation (EU) No 1305/2013.~~

The surface of the areas ***newly*** designated pursuant to the first subparagraph, point (b), shall not exceed 2 % of the utilised agricultural area of the Member State concerned.

¹⁵ Regulation (EU) No 1305/2013 of the European Parliament and of the Council of 17 December 2013 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and repealing Council Regulation (EC) No 1698/2005 (OJ L 347, 20.12.2013, p. 487), ELI: <http://data.europa.eu/eli/reg/2013/1305/oj>.

- 2a. *Member States may designate new areas referred to in paragraph 2, point (b) that are affected by specific constraints defined by Member States in their NRP Plans, and if it is necessary for land management practices to be continued on those areas in order to conserve or improve the environment, to maintain the countryside, to preserve the tourist potential of the areas, or to protect the coastline.*
- 2b. *Member States may carry out a fine-tuning with the purpose of excluding areas within the areas designated in accordance with paragraph 2, points (a) or (b). The fine-tuning shall be based on objective criteria and shall exclude areas where significant natural or specific constraints have been documented but have been overcome by investments, or by economic activity, or by evidence of normal land productivity, or in which production methods or farming systems have offset the income loss or added costs.*
3. The payments per eligible hectare shall be ~~limited to~~ *annual and granted to compensate farmers for all or part of the additional costs or loss of and income foregone* related to undertaking agricultural production in the designated areas compared to production in non-designated areas.

Article 9

Support for disadvantages resulting from certain mandatory requirements

1. Member States may provide *annual* area-based support in agricultural and forest areas for disadvantages resulting from the implementation of:
- (a) Council Directive 92/43/EEC¹⁶ and Directive 2009/147/EC of the European Parliament and of the Council¹⁷;

¹⁶ Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora (OJ L 206, 22.7.1992, p. 7), ELI: <http://data.europa.eu/eli/dir/1992/43/oj>.

¹⁷ Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds (OJ L 20, 26.1.2010, p. 7), ELI: <http://data.europa.eu/eli/dir/2009/147/oj>.

(b) Directive 2000/60/EC of the European Parliament and of the Council¹⁸.

In addition to the areas referred to in the first subparagraph, point (a), Member States may decide to support other delimited nature protection areas with environmental restrictions applicable to farming or forestry which contribute to the implementation of Article 10 of Directive 92/43/EEC, provided that those areas do not exceed ~~5%~~**5%** of the designated Natura 2000 areas covered by the NRP Plan.–

2. Payments under this Article may be granted to farmers, forest holders and ~~the~~**forest holder** associations *as well as to other beneficiaries*.
3. Member States may only grant payments under this Article in order to compensate beneficiaries for all or part of the additional costs and income foregone related to the compliance with mandatory requirements resulting from the implementation of the Union acts and provisions listed in paragraph 1, ~~first subparagraph~~, including transaction costs.–

Article 10

[Article 36(2) NRP Regulation added in paragraph 4]

Agri-environmental and climate actions

1. Member States shall provide incentives for the following actions beneficial for the climate, environment, animal health and welfare, ~~or and~~ sustainable forestry, ***contributing to the environment and climate priority areas referred to in Article 4:***
 - (a) voluntary management commitments taken ~~upon~~ by farmers and other beneficiaries, ~~including~~***such as*** commitments to ~~maintain~~***support*** organic farming ~~and~~ ~~extensification~~ ~~of~~ ***extensive*** livestock production, ~~established and implemented in accordance with paragraph 3;~~

¹⁸ Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy (OJ L 327, 22.12.2000, p. 1), ELI: <http://data.europa.eu/eli/dir/2000/60/oj>.

(b) voluntary transition towards resilient production systems carried out by farmers at the level of the holding or for part of a holding, ~~including~~ ***such as*** conversion to organic farming ~~and~~ ***or*** extensification of livestock production systems, ~~established and implemented in accordance with paragraph 4.~~

2. ~~Each Member State shall provide support for organic farming certified in accordance with Regulation (EU) 2018/848 of the European Parliament and of the Council¹⁹ and extensive livestock production systems under both forms of action referred to in paragraph 1.~~

3. The ~~management commitments~~ ***support*** referred to in paragraph 1, point (a), may be ***provided in particular for*** annual or multiannual ~~and may have in particular the following objectives~~ ***management commitments related to:***

- (a) ***actions on*** protection of water quality and reduction of pressure on water resources, protection of soil, nutrient management, ***protection of air quality***, biodiversity conservation ***and restoration***, including landscape features and reduction of ***negative impact from*** the use of pesticides;
- (b) ***actions on*** climate change mitigation, including reduction of greenhouse gas emissions and ***the protection of carbon stocks in soils and biomass and increasing*** carbon sequestration, climate change adaptation, including animal and plant diversity for resilient ecosystems;
- (c) ***actions on*** animal health and welfare, including combating ~~of~~ antimicrobial resistance;
- (d) ***conservation***, sustainable use and development of genetic resources; or
- (e) forest environmental services and forest conservation.

¹⁹ ~~Regulation (EU) 2018/848 of the European Parliament and of the Council of 30 May 2018 on organic production and labelling of organic products and repealing Council Regulation (EC) No 834/2007 (OJ L 150, 14.6.2018, p. 1, ELI: <http://data.europa.eu/eli/reg/2018/848/oj>).~~

4. Support for the transition actions referred to in paragraph 1, point (b), shall **be** granted on the basis of a transition action plan ~~drawn up by a farmer and~~ approved by the Member State. To implement the support for transition actions referred to in paragraph 1, point (b), Member States shall describe in the NRP Plan the **resilient** production systems that they deem beneficial for the climate and environment.

Member States shall determine the amount of support for transition actions referred to in paragraph 1, point (b) based on cost estimates of those transition actions. Member States shall grant support in the form of lump sums that shall be limited to EUR [200 000] per farmer per programming period of the NRP Plan. [Article 36(2) NRP].

Member States shall pay the support to farmers in **one or more** instalments over the period of implementation of the transition action plan. The payment of the last instalment shall be conditional upon completion of the implementation of the transition action plan. ~~Member States shall ensure that the payments are recovered if the farmer fails to implement the transition action plan.~~

5. Member States shall only grant support for management commitments referred to in paragraph 1, point (a), which go beyond the relevant statutory management requirements referred to in Annex I, Part A, and the relevant minimum requirements for the use of fertiliser and plant protection products, animal welfare and other relevant mandatory requirements established by national and Union law.

However, where national law imposes requirements which go beyond the corresponding mandatory minimum requirements laid down in Union law, support may be granted for management commitments referred to in paragraph 1, point (a), contributing to compliance with those requirements.

Article 11

[Article 35(5) NRP Regulation added as paragraph 5]

Coupled income support

1. Member States shall provide coupled income support to farmers in specific agricultural sectors and products, where relevant defined in accordance with Annex I to Regulation (EU) No 1308/2013, or to specific types of farming therein, which undergo difficulties and are important for socio-economic or environmental reasons.

Coupled income support shall take the form of an annual payment per eligible hectare or per animal or per animal equivalent, ~~defined in accordance with Annex II.~~

Member States may grant support in the form of a payment per hectare only for areas they have determined as eligible hectares in accordance with Article ~~6(7)~~**2b(5)**.

Support granted as a payment per hectare may include support for short rotation coppice and grasses and other herbaceous forage. Support shall not be granted to the tobacco and wine sectors.

Support granted as a payment per animal *or per animal equivalent* shall be limited to the beef and veal, milk and milk products, ~~sheep and goat meats~~*sheepmeat and goatmeat*, apiculture products and silkworms sectors.

2. The support referred to in paragraph 1 shall, on the basis of objective and non-discriminatory criteria, address additional income needs *related to the difficulties of the targeted sector, product or specific type of farming*. *Member States shall not be required to demonstrate the difficulties encountered in relation to protein crops.*
3. When planning the support referred to in paragraph 1, Member States shall minimise the potential impact of their support decisions on the internal market.
4. For support granted as a payment per animal to the livestock sectors, Member States shall take into account environmental impacts, ~~including by setting a maximum livestock density criteria in nitrate vulnerable zones.~~

5. *The financial allocation to coupled income support interventions under this Article shall be limited to a maximum of 20% of the Union contribution set out by the Member State in the NRP Plan for CAP income support interventions referred to in Article 5(1), points (a), (c), (f) and (g). That percentage may be increased by a maximum of 5 percentage points, provided that the amount corresponding to the percentage exceeding 20% is allocated to protein crops, farmers combining the production of crops and livestock or agricultural areas at a risk of abandonment of agricultural production, in particular in the Eastern border regions, as defined in the NRP Plans.*

By way of derogation from the above sub-paragraph, Member States may choose to use up to EUR {X} million per year for financing coupled income support.

