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WORKING PAPER

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From:	General Secretariat of the Council
To:	Working Party on Horizontal Agricultural Questions (CAP Reform)
N° Cion doc.:	9634/18 + COR 1 + ADD 1
Subject:	Proposal for a Regulation on the financing, management and monitoring of CAP (Presidency drafting suggestions on Articles 63-73 and 84-87) - Comments from the German delegation

Delegations will find attached the comments from the German delegation on the Presidency's drafting suggestions on the abovementioned Articles, issued on 27 November 2019 as part of the consolidated Presidency drafting suggestions on the Horizontal Regulation (14465/19).

Horizontal Regulation ST 14465/19

Articles 84-87

Germany welcomes the progress made during the Finnish Presidency on these articles, especially on the new Article 86 Para 2a. However, there still are a few points to be considered.

Article 84 Para 1

The rules for small farmers need further consideration. A simplified control system must include at least a certain number of on-the-spot controls.

Article 85 para 1

Notwithstanding our position to the rules on small farmers, the exemptions for small farmers in Article 85 para 1 letter a) should be presented in an own subparagraph (clarification). Are these special rules not applicable, in case a non-compliance concerns the holding in letter b)?

Article 86 para 1

For clarification, we propose the following wording:

The administrative penalties provided for in Section 2 of Chapter I of Title III of regulation (EU.../.. [CAP Strategic Plan Regulation] shall be calculated on the total amount of the payments listed in that section of that regulation granted or to be granted to the beneficiary concerned in respect of aid applications that have been or will be submitted in the course of the calendar year of the finding and shall be applied by means of reduction from or exclusion of that payments.

Article 86 para 3a

When calculating the sanctions, it should also be possible to take into account, if the infringement was committed intentionally besides of the consequences.

Article 86 para 4 (former 5)

Article 86 Para 4 should be deleted. This empowerment for the Commission is in contradiction to the principle that the member states have to setup the sanction system.