



Council of the European Union  
General Secretariat

**Brussels, 29 October 2025**

**WK 14223/2025 ADD 15**

**LIMITE**

**AGRI  
AGRIFIN  
CADREFIN  
FIN  
CODEC  
ENV  
FORETS**

*This is a paper intended for a specific community of recipients. Handling and further distribution are under the sole responsibility of community members.*

## **CONTRIBUTION**

---

From:	General Secretariat of the Council
To:	Working Party on Horizontal Agricultural Questions (Post-2027 CAP)
N° Cion doc.:	ST 11733 2025 ADD 1 COR 1 + ST 11733 2025 ADD 1 + ST 11733 2025 INIT
Subject:	Regulation establishing the conditions for the implementation of Union support under the CAP - Comments from Finland on block III

---

## Comments from Finland on Articles 6, 7, 11, 12 and 13 of the CAP-proposal

### **Article 6 –Degressive area-based income support**

#### **General Question:**

Can a Member State set a minimum euro amount or a minimum hectare threshold as a condition for receiving the degressive area-based income support?

What about conditions for other income support schemes introduced for farmers?

#### **Definition of Farmer (Article 4(3)(c) of the Partnership Regulation):**

We have a question regarding the definition of a farmer. Is the intention to restrict the group of beneficiaries, since a farmer can only be a natural or legal person?

What happens to communities and groups?

In Article 3(a) and (b), the beneficiary is not restricted based on legal status. In the context of the CAP, the definition of farmer and other beneficiaries should be broader to include various entities and communities, such as groups formed by multiple natural persons.

Thus, the following type of wording should be included:

***“a natural or legal person, or a group of natural or legal persons, regardless of the legal status granted to the group and its members by national law.”***

---

#### **Differentiation of Support (Article 6(2), First Subparagraph)**

Why must the support, when differentiated based on geographical areas, be based on the income received by farmers during a reference period prior to agricultural activity?

If the geographical division is based on natural conditions and the resulting cultivation potential, and its impact on farmers' income, isn't that a sufficient basis for differentiation?

Isn't this the same logic as in Article 8 (ANC)?

Is the income assessment done per individual farmer or per farmer group?

Income-based differentiation by individual farmers or groups across geographical areas becomes fragmented and difficult to justify. This increases the administrative burden.

Also, proving income from the reference period may lead to unfair outcomes for some applicants and is largely based on the income structure resulting from the type of production.

It seems impossible to assess income in small areas and among beneficiary groups with few recipients. Therefore, the link between decreasing area-based support and income formation should be clearly stated as not being applicant-specific.

Member States need more flexibility in defining geographical areas. If the idea is to allow current geographical areas based on current legislation, we need written confirmation. Otherwise, we face difficulties with auditors reading these wordings.

---

#### **Support for young farmers (Article 6(2), Third Subparagraph)**

We appreciate the simplified option to pay area-based support for young farmers as a top-up. This seems genuinely simpler.

We are also pleased that the area-based support for young farmers will be longer-term, as it is no longer limited to, for example, five years.

In Article 35(3) of the Partnership Regulation, it is stated that the planned average unit amount must be at least €130 and at most €240 per hectare. The amount of at least €130 per hectare is too high.

Does this planned unit amount include the top-up for young farmers?

---

### **Degressivity (Article 6(3))**

We thank the Commission for the previously provided calculation examples regarding degressivity. However, it remains unclear what the term “granted” means.

Is the reduction calculated from the amount remaining after all administrative sanctions applied to the applicant?

Are reductions only made if the thresholds are exceeded even after administrative sanctions?

Is this the correct interpretation?

---

### **Avoiding Circumvention of Degressivity (Article 6(4))**

Does the combination criterion mentioned in paragraph 4—covering all holdings under the control of legal or natural persons—eliminate all possibilities of circumvention?

Should the provision also include references to natural persons and their groups, and all combinations thereof, to ensure paragraph 4 is comprehensive and that the paying agency has the tools to prevent potential circumvention of degressivity implementation?

Should the definition in paragraph 4 also cover degressivity, not just the support cap?

Alternatively, it should be clearly stated that degressivity applies only to the support cap. This is acceptable to us, but for audit purposes, the legislation must be clear.

From an administrative process perspective, it is essential to know whether paragraph 4 also applies to degressivity.