Article 11a

[Article 39 NRP Regulation]

Crop-specific payment for cotton

1. *Bulgaria, Greece, Spain and Portugal shall grant a crop-specific payment for cotton to farmers producing cotton falling within CN code 5201 00. Those Member States shall establish specific requirements to guarantee a minimum level of production efficiency and product quality.*
2. *The Member States referred to in paragraph 1 shall ensure that the supported cotton production does not put excessive strain on natural resources such as water and soil. To that end, or for other environmental or socio-economic reasons, those Member States may grant the aid only for specific cotton varieties, in specific regions, or for specific types of farming, or may establish requirements related to agronomic practices.*
3. *The crop-specific payment for cotton shall be granted per hectare of eligible area of cotton.*

4. *The following national base areas are established:*
- (a) *Bulgaria: 3 342 ha;*
 - (b) *Greece: 250 000 ha;*
 - (c) *Spain: 48 000 ha;*
 - (d) *Portugal: 360 ha.*
5. *The following fixed yields in the reference period are established:*
- (a) *Bulgaria: 1.2 tonne/ha;*
 - (b) *Greece: 3.2 tonne/ha;*
 - (c) *Spain: 3.5 tonne/ha;*
 - (d) *Portugal: 2.2 tonne/ha.*
6. *The amount of the crop-specific payment per hectare of eligible area shall be calculated by multiplying the yields laid down in paragraph 4 with the following reference amounts:*
- (a) *Bulgaria: EUR 636.13;*
 - (b) *Greece: EUR 229.37;*
 - (c) *Spain: EUR 354.73;*
 - (d) *Portugal: EUR 223.32.*
7. *If the eligible area of cotton in a given Member State in a given year does not exceed the base area laid down in paragraph 4, then the amount per hectare referred to in paragraph 6 may be increased either by a coefficient obtained by dividing the national base area by the actual eligible area, or increased by 25%, whichever is smaller.*
8. *If the eligible area exceeds the base area, the amount per hectare shall be reduced proportionately to the overrun of the base area.*

9. *For the purposes of this Article, an ‘approved interbranch organisation’ means a legal entity made up of and founded by farmers producing cotton and at least one ginner. Such organisations shall ensure efficient and durable action with the goal to concentrate supply and to adapt production to market requirements.*
10. *The Member State where the ginner is established shall approve interbranch organisations that satisfy the criteria laid down in paragraph 9.*
11. *In the case of farmers who are members of an approved interbranch organisation, the crop-specific payment for cotton for hectares that are eligible within the national base area laid down in paragraph 4 shall be increased by an amount of EUR 2. For this purpose, Member States may establish specific requirements for the members of such interbranch organisations.*

Article 12

Support for participation in risk management tools

1. Member States shall provide support to farmers for participation in risk management tools. Member States shall ensure that support is granted only for losses which exceed a threshold of at least 20 % of the average annual production or income of the farmer in the preceding three-year period, or a three-year average based on the preceding five-year period excluding the highest and lowest entry.

By way of derogation from the first subparagraph, Member States that demonstrate– in the NRP/NRP Plan the existence of national *private or public* systems which provide risk coverage *management tools* for farmers *in the Member State concerned* shall be exempt from the obligation to include in their NRP Plan interventions for risk management tools under this Article.

2. Sectoral production risk management tools shall calculate the losses either at holding level, at the level of the holding’s activity in the sector concerned or related to the specific area insured.

For permanent crops and in other justified cases for which the calculation methods referred to in the first subparagraph are not appropriate, Member States may provide for a method for calculation of the losses based on the average annual production or income of the farmer over a period that does not exceed eight years, excluding the highest and lowest entry.

3. Member States may apply an appropriate alternative method for calculating the losses for young farmers and new farmers.
4. Member States shall establish the methodology for the calculation of losses and triggering factors for compensation in their NRP Plan. Member States shall ensure that any overcompensation resulting from the combination of the interventions under this Article with other public or private risk management schemes is avoided.

Article 13

[Article 36(3) NRP Regulation added as paragraph 7]

Support for investments for farmers and forest holders

1. Member States shall grant support under this Article for productive and non-productive investments ***in tangible and intangible assets***, making an appropriate overall contribution to ***the competitiveness and*** resilience of agriculture, ~~food systems~~***the agrifood sector***, forestry and rural areas, in particular climate and water resilience. Member States shall explain in their NRP Plans how they plan to grant such support.
 - 1a. Member States shall grant support under this Article to farmers, and may grant support to forest holders and their associations.***
2. For holdings above a certain size, to be determined by Member States in their NRP Plans, support for the forestry sector, ***if relevant***, shall be conditional on the presentation of the relevant information from a forest management plan or equivalent instrument in accordance with the sustainable management of forests as defined in the most recent version of Forest Europe's General Guidelines for the Sustainable Management of Forests in Europe.

3. Support for investments in the restoration of agricultural or forestry production potential damaged by natural disasters, adverse climate events or catastrophic events, **including those caused by animal and plant diseases**, shall be granted only when the event concerned has caused the destruction of at least 30 % of the agricultural production potential or at least 20 % of the forestry production potential.
4. Member States shall establish a list of ineligible investments and categories of expenditure, including at least the following:
- (a) purchase of agricultural production rights;
 - (b) purchase of land for an amount exceeding 10 % of the total eligible expenditure for the operation concerned, with the exception of land purchase for environmental conservation and carbon-rich soil preservation;
 - (c) purchase of animals, and purchase of annual plants and their planting for a purpose other than:
 - (i) restoring agricultural or forestry potential following natural disasters, adverse climatic events or catastrophic events;
 - (ii) protecting livestock against large predators ~~or being used in forestry instead of machinery~~;
 - (iia) to be used in forestry to replace machinery;**
 - (iii) rearing endangered breeds as defined in Article 2, point (24), of Regulation (EU) 2016/1012 of the European Parliament and of the Council²⁰ under the management commitments referred to in Article 10(1), point (a);

²⁰ Regulation (EU) 2016/1012 of the European Parliament and of the Council of 8 June 2016 on zootechnical and genealogical conditions for the breeding, trade in and entry into the Union of purebred breeding animals, hybrid breeding pigs and the germinal products thereof and amending Regulation (EU) No 652/2014, Council Directives 89/608/EEC and 90/425/EEC and repealing certain acts in the area of animal breeding ('Animal Breeding Regulation') (OJ L 171, 29.6.2016, p. 66) ELI: <http://data.europa.eu/eli/reg/2016/1012/oj>.

- (iv) rearing of bovine, sheep or goat pure-bred animals of high genetic value for breeding to improve the quality and productivity of livestock herds or to preserve rare or local breeds;
- (v) preserving plant varieties under threat of genetic erosion under the commitments referred to in Article 10(1), point (a);
- (d) interest rate on debt, except in relation to grants given in the form of an interest rate subsidy or guarantee fee subsidy;

(da) investments in afforestation contributing to other than environmental and climate-related specific objectives, in line with sustainable forest management principles.

5. By way of derogation from paragraph 4, points (a), (b) and (c), that requirement shall not apply where the support is provided through financial instruments.
6. Where Union law results in the imposition of new requirements on farmers, support may be granted for investments to comply with those requirements for a maximum period of 36 months from the date on which they become mandatory for the holding.

~~Member States may only grant payments under this paragraph in order to compensate beneficiaries for all or part of the additional costs related to the compliance with those requirements.~~

For young farmers setting up for the first time in an agricultural holding as head of the holding support for investments to comply with the requirements of Union law may be granted for a maximum period of 36 months from the date of setting up, or until the actions defined in the business plan referred to in Article 14(3) are completed. ~~Member States may only grant payments~~ **Only expenditure incurred to comply with new Union law requirements shall be eligible for support** under this paragraph ~~in order to compensate beneficiaries for all or part of the additional costs related to the compliance with those requirements.~~

7. *Where public support granted under this Article for an investment operation does not exceed EUR 100 000 and is not subject to rules on public procurement, that support shall take the form of standard scales of unit costs, lump sums or flat rates, except where this is not appropriate due to the nature of the intervention and duly justified by the Member State.*

Article 14

Setting-up of young farmers, *new farmers*, rural business ~~start-up and start-ups~~, farm household income diversification and business development of small farms

1. Member States shall provide support ~~for the setting-up of young farmers and the start-up of rural businesses, including the setting-up of new farmers~~, under the conditions laid down in this Article and as further specified in their NRP Plans, *for the setting-up of young farmers who fulfil the conditions provided for by Member States in their NRP Plans in accordance with Article 2b(6).*
- ~~2. Member States may only grant support under this Article to help:~~
- ~~(a) the setting-up of young farmers who fulfil the conditions provided for by Member States in their NRP Plans in accordance with Article 4(22), point (d), of Regulation (EU) [...] [NRP];~~
 - ~~(b) the start-up of rural businesses linked to agriculture or forestry including the setting up of new farmers, or farm household income diversification into non-agricultural activities;~~
- 2a. *Member States may provide support, under the conditions laid down in this Article and as further specified in their NRP Plans, for:*
- ~~(e)~~*(a) the start-up of rural businesses actions for farm household income diversification into non-agricultural activities;*
 - ~~(d)~~*(b) the business development of small farms, as determined by Member States;*

(c) *the setting-up of new farmers who fulfil the conditions provided for by Member States in their NRP Plans in accordance with Article 4(23), of Regulation (EU) [...] [NRP].*

(ac) *rural business start-ups.*

3. Member States shall set conditions for the submission and the content of a business plan which beneficiaries must provide in order to receive support under this Article.
4. Member States shall grant support in the form of lump sums or financial instruments or a combination of both. Support shall be limited to the maximum amount of aid of EUR 300 000 *per project* and may be differentiated in accordance with objective and non-discriminatory criteria.

