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NOTE

From:	Presidency
To:	Special Committee on Agriculture / Council
No. Cion doc.:	9645/18 + COR 1 + ADD 1
Subject:	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing rules on support for strategic plans to be drawn up by Member States under the Common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulation (EU) No 1305/2013 of the European Parliament and of the Council and Regulation (EU) No 1307/2013 of the European Parliament and of the Council - Presidency drafting suggestions (Annexes II and III)

Delegations will find in the <u>Annex</u> the Presidency's drafting suggestions for Annexes II and III of the abovementioned proposal, following their examination by the Working Party on Horizontal Agricultural Questions (CAP Reform) and further work lying ahead under the incoming Romanian Presidency. The other Annexes of the proposal will have to be examined at a later stage.

Compared to the Commission proposal, the added text is marked in **bold and underlined** and strikethrough is used for deleted text.

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 $\underline{\text{ANNEX II}}$ WTO DOMESTIC SUPPORT PURSUANT TO ARTICLE 10

Type of intervention	Reference in this Regulation	Paragraph of Annex 2 to the WTO Agreement on Agriculture ("Green Box")
Basic income support for sustainability	Title III, Chapter 2 Section 1 Sub- Section 2	5 (if implementation is not based on payment entitlements) 6 (if implementation is based on payment entitlements)
Complementary redistributive income support for sustainability	Title III, Chapter 2 Section 1 Sub- Section 3	5 (if implementation of the related basic income support for sustainability is not based on payment entitlements) 6 (if implementation of the related basic income support for sustainability is based on payment entitlements)
Complementary income support for young farmers	Article 27	5 (if implementation of the related basic income support for sustainability is not based on payment entitlements) 6 (if implementation of the related basic income support for sustainability is based on payment entitlements)

Type of intervention	Reference in this Regulation	Paragraph of Annex 2 to the WTO Agreement on Agriculture ("Green Box")
Schemes for the climate and the environment "eco schemes"	Article 28	5 (if granted only to farmers who are entitled to a basic income support for sustainability and implementation of the related basic income support for sustainability is not based on payment entitlements)
		6 (if granted only to farmers who are entitled to a basic income support for sustainability and implementation of the related basic income support for sustainability is based on payment entitlements)
		12 (if not if granted to farmers who are entitled to a basic income support for sustainability)
Fruit and vegetables – investments	Article 43(1)(a)	2, 11 or 12
Fruit and vegetables – research and experimental production	Article 43(1)(b)	2
Fruit and vegetables – organic production	Article 43(1)(c)	12
Fruit and vegetables - integrated production	Article 43(1)(d)	12

Type of intervention	Reference in this Regulation	Paragraph of Annex 2 to the WTO Agreement on Agriculture ("Green Box")
Fruit and vegetables – soil conservation and carbon enhancement	Article 43(1)(e)	12
Fruit and vegetables – creating and maintaining habitats or maintaining landscape	Article 43(1)(f)	12
Fruit and vegetables - energy saving and efficiency, renewable energy	Article 43(1)(g)	11 or 12
Fruit and vegetables – pest resilience	Article 43(1)(h)	2, 11 or 12
Fruit and vegetables – water use and management	Article 43(1)(i)	2 or 11
Fruit and vegetables – reduce waste production and waste management	Article 43(1)(j)	11 or 12
Fruit and vegetables – transport and storage	Article 43(1)(k)	11
Fruit and vegetables – climate change adaptation and mitigation	Article 43(1)(1)	11 or 12

Type of intervention	Reference in this Regulation	Paragraph of Annex 2 to the WTO Agreement on Agriculture ("Green Box")
Fruit and vegetables - quality schemes	Article 43(1)(m) and 43(2)(j)	2
Fruit and vegetables – promotion and communication	Article 43(1)(n)	2
Fruit and vegetables – advisory services and technical assistance	Article 43(1)(o)	2
Fruit and vegetables – training and exchange of best practices	Article 43(1)(p)	2
Fruit and vegetables - mutual funds	Article 43(2)(a)	8
Fruit and vegetables - investments	Article 43(2)(b)	11
Fruit and vegetables - orchard replanting	Article 43(2)(c)	8
Fruit and vegetables - Coaching	Article 43(2)(h)	2
Fruit and vegetables - implementation and management of third country phytosanitary protocols	Article 43(2)(i)	2
Fruits and vegetables – advisory services and technical assistance	Article 43(2)(k)	2

