

Council of the European Union

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NOTE

From:	Presidency
То:	Delegations
Subject:	Implementation of the new CAP – Approval of Strategic Plans
	- Presidency preparatory document

With a view to the preparation of the 18 July <u>Council</u> debate on the implementation of the new CAP and approval of Strategic Plans by the <u>Special Committee on Agriculture</u> on 11 July 2022, delegations will find in the Annex a Presidency preparatory document.

Implementation of the new CAP – Approval of Strategic Plans

The legislative package for the new CAP was adopted at the end of 2021. The CAP Strategic Plans Regulation (EU) 2021/2115 required Member States to submit their draft Strategic Plans to the European Commission for approval by 1 January 2022. Approval of these Strategic Plans by the European Commission in 2022 is necessary for the implementation of CAP expenditure from 2023 onwards, including direct payments.

Because of the tight timetable, some Member States did not manage to send their draft Strategic Plan to the Commission by the deadline but submitted them with delay. The draft strategic documents have been assessed by the Commission which has sent observation letters to Member States to share its remarks. Structured dialogue between the Commission and Member States is underway to clarify the treatment of these Commission services' observations.

Considering the tight timing, the finalisation of the CAP Strategic Plans is a crucial task to which the Member States are devoting maximum efforts. The need to accelerate the approval process was also highlighted by the European Council in its conclusions.

In parallel to the approval process of the Strategic Plans, Member States are currently working to establish the national legislative framework, including the support conditions, and information systems to ensure the launch of the new CAP from the beginning of 2023. The new CAP brings major changes and in particular the conditions for the green architecture are a major challenge for farmers. It is therefore essential to inform the farmers in time to allow them to prepare to the new setup and, for example, to adapt their sowing practices. Possible support conditions are being discussed with stakeholders, but the key is to know as soon as possible how the approved Plans will look like. This will give legal security to Member States to finalise their national legal framework and certainty to farmers in their decision-making.

A close and effective cooperation with the Commission is therefore essential to address the observations on the draft Strategic Plans.

The current situation in Ukraine has a significant impact also in the field of agriculture and needs to be closely monitored in the context of the Strategic Plans approval process. A balanced solution must be found to meet environmental, climate and biodiversity objectives, but also ensure food security, stabilisation of the sector as well as sustainable development of rural areas.

Considering this background, the Presidency would like to hold a ministerial debate to exchange views on the state of approval of the CAP Strategic Plans in Member States. In order to structure the discussions for the July "Agriculture and Fisheries" Council, the Presidency suggests to focus on two elements. The first one is the state of preparation for the new CAP in each Member State and the need to have the Plans approved as soon as possible. And the second one is the impact of the current situation in Ukraine and the actions needed to ensure that the Plans will deliver, including whether some of the derogations from the new CAP rules should be granted for 2023.

Proposed questions:

- <u>Q1</u>: At what stage of preparation of the new CAP are you currently at national level?
 Will you be able to adopt the necessary national provisions, set up the information systems, get your Strategic Plan approved and inform farmers and the wider public in time?
- <u>Q2</u>: Due to the current situation in Ukraine, how do you consider the ongoing structured dialogue and what would you see as challenges when preparing the implementation of the new Green Architecture? Where do you see the main elements to ensure the balanced approach and feasibility under the CAP?