Article 15

Strategy on Generational Renewal strategy in Agriculture

Member States shall establish in their NRP Plan a Strategy on Generational Renewal in Agriculture to enhance the effectiveness and coherence of interventions targeting young farmers under this Regulation, *measures supported under the NRP Plan* and national initiatives. The Strategy shall include:

- (a) an assessment of the current demographic situation in the agricultural sector ***and identification of entry barriers for young farmers ;***
- (b) ~~identification of entry barriers for young farmers and proposed national initiatives and measures to overcome them;~~
- (c) description of how the Starter pack for young farmers referred to in Article 16 will be ~~utilised~~***used*** in the national context, ***of measures set out in the NRP Plan and national initiatives;***
- (d) synergies between measures contributing to generational renewal set out in the NRP Plan.

Article 16

Starter pack for young farmers

1. ~~The~~ **Member States shall establish a Starter pack for young farmers** ~~shall include a set of the following measures,~~ in line with the Strategy on Generational Renewal in Agriculture referred to in Article 15;
 - 1a. **The Starter pack for young farmers shall include the following interventions:**
 - (a) support for setting-up of young farmers in accordance with Article ~~14~~**14(1)(a)**;
 - (b) degressive area-based income support for young farmers in accordance with Article 6;
 - ~~(d)~~**(ba)** investment support with higher aid intensity for young farmers **in accordance with Article 13 of this Regulation and Article 35(4) second subparagraph of Regulation (EU) [...] [NRP]**;
 - (bb) cooperation interventions facilitating intergenerational succession with a view to transferring the holding of farmers who have reached the retirement age determined by national law and receive a retirement pension to a young or new farmer, in accordance with Article 74 of Regulation (EU) [...] [NRP].**
 - 1b. **The Starter pack for young farmers may include the following interventions:**
 - ~~(e)~~**(a)** support for small farmers in accordance with Article 7 ~~targeting young farmers~~ **of this Regulation**;
 - ~~(d)~~ investment support with higher aid intensity for young farmers;
 - ~~(e)~~**(b)** possibilities of financing investments implemented by young farmers through the financial instruments in accordance with Article 71 of Regulation (EU) [...] [NRP];
 - ~~(f)~~**(c)** support for rural business start ups **in accordance with Article 14(1)(b) of this Regulation**;

~~(ca)~~ **actions for farm household income diversification into non-agricultural activities in accordance with Article 14(2a)(a) of this Regulation;**

~~(g)~~~~(d)~~ cooperation interventions facilitating access to innovation through the projects of EIP-AGRI operational groups in accordance with Article 19 of this Regulation and Article 74 of Regulation (EU) [...] [NRP];

~~(h)~~~~(e)~~ cooperation interventions facilitating intergenerational cooperation including farm succession, in accordance with Article 74 of Regulation (EU) [...] [NRP];

~~(i)~~~~(f)~~ support for farm relief services in accordance with Article 17 **of this Regulation;**

~~(j)~~~~(g)~~ access to advisory services and training programs tailored to young farmers' needs, in accordance with Article 20 **of this Regulation.**

2. Member States shall ~~integrate in the design of the~~ **interventions and** measures referred to in ~~paragraph 1~~**paragraphs 1a and 1b taking into account the** links and synergies with other measures set out in their NRP Plans, in particular in respect to measures facilitating intergenerational succession and generational renewal, investments for rural business start-ups, or access to and use of financial instruments.
3. In order to facilitate access to the interventions **and measures** referred to in ~~paragraph 1~~**paragraphs 1a and 1b**, Member States shall ~~establish~~ **have one or more national or regional** single ~~point~~**points** of access for young farmers which may provide ~~inter alia~~ **all** information on support opportunities and procedures and facilitate, the entry **to** and the establishment in the agricultural sector, including **information on** submission of funding applications and guidance, **relevant for young farmers.**

Article 17

Farm relief services

1. Member States may provide support for the farm relief services, ~~allowing to replace farmers to take a~~ **when they take** leave for sickness, childbearing, care for children and other family members, holidays and similar ~~life events~~ **cases**, as well as **for** participation in ~~trainings, as further specified~~ **training**. **Member States shall specify the conditions for such support** in their NRP Plans.
2. This support shall be limited to the **costs of** setting up of farm relief services and to **the** costs of wages of the workers replacing the ~~farm holder~~ **farmer** during a limited period of time.

Article 17a

[Article 74(3) NRP Regulation]

Specific provisions concerning CAP interventions on cooperation

Member States shall limit the support for setting-up of producer groups, producer organisations or interbranch organisations referred to in Article 74(1)(f) of Regulation (EU) [...] NRP to 10% of the turnover of the group or organisation with a maximum of EUR 100 000 per year; that support shall be degressive and limited to the first five years following recognition or the start of joint activities intended to lead to recognition as determined by Member States in the Agriculture chapter of their NRP Plans.

Article 18

LEADER

1. Member States shall provide support ~~for~~ **under** LEADER to prepare and implement LEADER local development strategies under the conditions laid down in Article 76 **and** 77 of Regulation (EU) [...] [NRP] and as further specified in their NRP Plans.
2. Member States shall support LEADER ~~at least~~ **in rural areas with a focus on** rural areas with specific disadvantages ~~defined as~~ **determined** by the Member States in ~~the NRP~~ **their NRP** Plans.

3. Member States shall provide support ~~through~~**under** LEADER for projects ~~implemented by local action groups involving startups, value added capacity in transformations~~**such as rural business start-ups, on farm processing**, diversification of farm activities, including agrotourism, direct sale of agricultural products ~~and~~, innovation **and digitalisation**.
4. Support provided ~~from~~**under** LEADER shall be focused on ~~rural development fields~~**projects** with added value for **rural communities**, farmers and forest holders, such as social, environmental, digital and economic ~~transformation~~**transition** of rural areas, **promotion of gender equality and social inclusion**, improvement of well-being of rural citizens, **and** strengthening social capital.

Article 19

Support for knowledge sharing and innovation in agriculture, forestry and rural areas

1. Member States shall provide support for knowledge sharing and innovation in agriculture, **and where relevant**, forestry and rural areas under the conditions laid down in this Article. Member States shall provide support:
 - (a) ~~to prepare and implement the projects of the EIP-AGRI operational groups as well as actions to ensure broader uptake of projects' results;~~
 - (b) for **knowledge sharing actions such as advice, training, skills development**, actions to promote innovation, ~~training and advice, skills development, advisory services and~~ **or** other forms of knowledge sharing and dissemination of information.

(1a) Member States may provide support for:

 - (a) **EIP-AGRI operational groups for the preparation of projects or actions to ensure broader uptake of their results;**
 - (b) **the setting up of farm advisory services referred to in Article 20(3);**
 - (c) **capacity building of advisors within farm advisory services referred to in Article 20(3).**

Support for **farm** advisory services **referred to in points (b) and (c)** shall only be granted for those advisory services that comply with Article ~~20(3)~~**20(4)**.

2. The aim of EIP-AGRI shall be to accelerate development and use of innovations by improving the exchange of knowledge and fostering synergies between policies, actors and instruments in agriculture, forestry and rural areas. Results from its work shall be disseminated and multiplied through the AKIS.

The EIP-AGRI shall:

- (a) support cooperation projects for innovation through operational groups based on the ‘interactive innovation model’ referred to in paragraph 43;
 - (b) link research and ~~farming and forestry~~ practice and inform the scientific community of the needs of these practices ***in agriculture, forestry and rural areas***;
 - (c) connect innovation actors and projects, particularly via the Union and national CAP networks;
 - (d) ~~promoting~~ ***promote*** the use of innovative solutions through dissemination of information and knowledge, including farmer-to-farmer exchanges ***where appropriate***.
3. The projects implemented by the EIP-AGRI operational groups shall be based on the ‘interactive innovation model’ that complies with the following principles:
 - (a) develop innovative solutions focusing on the specific needs of farmers, ~~forester~~ ***forest*** holders and rural actors ***including where relevant increasing the potential for a scale up of those innovative solutions***;
 - (b) bring together partners with complementary knowledge such as academia, researchers and the farming community, and where relevant, actors of the food chain and ensure their active involvement in projects;
 - (c) the projects are co-created and co-decided among the actors involved in the projects and implemented in a consultative manner, ~~including ensuring the potential for scale up~~.