Type of intervention	Reference in this Regulation	Paragraph of Annex 2 to the WTO Agreement on Agriculture ("Green Box")
Apiculture – technical assistance	Article 49(1)(a)	2
Apiculture - combating beehive invaders and diseases	Article 49(1)(b)	2
Apiculture – support laboratories	Article 49(1)(d)	2
Apiculture – research programmes	Article 49(1)(f)	2
Apiculture – market monitoring	Article 49(1)(g)	2
Apiculture – enhancing product quality	Article 49(1)(h)	2
Wine – restructuring and conversion	Article 52(1)(a)	8
Wine – investments in processing facilities and winery infrastructure	Article 52(1)(b)	11
Wine – investments in innovation	Article 52(1)(e)	11
Wine – information actions	Article 52(1)(g)	2
Wine – promotion	Article 52(1)(h)	2

Type of intervention	Reference in this Regulation	Paragraph of Annex 2 to the WTO Agreement on Agriculture ("Green Box")
Wine – administrative costs of mutual funds	Article 52(1)(i)	2
Other sectors (and hops and olive oil and table olives if used for those sectors) – investments, research and experimental production	Article 60(1)(a)	2, 11 or 12
Other sectors (and hops and olive oil and table olives if used for those sectors) – advisory services and technical assistance	Article 60(1)(b)	2
Other sectors (and hops and olive oil and table olives if used for those sectors) – training and exchange of best practices	Article 60(1)(c)	2
Other sectors (and hops and olive oil and table olives if used for those sectors) – organic production	Article 60(1)(d)	12
Other sectors (and hops and olive oil and table olives if used for those sectors) – sustainable transport and storage	Article 60(1)(e)	2 or 12

Type of intervention	Reference in this Regulation	Paragraph of Annex 2 to the WTO Agreement on Agriculture ("Green Box")
Other sectors (and hops and olive oil and table olives if used for those sectors) – promotion and communication	Article 60(1)(f)	2
Other sectors (and hops and olive oil and table olives if used for those sectors) – quality schemes	Article 60(1)(g)	2
Other sectors (and hops and olive oil and table olives if used for those sectors) – traceability and certification systems	Article 60(1)(h)	2
Other sectors (and hops and olive oil and table olives if used for those sectors) – mutual funds	Article 60(2)(a)	2 or 8
Other sectors (and hops and olive oil and table olives if used for those sectors) - Investments in volume management	Article 60(2)(b)	11
Other sectors (and hops and olive oil and table olives if used for those sectors) – orchard replanting	Article 60(2)(d)	8

Type of intervention	Reference in this Regulation	Paragraph of Annex 2 to the WTO Agreement on Agriculture ("Green Box")
Environmental, climate and other management commitments	Article 65	12
Natural or other area-specific constraints; area-specific disadvantages resulting from certain mandatory requirements	Articles 66 , 67	13
Area-specific disadvantages resulting from certain mandatory requirements	Article 67	<u>13</u>
Investments	Article 68	11
Co-operation	Article 71	2
Knowledge exchange and innovation	Article 72	2

ANNEX III

RULES ON CONDITIONALITY PURSUANT TO ARTICLE 11: OBJECTIVES, STANDARDS AND REQUIREMENTS

SMR: Statutory Management Requirement

GAEC: Standards for good agricultural and environmental condition of land

Areas	Main Issue	Requirem	ents and standards	Main objective of the standard
Climate and environment	Climate change (mitigation of and	GAEC 1	Maintenance of permanent grassland based on a ratio of permanent grassland in relation to agricultural area at a level defined by Member States	General safeguard against conversion to other agricultural uses to preserve carbon stock
	adaptation to)	GAEC 2	Appropriate Minimum protection of wetland and peatland	Protection of carbon-rich soils
		GAEC 3	Ban on burning arable stubble, except for plant health reasons	Maintenance of soil organic matter
	Water	SMR 1	Directive 2000/60/EC of 23 October 2000 of the European Parliament and of the Council establishing a framework for Community action in the field of water policy: Article 11(3)(e) and Article 11(3)(h) as regards mandatory requirements to control diffuse sources of pollution by phosphates	
		SMR 2	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): Articles 4 and 5	

Areas	Main Issue	Requirem	Main objective of the standard	
		GAEC 4	Establishment of buffer strips along water courses ¹	Protection of river courses against pollution and run-off
		GAEC 5	Use of Farm Sustainability Tool for Nutrients ²	Sustainable management of nutrients
	Soil (protection and quality)	GAEC 6	In the case of a significant risk of soil degradation, ‡tillage management reducing that the risk of soil degradation, including slope consideration	Minimum land management reflecting site specific conditions to limit erosion
		GAEC 7	No Avoiding bare soil in period(s) that are most sensitive period(s)	Protection of soils in period(s) that are most sensitive winter
		GAEC 8	Crop rotation or other practices with an equivalent effect	Preserve the soil potential