---

### **Young Farmers’ Top-Up and Degressivity**

The top-up for young farmers should be incentivizing, so it would be problematic if the additional support for young farmers were subject to support caps and degressivity.

### **Article 6 – Definition of Agricultural Activity and Active Production (Paragraph 5)**

Our concerns regarding these questions are particularly related to the Partnership Regulation.

#### **Definition of Agricultural Activity**

According to Article 4(22)(a) of the Partnership Regulation, agricultural activity must be defined either in terms of agricultural production, the maintenance of agricultural land, or both.

Can we, in defining agricultural activity, exclude the possibility of maintaining agricultural land in the future?

If the maintenance of agricultural land cannot be excluded from the definition of agricultural activity, implementing the requirement to promote active food production becomes challenging.

From the perspective of WTO agreements, is it acceptable to exclude the possibility of maintaining agricultural land and instead define the same objectives in terms of ecosystem services?

Is it even permissible to allow agricultural activity in the form of land maintenance only in certain years per farmer? The goal of promoting active farming becomes meaningless if the continuous support basis for land maintenance remains.

---

## Article 6 – Eligible Hectares (Paragraph 7)

Can a Member State exclude, for example, agricultural area newly cleared from forest land from the definition of eligible hectares?

### Paragraph 7(b)

According to the Commission's presentation, land where agricultural activity has ceased due to environmental or climate commitments or obligations is considered eligible hectares. What does this mean in practice? Does it mean that agricultural land under such commitments or obligations—or released from them—must be defined as eligible?

---

## Definition of Active Production

Recital 45 of the Partnership Regulation guides the criteria for active production. It mentions a so-called negative list. Do Member States have the freedom to create their own negative list, or will this be directed by the Commission as currently?

The active farmer requirement has been a recurring issue in Commission audits over two programming periods. For example, farmers have been required to submit seed receipts for a certain amount of production if they are not listed in registers proving agricultural activity.

To ensure Member States have more security in this matter, we need answers to the following:

- What proportion of their agricultural land can a farmer use for land maintenance while still fulfilling the requirement for agricultural activity?
- What proportion of the farm must be documented, e.g., with seed receipts, to demonstrate the promotion of active food production?

Could we simplify the system by removing the requirement to present such receipts entirely, especially if the applicant is not listed in registers proving agricultural activity?

Proving income from the application year is difficult during the application process. Evidence from the previous year's income formation should be accepted. Extreme weather events may prevent income formation despite best efforts. Other sources of income may be more stable than highly variable agricultural income.

Unfortunately, active agricultural activity still cannot be used to target the decreasing area-based support (DABIS), which would be fair. The regulation proposal assumes that we must look at **who** is practicing agricultural activity. Shouldn't the promotion of **active food production** be the primary concern, regardless of who practices it?

To assess the use of agricultural land for active food production, we need a new approach.

***Could a Member State, for example, define the promotion of active food production as simply as requiring that 60% of the farm's area be cultivated with harvestable crops, and verify this directly from application data without additional burden on the farmer?***

The question of active production also relates to part-time farmers and their eligibility for degressive area-based support.

It also appears that the definition of a part-time farmer is being narrowed.

We are concerned about part-time farmers' ability to receive degressive area-based support (DABIS).

The importance of part-time farmers is emphasized in the current programming period.

The EU's long-term rural vision also highlights the need to diversify the economy of rural farmers. Part-time farmers are just as important in promoting active food production as small farmers.

Especially in northern conditions, it is impossible to farm during winter when fields are covered in snow and the soil is frozen.

The definition of a farmer in Article 4(3)(c)(ii) of the Partnership Regulation does not appear to cover all sizes of legal entities whose primary activity is not agriculture, nor groups of natural persons.

Also, the term "small legal entity" is unclear—what does it mean? This requires clarification.

For part-time farmers, situations may arise where income from other sources determines whether continuing agricultural activity is viable.

This may lead to the cessation of agricultural production among part-time farmers, which could affect food security and the vitality and habitation of rural areas—especially in the Union's eastern border regions.

In Finland, 59% of farms are part-time. Not all part-time farmers are small farmers (there doesn't seem to be a definition for this in the proposals).

### **Article 7 – Payment for small farmers**

Payment for small farmers should be optional for Member States.

Not all Member States need a separate support scheme.