Member States shall ensure that the key results of the projects referred to in this paragraph are disseminated through practice-oriented channels, including the national and Union CAP networks. The disseminated information shall include the objectives of the projects, participating partners, key thematic areas addressed, geographical location of the project, total budget, and the final outcome of the project, with focus on the practical innovative solutions developed.

4. Member States may grant support for projects of EIP-AGRI operational groups under the following conditions:
 - (a) support may only be granted on the basis of an approved project plan that is based on the principles referred to *in* paragraph 3;
 - (b) the operational group implementing the project shall involve at least two different actors and shall contribute to one or more CAP-related specific objectives set out in Article 3, point (d), of Regulation (EU) [...] [NRP];

Member States shall set objective criteria and transparent requirements for the content, the duration, the submission and approval of project plans to be drawn up by the EIP-AGRI operational groups.

Member States shall not provide support under this paragraph to projects involving research bodies only.

- ~~5. Member States shall not provide support under this Article to knowledge sharing and innovation involving research bodies only.~~

Article 20

Agricultural Knowledge and Innovation systems~~System~~ and farm advisory services

1. Each Member State shall ensure that farmers and ***where relevant*** forest holders ***or other rural actors*** have access to innovation and ~~that new knowledge reaches them in a timely and effective manner~~, enabling them to deploy innovative and sustainable solutions effectively and profit from up-to-date knowledge in the agricultural sector.

2. To meet the requirement laid down in paragraph 1, each Member State shall ~~establish~~ **describe** in the NRP Plan how innovations and up-to-date knowledge reach farmers **and where relevant forest holders or other rural actors**, in particular through the Agricultural Knowledge and Innovation System (the AKIS). The AKIS **description** shall include:
- (a) arrangements to ensure effective knowledge flows and synergies between advisors, researchers, practitioners, national CAP networks and other relevant stakeholders;
 - (b) actions to improve access for farmers and forest holders to impartial **advice** and qualified ~~advice~~ **advisors, in accordance with paragraph 4**;
 - (c) support for innovation as a part of the farm advisory services, ~~particularly support for~~ **in particular for EIP-AGRI operational groups referred to in Article 19 including** ~~for the use of the ‘interactive innovation model’ referred to in Article 19(4)~~;
 - (d) a plan to improve dissemination and demonstration of research outcomes and innovative and sustainable solutions to farmers, ~~forester~~ **and where relevant forest** holders and other end-users at a large scale;
 - (e) interventions set out in the NRP Plan supporting AKIS operation, in particular those referred to in Article 19, and their complementarity and coherence with relevant national initiatives and other relevant measures set out in the NRP Plan;
 - (f) a system for provision of ~~farm advisory services~~ **advice**, established in accordance with paragraph 3.
3. As part of the AKIS, Member States shall describe in the NRP Plans, and implement, a system for provision of **advice** (~~‘the farm advisory services to be established’~~), to support access to knowledge and wider deployment and use of innovations. The farm advisory services shall cover ~~all~~ the following elements:

- (a) advice to farmers and **where relevant** forest holders **or other rural actors, in particular** on sustainable and resilient management of land, farms and forests tailored to farm types and different production systems, as well as on the requirements for support set out in the NRP Plans, including farm stewardship, setting-up and transfers of holdings and start-ups; business management, access to social support, raising awareness about mental health issues and availability of the relevant services; and the use of innovations, data-driven solutions and digital tools;
- (b) targeted advice for young **farmers and new** farmers, in particular as regards business management, access to finance, access to public support, access to knowledge and innovation.
4. Member States shall ensure that farmers and ~~forester~~**where relevant forest holders or other rural actors** have direct access to advisers, such as by providing public databases of advisers. Member States shall ensure that the advice provided ~~to farmers and forest holders~~ is impartial, and that advisers are suitably qualified and free from conflict of interest.

Article 20a

[Article 38 NRP Regulation]

Crisis payments to farmers following natural disasters, adverse climatic events and catastrophic events

1. ***Member States may provide crisis payments to farmers that are affected by natural disasters, adverse climatic events or catastrophic events. Those payments shall aim at ensuring continuity of the agricultural activity of those farmers and shall be subject to the conditions set out in this Article and as further specified by the Member States.***

2. *Support under this Article shall be subject to the formal recognition by the competent authority of the Member State that a natural disaster, adverse climatic event or catastrophic event, as defined by the Member State, has occurred and that these events, or measures adopted in accordance with Regulation (EU) 2016/2031 to eradicate or contain a plant disease or pest, or measures adopted to prevent or eradicate animal diseases listed in the Annex to Commission Implementing Regulation (EU) 2018/1882 or measures adopted regarding an emerging disease in accordance with Article 6(3) and Article 259 of Regulation (EU) 2016/429 have directly caused a damage resulting in the destruction of at least 30 % of the average annual production of the farmer in the preceding three-year period or a three-year average based on the preceding five-year period, excluding the highest and the lowest entry.*
3. *The losses shall be calculated either at holding level, at the level of the holding's activity in the sector concerned or in relation to the specific area concerned.*
4. *Member States shall establish the applicable support rates for compensating the loss of production. Those rates shall be higher for farmers who also implement interventions, or other preventive actions at farm level, to reduce the level of production and income risks for which support is granted. Indexes may be used for calculating the loss of production.*
5. *When granting support under this Article, Member States shall ensure that overcompensation as a result of the combination of this support with other national or Union support instruments or private insurance schemes is avoided.*

Chapter III

Support for intervention for Smaller Aegean islands

Article 20b

[Article 42 NRP Regulation]

Scope, objectives and common requirements

1. *This Chapter lays down specific types of intervention for agriculture to mitigate the difficulties caused by the insularity, small size and distance from markets of the smaller Aegean islands.*

2. *For the purposes of this Regulation ‘the smaller Aegean islands’ means any islands in the Aegean Sea except the islands of Crete and Evia.*
3. *In addition to contributing to the specific objectives set out in Article 3, point (d), of Regulation (EU) [...] [NRP], the interventions referred to paragraph 1 shall contribute to the following objectives:*
 - (a) *guaranteed supply to the smaller Aegean islands of products essential for human consumption or for processing and as agricultural inputs by mitigating the additional costs incurred due to their extreme remoteness or insularity, without harming local production and the growth thereof;*
 - (b) *securing the long-term future and development of agricultural activities in the smaller Aegean islands, including the production, processing and sale of local crops and products, with a particular focus on food security and self-sufficiency, and maintaining and strengthening their competitiveness.*
4. *Greece may implement in smaller Aegean islands the interventions referred to in Article 5(1), except for those referred to in point (o) [outermost regions].*
5. *Farm stewardship referred to in Article 3 shall apply to beneficiaries receiving support for local agricultural products referred to in Article 20d [ex- Art 44 NRP - Support for local agricultural products].*
6. *However, beneficiaries of support for local agricultural products referred to in Article XX [ex-Art 44 NRP - Support for local agricultural products] receiving an annual payment that does not exceed EUR 3 000 shall be exempt from farm stewardship requirements referred to in Annex XI, Parts A and C.*

Article 20c
[Article 43 NRP Regulation]
Specific supply arrangements

- 1. Specific supply arrangements shall be established for the agricultural products listed in Annex I to the TFEU which are essential in the smaller Aegean islands for human consumption, for the manufacture of other products or as agricultural inputs.*
- 2. Greece shall establish in its Plan, at the geographical level which it deems most appropriate, a maximum volume of each agricultural product, from among the products listed in Annex I to the TFEU, to quantify the annual supply requirements for the smaller Aegean islands.*
- 3. The maximum volume of agricultural products referred to in the first subparagraph shall comprise also the volumes of those products required by undertakings packaging and processing products intended for the local market, for consignment to the rest of the Union or for export to third countries as part of regional trade or within the context of traditional trade flows. The maximum volume of the products referred to in the first subparagraph shall be established taking into account in particular the quantities of those products established in the supply forecast balance sheets in the previous programming period.*
- 4. Support shall be granted to supply the smaller Aegean islands with Union products to ensure special supply requirements established in accordance with paragraph 2 in terms of price and quality, while maintaining the Union's share in the supplies of those products.*
- 5. No support shall be granted for the supply of products which have already benefited from the specific supply arrangements in another smaller Aegean islands.*
- 6. Only products of sound, fair and marketable quality shall benefit from the specific supply arrangements.*

7. *Access to aid within the framework of the specific supply arrangements shall be granted on presentation of a certificate. Certificates shall be issued only to operators entered in a register held by the competent authorities Those certificates shall not be transferred.*
8. *In implementing the specific supply arrangements, Greece shall take account in particular of the need to ensure that existing local production is not destabilised nor obstructed in its development and of the requirement laid down in paragraph 5.*

Article 20d

[Article 44 NRP Regulation]