The GAEC buffer strips must respect, both within and outside vulnerable zones designated pursuant to Article 3(2) of Directive 91/676/EEC, at least the requirements relating to the conditions for land application of fertiliser near water courses, referred to in point A.4 of Annex II to Directive 91/676/EEC to be applied in accordance with the action programmes of Member States established under Article 5(4) of Directive 91/676/EEC

a) Elements

- Relevant farm information based on LPIS and IACS;
- Information from the soil sampling, on an appropriate spatial and temporal scale;
- Information on relevant management practices, crop history, and yield goals;
- Indications regarding legal limits and requirements relevant to farm nutrients management;
- A complete nutrient budget.

b) Functionalities

- Automatic integration of data from various sources (LPIS and IACS, farmer-generated data, soil analyses etc.)
 as far as possible, to avoid data input duplication for farmers;
- Two way communication between PA/MAs and farmers allowed;
- Modularity and possibility to support further sustainability objectives (e.g. emissions management, water management)
- Respect of EU data inter-operability, openness and re-use principles;
- Guarantees for data security and privacy in line with best current standards.

The Tool shall provide at least for the following elements and functionalities:

Areas	Main Issue Requirements and standards			Main objective of the standard
	Biodiversity and landscape (protection and quality)	SMR 3	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): Article 3(1), Article 3(2)(b), Article 4(1), (2) and (4)	
		SMR 4	Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild flora and fauna (OJ L 206, 22.7.1992, p. 7): Article 6(1) and (2)	
		GAEC 9	Minimum share of <u>arable land</u> agricultural area to be defined by Member States, devoted to non-productive features or to areas with nitrogen fixing crops cultivated without plant protection products Retention of landscape features Ban on cutting hedges and trees during the bird breeding and rearing season As an option, measures for avoiding invasive plant species	productive features and
		GAEC 10	Ban on converting or ploughing permanent grassland in Natura 2000 sites designated as environmentally-sensitive permanent grasslands in Natura 2000 sites.	Protection of habitats and species
Public health, animal health and plant health	Food safety	SMR 5	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): Articles 14 and 15, Article 17(1) ³ and Articles 18, 19 and 20	

As implemented in particular by:

Areas	Main Issue	Requirements and standards		Main objective of the standard
		SMR 6	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 betaagonists, and repealing Directives 81/602/EEC, 88/146/EEC and 88/299/EEC (OJ L 125, 23.5.1996, p. 3): Article 3(a), (b), (d) and (e) and Articles 4, 5 and 7	
	Identification and registration of animals	SMR 7	Council Directive 2008/71/EC of 15 July 2008 on identification and registration of pigs (OJ L 213, 8.8.2005, p. 31): Articles 3, 4 and 5	
		SMR 8	Regulation (EC) No 1760/2000 of the European Parliament and of the Council of 17 July 2000 establishing a system for the identification and registration of bovine animals and regarding the labelling of beef and beef products and repealing Council Regulation (EC) No 820/97(OJ L 204, 11.8.2000, p. 1): Articles 4 and 7	
		SMR 9	Council Regulation (EC) No 21/2004 of 17 December 2003 establishing a system for the identification and registration of ovine and caprine animals and amending Regulation (EC) No 1782/2003 and Directives 92/102/EEC and 64/432/EEC (OJ L 5, 9.1.2004, p. 8): Articles 3, 4 and 5	

[—] Article 14 of Regulation (EC) No 470/2009 and the Annex of 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) and 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) and Annex I, part A (I-4 e, g; II-2 a, b, e), Article 5(5) and Annex III (under the heading 'FEEDING', point 1 entitled 'Storage', first and last sentences, and point 2 entitled 'Distribution', third sentence), Article 5(6), and

[—] Regulation (EC) No 396/2005: Article 18.

Areas	Main Issue	Requirements and standards		Main objective of the standard
	Animal diseases	SMR 10	Regulation (EC) No 999/2001 of the European Parliament and of the Council of 22 May 2001 laying down rules for the prevention, control and eradication of certain transmissible spongiform encephalopathies (OJ L 147, 31.5.2001, p. 1): Articles 7, 11, 12, 13 and 15	
		SMR 11	Regulation (EU) 2016/429 of the European Parliament and of the Council of 9 March 2016 on transmissible animal diseases (OJ L 84, 31.3.2016, p.1) Article 18(1), limited to foot and mouth disease, swine vesicular disease and blue tongue.	
	Plant protection products	SMR 12	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): Article 55, first and second sentence	
		SMR 13	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): 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 the Water Framework Directive and Natura 2000 legislation. Article 13(1) and (3) on handling and storage of pesticides and disposal of remnants.	

Animal welfare	Animal welfare	Requirements and standards		Main objective of the standard
		SMR 14	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): Articles 3 and 4	
		SMR 15	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): Article 3 and Article 4	
		SMR 16	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): Article 4	