Regulation (EU) 2019/288 of the European Parliament and of the Council of 13 February 2019 amending Regulations (EU) No 1305/2013 and (EU) No 1307/2013 as regards certain rules on direct payments and support for rural development in respect of the years 2019 and 2020

REGULATION (EU) 2019/288 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 13 February 2019

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THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 42 and Article 43(2) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

After consulting the European Economic and Social Committee,

Acting in accordance with the ordinary legislative procedure[(1)],

Whereas:

(1) Regulation (EU) No 1305/2013 of the European Parliament and of the Council[(2)] is the current legal framework for support for rural development. It provides for support to areas facing natural constraints, other than mountain areas. Taking into account the extension to 2019 of the deadline for the new delimitation of areas facing natural constraints other than mountain areas through Regulation (EU) 2017/2393 of the European Parliament and of the Council[(3)] and the shorter adaptation period for farmers who will no longer be eligible for payments, degressive transitional payments that only start in 2019 should start at no more than 80 % of the average payments fixed in the 2014–2020 programming period. The payment level should be established in such a way that the end-level in 2020 is half of the starting level.

(2) In order to provide assistance to Member States and stakeholders for the timely preparation of the future common agricultural policy (CAP) and to ensure a smooth passage to the next programming period, it should be clarified that it is possible to finance activities linked to the preparation of the future CAP through technical assistance at the initiative of the Commission.

(3) Regulation (EU) No 1307/2013 of the European Parliament and of the Council[(4)] is the current legal framework for direct payments. While most of its provisions can apply for as long as that Regulation remains in force, other provisions explicitly refer to the calendar years 2015 to 2019 covered by the Multiannual Financial Framework

Changes to legislation: *There are currently no known outstanding effects for the Regulation (EU) 2019/288 of the European Parliament and of the Council. (See end of Document for details)*

2014-2020. For some other provisions, their applicability beyond the calendar year 2019 was not explicitly envisaged. In June 2018, the Commission submitted a proposal for a new Regulation to replace Regulation (EU) No 1307/2013, but only from 1 January 2021. Therefore, it is appropriate to proceed to some technical adjustments of Regulation (EU) No 1307/2013 so that it can be smoothly applied in the calendar year 2020.

(4) The obligation set out in Article 11 of Regulation (EU) No 1307/2013 to reduce the part of the amount of direct payments to be granted to a farmer for a given calendar year exceeding EUR 150 000 continues to apply for as long as that Regulation is in force. However, that Article only lays down an obligation for Member States to notify their decisions and the estimated product of that reduction for the years 2015 to 2019. With a view to ensuring a continuation of the existing system, Member States should also notify their decisions concerning the year 2020 and the estimated product of reduction for that year.

(5) Flexibility between pillars is an optional transfer of funds between direct payments and rural development. Under Article 14 of Regulation (EU) No 1307/2013, Member States may make use of this flexibility as regards the calendar years 2014 to 2019. In order to ensure that Member States are able to keep their own strategy, the flexibility between pillars should be made available also for the calendar year 2020, corresponding to financial year 2021.

(6) As a consequence of the amendment of Article 14 of Regulation (EU) No 1307/2013 in respect of the calendar year 2020, it is appropriate to adjust the references to that Article in the context of the obligation of the Member States to linearly reduce or increase the value of the payment entitlements due to fluctuations in the annual national ceiling resulting from their notifications of the application of flexibility between pillars.

(7) Regulations (EU) No 1305/2013 and (EU) No 1307/2013 should therefore be amended accordingly.

(8) In order to promptly provide the necessary flexibility to the Member States and to ensure the continuity of rural development policy in the final years of the 2014-2020 programming period, it was considered to be appropriate to provide for an exception to the eight-week period referred to in Article 4 of Protocol No 1 on the role of national Parliaments in the European Union, annexed to the Treaty on European Union, to the Treaty on the Functioning of the European Union and to the Treaty establishing the European Atomic Energy Community.

(9) In order to promptly provide the necessary flexibility to the Member States and to ensure the continuity of rural development policy in the final years of the 2014-2020 programming period, this Regulation should apply from 1 March 2019,

HAVE ADOPTED THIS REGULATION:

Article 1

Amendments to Regulation (EU) No 1305/2013

Regulation (EU) No 1305/2013 is amended as follows:

(1) in Article 31(5), the following subparagraph is inserted after the first subparagraph:

By way of derogation from the first subparagraph, where degressive payments start only in the year 2019, those payments shall start at no more than 80 % of the average payment fixed in the 2014-2020 programming period. The payment level shall be established in such a way that the end-level in 2020 is half of the starting level.;

(2) in Article 51(1), the following subparagraph is inserted after the first subparagraph:

The EAFRD may finance activities preparing for the implementation of the CAP in the subsequent programming period..

Article 2

Amendments to Regulation (EU) No 1307/2013

Regulation (EU) No 1307/2013 is amended as follows:

(1) in Article 7, paragraph 2 is replaced by the following:

2. For each Member State and for each calendar year, the estimated product of the reduction of payments referred to in Article 11 (which is reflected by the difference between the national ceiling set out in Annex II, to which is added the amount available in accordance with Article 58, and the net ceiling set out in Annex III) shall be made available as Union support financed under the European Agricultural Fund for Rural Development (EAFRD).;

(2) in Article 11(6), the following subparagraph is added:

For the year 2020, Member States shall notify the Commission of the decisions taken in accordance with this Article and of any estimated product of reductions by 31 December 2019.;

(3) Article 14 is amended as follows:

(a) in paragraph 1, the following subparagraph is added:

By 31 December 2019, Member States may decide to make available, as additional support financed under the EAFRD in financial year 2021, up to 15 % of their annual national ceilings for the calendar year 2020 set out in Annex II to this Regulation. As a result, the corresponding amount shall no longer be available for granting direct payments. That decision shall be notified to the Commission by 31 December 2019 and shall set out the percentage chosen.;

(b) in paragraph 2, the following subparagraph is added:

By 31 December 2019, Member States may decide to make available as direct payments up to 15 %, or in the case of Bulgaria, Estonia,