Support for local agricultural products

1. *Greece shall grant support for production, processing, marketing and transport of raw and processed agricultural products in the smaller Aegean islands.*
2. *Greece shall design the interventions so as to ensure the continuity and the development of local agricultural production in the smaller Aegean islands.*
3. *Greece shall provide for a fair distribution of payments. Greece may cap the amount of the support to be granted to a beneficiary in a given calendar year or use degressive payments.*
4. *Greece may grant support for marketing of products outside of the region in which they are produced. That support shall not exceed 10% of the value of the production marketed, delivered to a destination zone in a given calendar year.*
5. *When a Plan is amended in accordance with Article 24 [amendments to Plans], of Regulation (EU) [...] [NRP] beneficiaries affected by the exceptional natural disaster or the severe meteorological event may continue to benefit from support in the form of measures to support production, processing, marketing or transport provided for in paragraph 1 irrespective of their level of activity throughout the restoration period, but subject to a formal commitment to restore their agricultural production capacity.*

Article 20e
[Article 45 NRP Regulation]
Controls and penalties

1. *For the specific supply arrangements, Greece shall conduct verifications by means of administrative, physical and on-the-spot checks.*
2. *The administrative checks carried out on the import, entry, export and dispatch of agricultural products shall be exhaustive and shall involve cross-checks with the supporting documents. The physical checks carried out in smaller Aegean islands concerned on the import or entry of agricultural products shall involve a representative sample amounting to at least 5% of the licences and certificates.*
3. *In the case of measures to support the local production, Greece shall conduct verifications by means of administrative and on-the-spot checks.*
4. *Administrative checks shall be exhaustive and shall include cross checks with, inter alia, data from the integrated administration and control.*
5. *Aid applicants for specific supply arrangements and support the local production shall be selected to undergo on-the-spot checks by the competent authority on the basis of a risk analysis and the representativeness of the aid applications submitted, the competent authorities shall perform on-the-spot checks by sampling, for each action, at least 5% of aid applications. The sample shall also represent at least 5% of the amounts covered by the aid for each action.*

In all appropriate cases, Greece shall make use of the Integrated Administration and Control System provided for in Article XX [IACS] and in accordance with Article 70 of Regulation EU [...] [NRP].

Every on-the-spot check shall be the subject of an inspection report relating the details of the checks carried out.

Title III

Monitoring of agricultural resources

Article 20f

[Article 37 NRP Regulation]

Monitoring of agricultural resources

The Fund may support actions taken by the Commission through remote-sensing applications used for the monitoring of agricultural resources, which shall aim to give the Commission the means to:

- (a) manage Union agricultural markets in a global context;***
- (b) ensure agri-economic and agri-environmental-climate monitoring of agricultural land use and agricultural land use change, including agro-forestry, and monitoring of the condition of soil, crops, water, biodiversity, agricultural landscapes and agricultural land so as to enable estimates to be made, in particular as regards yields and agricultural production and agricultural impacts associated with exceptional circumstances, and to enable the assessment of the resilience of agricultural systems and progress towards the achievement of the relevant United Nations Sustainable Development Goals;***

- (c) *share the access to the estimates referred to in point (b) in an international context, such as the initiatives coordinated by United Nations organisations, including the constitution of greenhouse gas inventories under the United Nations Framework Convention on Climate Change, or other international agencies;*
- (d) *contribute to specific measures increasing the transparency of world markets, taking account of Union objectives and commitments;*
- (e) *ensure technological follow-up of the agri-meteorological system.*

Title IV

Specific provisions

Chapter I

Requirements concerning CAP interventions in the NRP Plans

Article 20g

[Article 36(1) NRP Regulation]

Requirements concerning CAP interventions in the NRP Plans

In addition to the elements referred to in Article 22 of Regulation (EU) [...] [NRP Regulation], Member States shall provide for each CAP intervention referred to in Article 5(1) set out in the chapter or chapter related for agriculture in the NRP Plans.

- (a) *the type of intervention on which it is based, the territorial scope and the type of area targeted by the intervention;*

- (b) where applicable, sectors targeted by the intervention or group of farmers or other beneficiaries targeted under the intervention, CAP environment and climate priority area, in accordance with Article 4 of this Regulation;*
- (c) an explanation of the relevant criteria of Annex 2 to the WTO Agreement on Agriculture as referred to in Article 20i [WTO domestic support] and in Annex IIa [WTO annex] to this Regulation;*
- (d) a description of the design of the intervention, including the eligibility conditions, and, for agri-environmental and climate actions referred to in Article 10 of this Regulation;*
- (e) a description of farming practices in accordance with paragraph 5 of Article 3 of this Regulation;*
- (f) in relation to the interventions in certain sectors referred to in Part II, Title I, Chapter IIa , section 3 of Regulation (EU) No 1308/2013, justification for targeting the selected sectors and complementarity with other CAP interventions, and where relevant, with other measures set out in the NRP Plan.*

Chapter II

European and national CAP Networks

Article 20h

[Article 57 NRP Regulation]

European and national CAP Networks

- 1. Each Member State shall, at the latest 12 months after the approval by the Commission of the Plan, establish and support a national network for CAP ('national CAP network') for the networking of organisations and administrations, advisors, researchers and other innovation actors, and other actors in the field of agriculture and rural development at national level. The national CAP networks shall build on the existing networking experience and practices in the Member States.**

- 2. The Commission shall establish a European network for the Common Agricultural Policy ('European CAP network') to link national networks, organisations, and administrations in the field of agriculture and rural development at Union level.**

- 3. The objectives of the national and European CAP networks shall be to:**
 - (a) involve stakeholders in the design and implementation of the CAP interventions of the NRP Plan;**
 - (b) support Member State administrations in implementing the CAP interventions;**
 - (c) improve the quality of the NRP Plans and in particular their measures related to agriculture and disseminate results;**
 - (d) foster innovation, peer-to-peer learning, and knowledge-sharing;**
 - (e) enhance monitoring and evaluation capacities;**
 - (f) disseminate information on the CAP and funding opportunities;**
 - (g) contribute to further development of the CAP.**

4. *To achieve the objectives referred to in paragraph 6, the networks shall:*
- (a) *collect, analyse, and disseminate information on good practices concerning the CAP as well as analysis on developments in agriculture and rural areas;*
 - (b) *build capacity for Member States' administrations and other actors involved in the implementation, monitoring and evaluation of the NRP Plans concerning the CAP;*
 - (c) *facilitate exchanges, peer-to-peer learning, and networking, including where relevant exchanges with networks in third countries;*
 - (d) *support the networking of funded cooperation projects, such as local action groups under Article XX of this Regulation [LEADER], EIP-AGRI operational groups referred to in Article 19 of this Regulation and promote links to other Union-funded strategies.*
5. *The European CAP network and the national CAP networks shall collaborate and carry out joint activities in the achievement of the objectives referred to in paragraph 3. The European CAP network shall use a distinctive visual identity.*

Chapter III

Implementation of international commitments

Article 20i

[Article 40 NRP Regulation]

WTO domestic support

1. *Member States shall design the CAP income support interventions on the basis of the types of intervention listed in Annex IIa [WTO Annex] to this Regulation, including the definitions and conditions laid down in Articles 2a and 2b [definitions and framework definitions], in such a way that they qualify under the criteria of Annex 2 to the WTO Agreement on Agriculture.*

2. *The support referred to in Article 5(1), points (a), (d), (f), (g), (o) and (p) of this Regulation shall qualify under the criteria of the paragraphs of Annex 2 to the WTO Agreement on Agriculture indicated in Annex IIa [WTO Annex] to this Regulation for those interventions. For other interventions, the paragraphs of Annex 2 to the WTO Agreement on Agriculture indicated in Annex IIa [WTO Annex] to this Regulation [WTO Annex] are indicative and those interventions may instead comply with a different paragraph of Annex 2 to the WTO Agreement on Agriculture if that is specified and explained in the NRP Plan.*

Article 20j

[Article 41 NRP Regulation]

Implementation of the Memorandum of Understanding on oilseeds

1. *Where Member States provide for area-based interventions relevant for the Annex to the Memorandum of Understanding between the European Economic Community and the United States of America on oilseeds under GATT, the total of the support area based upon the planned outputs included in the Plans of the Member States concerned shall not exceed the maximum support area for the whole Union.*
2. *Each Member State that intends to grant the support referred to in paragraph 1 of this Article shall indicate the corresponding planned outputs in hectares in the NRP Plan.*
3. *If all planned outputs proposed by Member States in their NRP Plans exceed the maximum support area for the whole Union referred to in paragraph 1 of this Article, the Commission shall adopt implementing acts fixing the indicative reference support area for each Member State calculated on the basis of each Member State's share of the average cultivation area in the Union during the five years preceding the submission of the Plan proposal. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 24(2) of this Regulation [committee procedure].*

4. *The Commission shall inform each of those Member States of the reduction coefficient. The Member States shall adjust the proposed planned outputs in the NRP Plans in accordance with the reduction coefficients.*
5. *If a Member State intends to increase the planned outputs referred to in paragraph 1 set out in the NRP Plan, it shall notify the Commission by means of a request to amend the NRP Plan.*
6. *Where necessary to avoid that the maximum support area for the whole Union referred to in paragraph 1 is exceeded, the Commission shall set reduction coefficients or revise existing reduction coefficients for all Member States that exceeded their reference support area in their NRP Plans.*
 - *The Commission shall set or revise the reduction coefficients referred to in the first subparagraph by means of an implementing decision.*
7. *Member States shall exclude the cultivation of confectionery sunflower seed from any area-based intervention referred to in paragraph 1.*

