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'I/A' ITEM NOTE

From:	General Secretariat of the Council
To:	Special Committee on Agriculture/Council
Subject:	Draft REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing rules on support for strategic plans to be drawn up by Member States under the common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and (EU) No 1307/2013 **(first reading)** - Adoption of the legislative act = Statements

Statement by Bulgaria, Czech Republic, Hungary, Romania and Slovakia

in relation to the exclusion of table potatoes from the scope of coupled support

We share the necessity to achieve an agreement and finalise the CAP reform, aiming at guaranteeing certainty and predictability for all farmers in the EU. We strongly believe the compromise, which we will unite around, has to be fair and to provide equal treatment to the different sectors and shouldn't harm any category of producers.

The potato growing sector is of significant importance especially in regions and areas with natural constraints such as the mountain regions. The sector provides livelihood and helps people stay in such often rural areas.

Keeping all currently available instruments of support for the potato producers is of crucial importance to us and it is also in line with the aims of the reform, which we all are aiming at. It provides much needed support to small and medium-sized producers, it helps prevent depopulation in ANC and also helps preserve nature from negative sequences for the environment and the landscape. It also has a very important social impact for numerous small farmers in remote areas.

Statement by the Republic of Bulgaria on the English Version of the Regulation

The Republic of Bulgaria attaches great importance to the promotion and protection of human rights. The country is and will remain dedicated to its human rights commitments.

In 2018, the Bulgarian Constitutional Court adopted a decision stating that the Council of Europe's Convention on Preventing and Combatting Violence against Women and Domestic Violence ("Istanbul Convention") promotes legal concepts related to the notion of gender that are incompatible with major principles of the Bulgarian Constitution. In addition, in 2021, the Constitutional Court further clarified that the notion "sex" used in the Constitution could only be regarded in the sense of its biological determination.

The Republic of Bulgaria does not oppose the adoption of draft CAP Strategic Plans Regulation taking into account the great importance of the matter, but in line with the above-mentioned decisions of the Constitutional Court, **declares that the Bulgarian authorities could only collect data disaggregated by sex (male/female)**.

Joint statement by Bulgaria, the Czech Republic, Estonia, Greece, Hungary, Latvia, Malta and Romania on the link between coupled income support and Directive 2000/60/EC of the European Parliament and of the Council

According to the regulation the intervention strategy shall demonstrate the consistency of the strategy and the complementarity of interventions across the specific objectives set out in Article 6(1). Part of that exercise Member States will have to make an overview of the environmental and climate architecture of the CAP Strategic Plan. This overview creates a link between the interventions under coupled income support and Directive 2000/60/EC on establishing a framework for Community action in the field of water policy (Water Framework Directive). Member States

will have to explain how these measures are consistent with the content and objectives of that directive.

The above mentioned Member States declare, that this issue have been incorporated into the legal text at the very last stage of the negotiations, therefore, it was not possible to pursue an exchange of views neither at technical nor at political level. The European Commission was also not in a position the provide details on the practical implementation.

Therefore the above mentioned Member States believe that when assessing the Member States' explanations the European Commission should:

- bear in mind the original objective of granting coupled income support which is to address the difficulties that sensitive sectors are undergoing;
- acknowledge and take into account that significant differences exist between the different sectors - eligible for coupled income support - in relation to their impact on water resources;
- handle this question in such a way that it does not increase the administrative burden in the strategic planning, implementing or controlling phase;
- issue a guidance document to serve as a basis for the finalisation of the intervention strategy;

Statement by Poland on equalisation of direct payments between Member States

Poland supports the adoption of legal acts related to the reform of the Common Agricultural Policy. However, it notes with disappointment that the solution on the convergence of direct payments between countries, agreed under the Multiannual Financial Framework for 2021-2027 and incorporated into the CAP reform provisions, means that in 2027 there will still be significant differences in the level of direct payments between Member States. Poland considers that it will affect the possibility of involving farmers from different countries in achieving the objectives of the reformed CAP. Poland also considers that this issue of differentiation in direct payments should be resolved ultimately in the arrangements for the future, post-2027 multiannual financial framework by full equalisation of direct payments' level per hectare.

Statement by the Czech Republic supported by Belgium, Bulgaria, Estonia, Finland, Greece, Hungary, Ireland, Latvia, Luxembourg, the Netherlands, the Slovak Republic and Spain on simplification of the new common agricultural policy of the European Union

The Czech Republic supported by Belgium, Bulgaria, Estonia, Finland, Greece, Hungary, Ireland, Latvia, Luxembourg, the Netherlands, the Slovak Republic and Spain hereby emphasize the importance of simplification and reduction of bureaucracy within the new Common Agricultural Policy and its implementation.