A mandatory scheme only increases administrative burden. A separate support scheme for small farmers would cover degressive area-based income support (DABIS), coupled income support (CIS) and payment for natural constraints (ANC). We believe that interest in the form of art 7 support would be marginal. Would it not then be possible for a Member State to take account of small farms only through other support schemes? Small farmers are mentioned separately in DABIS support. Overlaps should be avoided due to the rational use of resources.

If the support scheme remains mandatory, can a Member State define the support so that it is only paid up to a certain area size? Can a Member State define the support so that it is only paid to a

certain geological area defined in the MS and exclude other areas from this support scheme?

Since the support is annual, can a farmer exit the scheme, for example, if the farm size increases?

### **Article 11 Coupled income support**

#### **Article 11, Paragraph 4**

We thank you for making this form of support possible. This is one of the few support measures where verifying the promotion of active food production can be implemented easily without causing additional administrative burden for farmers.

We are cautious about restricting livestock density in areas vulnerable to nitrates under the animal-based coupled income support. Applying restrictions on livestock density related to coupled support only in nitrate-sensitive areas may lead to inequality between Member States, as there are differences in how nitrate-sensitive areas are defined.

Under Article 10, which concerns agri-environmental and climate measures, Member States are obliged to provide support for the transition towards sustainable production systems, including the extensification of livestock farming systems. Is it possible for a farmer to receive both this transitional support for extensification and coupled animal support with a livestock density limit in areas vulnerable to nitrate pollution at the same time?

---

### **Annex II**

Since Annex II only concerns coupled income support, can different animal unit coefficients be used in animal welfare payments and other contracts/commitments?

### **Article 12 Support for participation in risk management tools**

Can the Commission provide more detailed information on the background to the request of having risk management tools mainly focusing on after-the-risk-realised tools? We would consider it more important to prevent risks than to fix damages afterwards.

Why would the aid intensity (e.g. non-productive investments) be limited? Does the requirement take into account the insurance market situation in different Member States and the volume of production in different Member States?

### **Article 13 Support for investments for farmers and forest holders**

Article 13.1 allows investments for the purposes of “agriculture, food systems, forestry and rural areas”. During the discussions about this article the Commission has mentioned that this article is reserved only for farmers and forest holders. However, it would be useful to get more detailed information and concrete examples what kind of investments farmers alone can make contributing to the listed purposes? It must be noted that food systems include food from production to consumption (growing, harvesting, processing, distributing etc.) and it involves many different actors, not only farms. It would be important that under this article (food systems) investment aid could be given in addition to farms also for SME’s processing and marketing agricultural products (sourced

from farms) into agricultural products and non-agricultural products as well. According to TFEU article 38 agricultural products means the products of the soil, of stockfarming and of fisheries and products of first-stage processing directly related to these products and therefore processing of agricultural products should be an integral part of the CAP also in the future.

Further clarification is needed on what is meant by “rural areas” in this article. In the previous programming periods wording “rural areas” has always referred to non-agricultural activities in rural areas (rural SME’s). Farm activities have not been restricted earlier to only rural areas. However, in the proposed article 13.1 certain investments that only farmers (and forest holders) can make, are now restricted only to rural areas. Can you give an example what kind of investments farmers can do in all areas (also urban area) and what kind of investments are possible only in rural areas? It would be useful to know if it is possible to support initial investments as well as replacement investments?

Article 13.1 makes aid available only to investments in the context of resilience and this gives an impression, that mainly investments responding to difficulties can be supported. What about future and innovation driven investments for the expansion or development of farms and possibly other enterprises in rural areas (if non-agricultural enterprises are covered by the wording “rural areas”)? Could investments in broadband connections and water security also be considered investments in farmers' resilience to disturbances?

It would be useful to obtain from the Commission examples of how to calculate the 30% or 20% reduction in production capacity described in point 3.

We are also concerned about the wording in the Article 36(3) of the NRP Regulation, which makes the use of simplified cost procedures mandatory for all investments for which aid is granted up to EUR 100 000. We do not think use of SCO is suitable for all cases, hence the Member State should have the freedom to choose the cases to which SCO is applied. Simplified cost procedures are not always risk-free for the beneficiary: due to the diversity of investments, the SCOs do not recognise the specific characteristics of the investment in question. For example, in building investments where an old building is renovated, defining the standard unit cost may be very challenging. Sudden changes in prices may also lead to either overcompensation or undercompensation. They also lack the incentive to choose, for example, the most environmentally friendly production methods. They are also challenging for enforcement.