Chapter IV

Control and penalty systems and data governance under the CAP

Article 20k

[Article 62(2) to (5) and (8) NRP Regulation]

Control and penalty system for farm stewardship

1. *For the purposes of the obligation laid down in Article 62(1), first subparagraph, of Regulation (EU) [...] [NRP], Member States shall make use of their control and enforcement systems in the areas of climate and environment, public health, plant health and animal welfare, social and employment legislation, applicable labour standards to ensure that beneficiaries of the support comply with the statutory management requirements listed in Annex I, **Parts A and B.***

2. *The managing authority or paying agency shall be notified where relevant at least once a year of cases of non-compliance where enforceable decisions in that respect have been made under the applicable control and enforcement systems referred to in paragraph 1. That notification shall include an assessment and grading of the severity, extent, permanence or reoccurrence and intentionality of the non-compliance concerned.*
3. *The administrative penalties referred to in paragraph 4 shall only apply to non-compliance with the requirements of the farm stewardship referred to in Article 3 where that non-compliance is the result of an act or omission directly attributable to the beneficiary concerned, and where one or both of the following conditions are met:*
 - (a) *the non-compliance is related to the agricultural activity of the beneficiary, as defined by Member States in their NRP Plans in accordance with Article 2a(2) of this Regulation [Article 4(22) and (23) NRP Regulation];*
 - (b) *the non-compliance concerns the holding as defined in Article 4(15) [definitions - holding], of Regulation (EU) [...] [NRP] or other areas managed by the beneficiary situated within the territory of the same Member State.*

However, if the non-compliance concerns forest areas, the penalties referred to in paragraph 4 shall not be applied where no support is claimed for the area concerned.

4. *Member States shall set up a system of administrative penalties applying to beneficiaries referred to in paragraph 3 who do not comply, at any time in the calendar year concerned, with the requirements of the farm stewardship.*

The penalties shall consist of the reduction or exclusion of the total amount of the payments under measures listed in Article 5(1), points (a) to (f), and (o) and (p), to the extent they concern support for local agricultural products, granted or to be granted to the beneficiary concerned in respect of aid applications that the beneficiary has submitted or will submit in the course of the calendar year of the finding of the non-compliance. The penalties shall be calculated on the basis of the payments granted or to be granted in the calendar year in which the non-compliance occurred. However, where it is not possible to determine the calendar year in which the non-compliance occurred, the reductions or exclusions shall be calculated on the basis of the payments granted or to be granted in the calendar year of the finding of the non-compliance.

For the calculation of those penalties, account shall be taken of the severity, extent, permanence or reoccurrence and intentionality of the non-compliance determined. A penalty imposed pursuant to the national legislation implementing the legal acts listed in Annex I, ~~pParts A and B~~, for the same act or omission of a farmer or other beneficiary shall be taken into account in the calculation of penalties referred to in the first subparagraph.

The expenditure which has been reduced as a result of the application of a penalty shall be considered legal and regular. The reduction shall, as a general rule, be 3 % of the total amount of the payments. In the case of intentional non-compliance, the reduction shall be at least 15 % of the amount of those payments.

Member States shall provide that no administrative penalty shall be imposed if:

(a) The non-compliance is due to force majeure or exceptional circumstances;

(b) The non-compliance is due to an order from a public authority.

- 5. In order to ensure a level playing field among Member States and the effectiveness, proportionality and dissuasive effect of the penalties referred to in paragraph 4, the Commission is empowered to adopt delegated acts in accordance with Article 23 supplementing this Regulation with detailed rules on the application and calculation of the penalties.*

Article 20l

[Article 70(4) to (10) NRP Regulation]

Integrated Administration and Control System (IACS)

- 1. Member States shall annually assess the quality of the elements of the integrated system referred to in paragraph 3, points (a), (b) and (c) of Article 70 of Regulation (EU) [...] [NRP], in accordance with the methodology set up at Union level.*

Where the assessment reveals deficiencies in the elements of the integrated system, Member States shall adopt appropriate remedial actions or, failing that, shall be requested by the Commission to set up a roadmap detailing the timeline for implementing the outstanding remedial actions.

An assessment report and, where appropriate, the remedial actions and the timetable for their implementation shall be submitted to the Commission by 15 February following the calendar year concerned.

- 2. The Commission shall supply the satellite data, required for the agriculture monitoring system, free of charge to the authorities competent for the agriculture monitoring system or to suppliers of services authorised by those authorities to represent them. For the purpose of the quality assessment of the integrated system referred to in paragraph 1, the Commission shall provide them, free of charge, the necessary Very High Resolution imagery. The Commission shall remain the owner of the satellite data and imagery.*
- 3. Without prejudice to the responsibilities of the Member States for the implementation and application of the integrated system Member States shall establish the European land monitoring system. It shall provide information to farmers to support sustainable management of their holdings. Furthermore, it shall provide data for CAP policy development and monitoring, and promote sharing of farm sustainability data.*
- 4. The European land monitoring system shall comprise at least the data related to the elements of the integrated system referred to in paragraph 3 of Article 70 of Regulation (EU) [...] [NRP] and, where applicable, data shared by farmers with public authorities in accordance with Article 10. The Member States may provide additional services to enhance the European land monitoring system with other sources of information to the benefit of the farmers.*

- 4a. Member States shall annually carry out administrative checks on the aid application and payment claims to verify legality and regularity in accordance with the control and penalty system that they have set up referred to in Article 70(4)(f) Regulation (EU)...(NRP). Those checks shall be supplemented by on-the-spot checks, which may be executed remotely with the use of technology. However, Member States may choose not to carry out on the spot checks where the eligibility conditions of measures are monitored under the agriculture monitoring system referred to in point (a) of this Article. [Transferred from Art. 70(4)(rf) NRP on 4 June 2026]**
- 5. Where necessary to ensure that the integrated system provided for in Article 70 of Regulation (EU) [...] [NRP] and in this Article is implemented in an efficient, coherent and non-discriminatory way which protects the financial interests of the Union, the Commission is empowered to adopt delegated acts in accordance with Article 23, supplementing this Regulation with:**
- (a) rules on the methodology set up at Union level for the annual quality assessment of the elements of the integrated system, referred to in paragraph (3), points (a), (b) and (c) of Article 70 of Regulation (EU) [...] [NRP];**
 - (b) rules on the Land Parcel Identification System LPIS, referred to in paragraph 3, point (c) of Article 70 of Regulation (EU) [...] [NRP].**
- 6. The Commission may adopt implementing acts laying down rules on:**
- (a) the form and content of, and arrangements for transmitting or making available to the Commission of:**
 - (I) the assessment report referred to in paragraph (1);**
 - (II) the remedial actions provided by Member States;**
 - (b) basic features of, and rules on the:**
 - (I) agriculture monitoring system (AGMS);**
 - (II) geo-spatial and animal-based application system (GSA);**

(III) land parcel identification system (LPIS);

(IV) the European land monitoring system.

7. *Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 24 [committee procedure, examination procedure].*

Article 21

Authority in charge of data governance under the CAP

1. Each Member State shall designate one authority responsible for taking or coordinating actions to *gradually* achieve and maintain national and, *where appropriate*, cross-border interoperability between information systems ~~used~~ *identified by the Member States to be relevant* for the implementation, administration, monitoring and evaluation of the CAP for the benefit of farmers and other CAP beneficiaries. For the purposes of this Article, interoperability means the ability of information systems to interact with each other by sharing data by means of electronic communication.
2. The designated authority shall have in particular the following tasks:
 - (a) drawing up and submitting to the Commission a Roadmap at the level of the Member State to achieve and maintain interoperability (hereinafter the ‘Roadmap’) and ~~follow up of~~ *interacting with the* Commission ~~observations on the content of~~ the Roadmap;—
 - (b) coordination of the implementation, or, as decided by the Member State, implementation of the Roadmap in an efficient, effective and timely way.—

(ba) consider, where relevant, Union-level standards for cyber security, data protection and interoperability.

The Member States shall notify the Commission of the designation of the authority at the latest ~~by~~ *on* [OPOCE: ~~within~~ three months from the entry into force of this Regulation].—

3. The Roadmap referred to in paragraph 2 shall cover:
- (a) identification of needs to achieve and maintain interoperability as referred to in paragraph 1, and design of measures to address them as well as *a* timeframe ~~with milestones and targets~~ for their implementation;-
 - (b) identification of possible synergies with other Union and national interoperability initiatives.

To the extent possible, Member States shall base their assessment of needs and the design of the measures on the principle that data is collected only once and re-used.