At the time of publication of the legislative proposals of the new CAP, the European Commission declared that the new policy would be simplified. A lot of simplification effort was made in the legislative process of adoption of the three basic CAP regulations but the secondary EU legislation and national legislations are still to be created.

In this context, if substantial simplification is not possible, it is important to make sure that unnecessary administrative burden be avoided.

Therefore, the Czech Republic, Belgium, Bulgaria, Estonia, Finland, Greece, Hungary, Ireland, Latvia, Luxembourg, the Netherlands, the Slovak Republic and Spain call on the European Commission to ensure that the requirements in secondary legislation are in line with the basic acts, at no circumstances go beyond the political agreement and Commission´s empowerment. These Member States ask the Commission to keep the level of detail of the implementing and delegated acts to an absolute minimum and leave details of implementation for the Member States so that they are able to adapt the CAP to their specific conditions in line with principle of subsidiarity.

Statement by Latvia to the Post 2020 CAP reform package

Latvia supports that after extensive discussions post 2020 CAP reform package comes into force on January 2022. It will provide that Member states are able to introduce new CAP measures and that farmers can put into practice new agricultural, climate and environmental and other requirements with no further delays.

However, we recall that at the very last stage of the negotiations new elements and conditions were included in the legal acts or were significantly changed without its practical implementation being thoroughly discussed, namely:

- **Good agricultural and environmental conditions (GAECs):**
  GAEC 1: the legal gap should be solved and the option of transitional rules on adjustment of reference year should be envisaged in order to avoid unfair penalising of farmers in 2023 for conversion of permanent grasslands into arable land since 2018, at the time when conversion was not considered as infringement of rules.
  GAEC 7: crop diversification shall be alternative of crop rotation at national level. Otherwise part of productive holdings will be strictly limited in their production options.
- **the requirement to divert 10% of direct payment envelope for the redistributive payment** considerably diminishes the income support that we can attribute for the competitiveness of our farmers by means of direct payments. Meanwhile, other instruments, in particular in 2nd pillar, are as well targeted to support small and medium size farmers.
- it must be recognized that by imposing EU financing limits **reform of CAP regulation misses the opportunity to motivate smaller farmers to organize in producer organisations** and obtain greater market power.

Significant efforts and CAP financial resources (25% of DP and 35% of RD) will be devoted to meeting climate and environmental requirements. We believe that the weight on farmers and food producers imposed by **the recently increased ambitions of CAP does not correspond with the financial means available for CAP implementation.** This will particularly affect Member states with low CAP funding and reduced financial allocations (rural development, school scheme) and will jeopardise the achievement of the CAP's main objective of farming and food production.

And it must be acknowledged that the objective of the CAP reform, simplification, unfortunately has not been achieved and the New Delivery Model increases even more administrative burden for the administrations and has made the new approach more complex.

Nevertheless, to move forward with the CAP reform **in the spirit of compromise Latvia votes YES on legislative proposals of the CAP reform.**

Statement by Hungary

Hungary recognises and promotes equality between men and women in accordance with the Fundamental Law of Hungary and the primary law, principles and values of the European Union, as well as commitments and principles stemming from international law. Equality between women and men is enshrined in the Treaties of the European Union as a fundamental value. In line with these and its national legislation, Hungary interprets the term 'gender' as a reference to 'sex' and the term 'gender equality' as a reference to 'equality between women and men' in the draft Regulation of the European Parliament and of the Council of establishing rules on support for strategic plans to be drawn up by Member States under the Common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and No 1307/2013.

Statement by Estonia, Latvia and Lithuania on the external convergence

Baltic Member States support the compromise reached regarding the Strategic Plans regulation - backbone of the new CAP reform, which aims for a transition towards sustainable production of safe and healthy food for the society with due respect to the environment and climate. At the same time, they note that challenges and tasks for farmers to implement the new CAP converge within the EU and are comparably the same for all, incl. the Baltics. Regretfully, it has also to be firmly noted, that within the scope of the current CAP reform the process of external convergence of direct payments has been left unfinished, still constituting the level of direct payments in our region at the lowest in the EU.

Therefore, Estonia, Latvia and Lithuania call to finally solve the long-lasting issue of full external convergence of direct payments within the next MFF negotiations to ensure the level playing field for all farmers across the EU.