For the elements referred to in the first subparagraph, point (a), the Member State shall consider in particular the need to establish a single digital identity framework and shall consider alignment with Regulation (EU) No 910/2014, including as regards the European Digital Identity Wallet for natural and legal persons.

4. ***Member States shall submit the Roadmaps to the Commission by 16 December 2028. Thereafter, the Member States shall submit to the Commission by 16 December of each calendar year an annual 2031 a first report and a final one by 16 December 2034*** on the implementation of the Roadmap, assessing the progress of the implementation of the steps and measures and the timeframe set out in the Roadmap.

Where necessary, Member States shall submit to the Commission amendments of the ~~Roadmaps~~**Roadmap** together with the ~~annual reports~~**report**.

~~Member States shall submit the first annual report to the Commission by 16 December 2029.~~

5. The Commission is empowered to adopt delegated acts in accordance with Article 23, ~~which~~ ***to supplement paragraph 2 and paragraph 3 of this Article with rules that*** are necessary to ensure that interoperability and seamless data exchange between information systems used for the implementation, monitoring and evaluation of the CAP are implemented in an efficient, coherent, effective and timely manner, ~~supplementing this Article with rules where the implementation of the Roadmap referred to in paragraph 2 so requires as well as rules on interoperability measures referred to in paragraph 3, point (b).~~

6. The Commission may adopt implementing acts laying down rules on:
- (a) ~~form and content~~ of the Roadmap and ~~annual~~*the* report;
 - (b) arrangements for transmitting or making available to the Commission the ~~Roadmaps and annual reports.~~*Roadmap and report.*

These implementing acts shall be adopted in accordance with the examination procedure referred to in Article 24.

Title V

Competition provisions

Article 21a

[Article 84 NRP Regulation]

Rules applying to undertakings

Where support is granted through CAP interventions referred to in Article 5(1) of this Regulation to forms of cooperation between undertakings, it may be granted only to such forms of cooperation which comply with the competition rules provided for in Regulation (EU) No 1308/2013.

Article 21b

[Article 85 NRP Regulation]

State aid

1. *Save as otherwise provided for in this Article, Articles 107, 108 and 109 TFEU shall apply to support under this Regulation and Regulation (EU) No 1308/2013 in relation to types of interventions laid down in Part II, Title I, Chapter IIa of that Regulation.*

2. *Articles 107, 108 and 109 TFEU shall not apply to support paid by Member States pursuant to and in accordance with this Regulation and to the national contribution to eligible costs provided by Member States for the CAP interventions referred to in Article 5(1), points (d) to (f) and (h) to (s) of this Regulation or to the additional national financing provided for CAP interventions referred to in Article 5(1), points (d) to (f) and (h) to (s) of that Regulation, falling within the scope of Article 42 TFEU.*
3. *Support provided by Member States referred to in paragraph 1 in relation to operations falling within the scope of Article 42 TFEU that is intended to provide additional financing for interventions referred to in Article 5(1), points (d), (e), (f) and (h) to (s) of this Regulation for which Union support is granted at any time during the Plan period may only be made if it complies with this Regulation, Regulation (EU) ...[NRP Regulation] and Regulation (EU) No 1308/2013 and is set out in the NRP Plan.*
4. *Member States shall not provide additional national financing for interventions referred to in Article 5(1), points (a), (b), (c) and (g) of this Regulation.*
5. *For the agricultural products covered by Annex I to the TFEU, to which Articles 107, 108 and 109 thereof apply, the Commission may authorise, in accordance with Article 108 TFEU, operating aid in the sectors producing, processing and marketing those products, with a view to alleviating the specific constraints on farming in the smaller Aegean islands as a result of their isolation, insularity, small size and extreme remoteness.*

Member States may grant additional financing for the implementation of interventions in the smaller Aegean islands pursuant to this Regulation. In such cases, the Member States shall notify the additional financing to the Commission and the Commission may approve it in accordance with Regulation (EU) No ... [NRP Regulation] as part of the Plans. Thus, aid notified shall be regarded as notified within the meaning of the first sentence of Article 108(3) TFEU.

6. *By way of derogation from Article 211 of Regulation (EU) No 1308/2013 and Article 3 of Council Regulation (EC) No 1184/2006, Articles 107, 108 and 109 TFEU shall not apply to payments to support local agricultural production and specific supply arrangements made by Member States in accordance with this Regulation.*

Title VI

Final provisions

Chapter I

Measures to resolve specific problems

Article 22

Measures to resolve specific problems

1. In order to resolve specific problems, the Commission shall adopt implementing acts which are both necessary and justifiable in an emergency. Such implementing acts may derogate from provisions of this Regulation to the extent and for such a period as strictly necessary. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 24(2).
2. On duly justified imperative grounds of urgency, and in order to resolve specific problems as referred to in paragraph 1 while ensuring the continuity of the CAP interventions set out in the NRP Plan in case of extraordinary circumstances, the Commission shall adopt immediately applicable implementing acts in accordance with the procedure referred to in Article 24(3).
3. Measures adopted pursuant to paragraphs 1 and 2 shall remain in force for a period not exceeding 12 months. ~~If after this period,~~
If the specific problems referred to in those paragraphs persist or are likely to persist after this period, those measures may be renewed for another period not exceeding 12 months.
The Commission may, in order to establish a permanent solution, submit an appropriate legislative proposal.

4. The Commission shall inform the European Parliament and the Council of any measure adopted under paragraph 1 or 2 within two working days of its adoption.

Chapter II

Delegated and implementing acts

Article 23

Exercise of the delegation

1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.
2. The power to adopt delegated acts referred to in Article ~~21(6)~~**21(5)** shall be conferred on the Commission for a period of seven years from [OPOCE: [date of entry into force of this Regulation]]. The Commission shall draw up a report in respect of the delegation of power not later than nine months before the end of the seven-year period. The delegation of power shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than three months before the end of each period.
3. The delegation of power referred to in Article ~~21(6)~~**21(5)** may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.
4. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making.
5. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.

6. A delegated act adopted pursuant to Article ~~21(6)~~**21(5)** shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

Article 24

Committee procedure

1. The Commission shall be assisted by a committee called ‘Common Agricultural Policy Committee’. The Committee shall be a committee within the meaning of Regulation (EU) No 182/2011²¹ of the European Parliament and of the Council and shall have the task of issuing opinions on any implementing acts adopted pursuant to this Regulation.
2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.
3. Where reference is made to this paragraph, Article 8 of Regulation (EU) No 182/2011, in conjunction with Article 5 thereof, shall apply.

²¹ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission’s exercise of implementing powers (OJ L 55, 28.2.2011, p. 13, ELI: <http://data.europa.eu/eli/reg/2011/182/oj>).

Chapter III
Final provisions

Article 25

Entry into force and application

This Regulation shall enter into force on the day following that of its publication in the Official Journal of the European Union.

It shall apply from [OPOCE: [date of application of Regulation (EU) [...] establishing the National and Regional Partnership Fund for the period 2028 to 2034].

This Regulation shall be binding in its entirety and directly applicable in the Member States in accordance with the Treaties.

Done at Brussels,

For the European Parliament
The President

For the Council
The President

ANNEX I

Farm stewardship requirements referred to in Article 3

Part A

Rules on farm stewardship

Areas	Main issue	Statutory Management Requirements	
Climate and environment	Water	SMR 1	Directive 2000/60/EC: Article 11(3), point (e) and (h), as regards mandatory requirements to control diffuse sources of pollution by phosphates
		SMR 2	Council Directive 91/676/EEC ¹ : Articles 4 and 5
	Biodiversity and landscape (protection and quality)	SMR 3	Directive 2009/147/EC: Article 3(1), Article 3(2), point (b), and Article 4(1), (2) and (4)
		SMR 4	Directive 92/43/EEC: Article 6(1) and (2)

¹ Council Directive 91/676/EEC of 12 December 1991 concerning the protection of waters against pollution caused by nitrates from agricultural sources (OJ L 375, 31.12.1991, p. 1, ELI: <http://data.europa.eu/eli/dir/1991/676/oj>).

Public health, and plant health	Food safety	SMR 5	Regulation (EC) No 178/2002 of the European Parliament and of the Council ² Articles 14 and 15, Article 17(1) ³ — Article 14 of Regulation (EC) No 470/2009 and the Annex to Regulation (EC) No 37/2010, — Regulation (EC) No 852/2004: Article 4(1) and Annex I part A (II 4 (g, h, j), 5 (f, h), 6; III 8 (a, b, d, e), 9 (a, c)), — Regulation (EC) No 853/2004: Article 3(1), Annex III Section IX Chapter 1 (I-1 b, c, d, e; I-2 a (i, ii, iii), b (i, ii), c; I-3; I-4; I-5; II-A 1, 2, 3, 4; II-B 1(a, d), 2, 4 (a, b)), Annex III Section X Chapter 1(1), — Regulation (EC) No 183/2005: Article 5(1), (5) and (6), Annex
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² Regulation (EC) No 178/2002 of the European Parliament and of the Council of 28 January 2002 laying down the general principles and requirements of food law, establishing the European Food Safety Authority and laying down procedures in matters of food safety (OJ L 31, 1.2.2002, p. 1, ELI: <http://data.europa.eu/eli/reg/2002/178/oj>).

³ As implemented in particular by:

			I, part A (I-4 e, g; II-2 a, b, e), and Annex III (under the heading ‘FEEDING’, point 1 entitled ‘Storage’, first and last sentences, and point 2 entitled ‘Distribution’, third sentence), and — Regulation (EC) No 396/2005: Article 18. and Articles 18, 19 and 20
		SMR 6	Council Directive 96/22/EC ⁴ : Article 3, points (a), (b), (d) and (e), and Articles 4, 5 and 7
	Plant protection products	SMR 7	Regulation (EC) No 1107/2009 of the European Parliament and of the Council ⁵ : Article 55, first and second sentence
		SMR 8	Directive 2009/128/EC of

⁴ Council Directive 96/22/EC of 29 April 1996 concerning the prohibition on the use in stockfarming of certain substances having a hormonal or thyrostatic action and of β -agonists, and repealing Directives 81/602/EEC, 88/146/EEC and 88/299/EEC (OJ L 125, 23.5.1996, p. 3, ELI: <http://data.europa.eu/eli/dir/1996/22/oj>).

⁵ Regulation (EC) No 1107/2009 of the European Parliament and of the Council of 21 October 2009 concerning the placing of plant protection products on the market and repealing Council Directives 79/117/EEC and 91/414/EEC (OJ L 309, 24.11.2009, p. 1, ELI: <http://data.europa.eu/eli/reg/2009/1107/oj>).

			the European Parliament and of the Council ⁶ : Article 5(2) and Article 8(1) to (5), Article 12 with regard to restrictions on the use of pesticides in protected areas defined on the basis of Directive 2000/60/EC and Natura 2000 legislation Article 13(1) and (3) on handling and storage of pesticides and disposal of remnants
Animal welfare	Animal welfare	SMR 9	Council Directive 2008/119/EC ⁷ : Articles 3 and 4
		SMR 10	Council Directive 2008/120/EC ⁸ : Articles 3 and 4

⁶ Directive 2009/128/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for Community action to achieve the sustainable use of pesticides (OJ L 309, 24.11.2009, p. 71, ELI: <http://data.europa.eu/eli/dir/2009/128/oj>).

⁷ Council Directive 2008/119/EC of 18 December 2008 laying down minimum standards for the protection of calves (OJ L 10, 15.1.2009, p. 7, ELI: <http://data.europa.eu/eli/dir/2008/119/oj>).

⁸ Council Directive 2008/120/EC of 18 December 2008 laying down minimum standards for the protection of pigs (OJ L 47, 18.2.2009, p. 5, ELI: <http://data.europa.eu/eli/dir/2008/120/oj>).

		SMR 11	Council Directive 98/58/EC ⁹ : Article 4
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⁹ Council Directive 98/58/EC of 20 July 1998 concerning the protection of animals kept for farming purposes (OJ L 221, 8.8.1998, p. 23, ELI: <http://data.europa.eu/eli/dir/1998/58/oj>).

Part B

Rules on social conditionality

Areas	Main issue	Statutory Management Requirements	
Employment of workers	Working conditions	SMR 12	Directive (EU) 2019/1152 of the European Parliament and of the Council ¹⁰ : Articles 3 to 6, 8, 10 and 13
	Occupational safety and health	SMR 13	Council Directive 89/391/EEC ¹¹ : Articles 5 to 12
		SMR 14	Directive 2009/104/EC of the European Parliament and of the Council ¹² : Articles 3 to 9

¹⁰ Directive (EU) 2019/1152 of the European Parliament and of the Council of 20 June 2019 on transparent and predictable working conditions in the European Union (OJ L 186, 11.7.2019, p. 105, ELI: <http://data.europa.eu/eli/dir/2019/1152/oj>).

¹¹ Council Directive 89/391/EEC of 12 June 1989 on the introduction of measures to encourage improvements in the safety and health of workers at work (OJ L 183, 29.6.1989, p. 1, ELI: <http://data.europa.eu/eli/dir/1989/391/oj>).

¹² Directive 2009/104/EC of the European Parliament and of the Council of 16 September 2009 concerning the minimum safety and health requirements for the use of work equipment by workers at work (second individual Directive within the meaning of Article 16(1) of Directive 89/391/EEC) (OJ L 260, 3.10.2009, p. 5, ELI: <http://data.europa.eu/eli/dir/2009/104/oj>).

Part C

Rules on protective practices

General objectives set out in Article 3(4)	Specific objectives of the protective practices
<p>(a) Protection of carbon-richcarbon rich soils, landscape features and permanent grasslands on agricultural area and biodiversity sensitive areas</p>	<p>Protection of carbon-rich soils including protection of wetlands, peatlands and landscape features</p>
	<p><i>Retention of landscape features</i></p>
	<p>Protection of <i>designated</i> environmentally sensitive permanent grasslands on agricultural area in Natura 2000 areas</p>
<p>(b) Protection of soil against erosion, preservation of the soil potential, maintenance of soil organic matter including soil rotation or diversification, and protection against burning of stubble on arable land health and resilience</p>	<p>Protection of soil against erosion subject to site specific conditions</p>
	<p>Preservation of the soil potentialhealth, including: — Protection of soils in periods that are most sensitive — Crop rotation or diversification</p>
	<p>Maintenance of soil organic matter through crop residue management, including ban on burning stubble on arable land, <i>except for plant health reasons</i></p>
<p>(c) Protection of water courses and ground water against pollution and runoff</p>	<p>Protection of water courses and ground water against pollution and runoff, including through establishment of buffer strips along water courses</p>

ANNEX II

Rules concerning the calculation of animal equivalents for the purpose of Coupled income support referred to in Article 11

Member States shall use the following coefficients to convert animals to animal equivalents for the purpose of the coupled income support interventions referred to in Article 11(1).

Species	Age/category	Coefficient
Bovine animals	below six months	0,4
–	from six months to two years	0,6
–	over two years	1,0
Equine animals	over six months	1,0
Sheep and goats	–	0,15
Pigs	breeding sows > 50kg	0,5
–	other pigs	0,3
Poultry	–	–
–	laying hens	0,014
–	other poultry	0,03

ANNEX IIa [Annex XVII NRP Regulation]

WTO domestic support

WTO domestic support pursuant to Article X of this Regulation

Type of intervention	Reference in this Regulation, Regulation (EU) [...] [NRP Regulation] and Regulation (EU) No 1308/2013	Paragraph of Annex 2 to the WTO Agreement on Agriculture ('Green Box')
Degressive area-based income support	Article 6 of this Regulation)	5
Payment for small farmers	Article 7 of this Regulation	5
Payment for natural and other area-specific constraints	Article 8 of this Regulation	13
Support for disadvantages resulting from certain mandatory requirements	Article 9 of this Regulation	12
Support for agri-environmental and climate actions	Article 10 of this Regulation	11, 12
Support for investments for farmers and forest holders	Article 13 of this Regulation	8, 11

<i>Support for setting-up of young farmers, new farmers, rural business start-ups, farm household income diversification and business development of small farms</i>	<i>Article 14 of this Regulation</i>	<i>2, 5, 11</i>
<i>Support for farm relief services</i>	<i>Article 17 of this Regulation)</i>	<i>2</i>
<i>Support for the EU school scheme</i>	<i>Articles 27 and 28 of Regulation (EU) No 1308/2013</i>	<i>4</i>
<i>Support for interventions in certain sectors</i>	<i>Article 31, –points (b), (c), (d), (e), (h), (i), (m) of Regulation (EU) No 1308/2013</i>	<i>2</i>
	<i>Article 31, point (a) of Regulation (EU) No 1308/2013</i>	<i>2, 11</i>
	<i>Article 31, points (f), (g), (q) of Regulation (EU) No 1308/2013</i>	<i>2, 11, 12</i>
	<i>Article 31, point (n) of Regulation (EU) No 1308/2013</i>	<i>8, 11, 12</i>

<i>Support for interventions in outermost regions</i>	<i>Article 5(1), point (o) of this Regulation/Title VI of Regulation (EU) [...] NRP, with the exception of support for bananas)</i>	<i>13</i>
<i>Support for interventions in smaller Aegean Islands</i>	<i>Articles 20b of this Regulation</i>	<i>13</i>
<i>Support for territorial development and local cooperation</i>	<i>Article X of this Regulation</i>	<i>2</i>
<i>Support for LEADER</i>	<i>Article 18 of this Regulation</i>	<i>2</i>
<i>Support for knowledge sharing and innovation in agriculture, forestry and rural areas</i>	<i>Article 19 of this Regulation</i>	<i>2</i>
<i>Crisis payments to farmers following natural disasters, adverse climatic events and catastrophic events</i>	<i>Article 20a of this Regulation</i>	<i>8</i>
