Transitional provisions on support for rural development by the European Agricultural Fund for Rural Development (EAFRD)

2013/0117(COD) - 17/12/2013 - Final act

PURPOSE: to lay down new rules on the Common Agricultural Policy (CAP) for the period 2014-2020 (transitional provisions for 2014).

LEGISLATIVE ACT: Regulation (EU) No 1310/2013 of the European Parliament and of the Council laying down certain transitional provisions on support for rural development by the European Agricultural Fund for Rural Development (EAFRD), amending Regulation (EU) No 1305/2013 of the European Parliament and of the Council as regards resources and their distribution in respect of the year 2014 and amending Council Regulation (EC) No 73/2009 and Regulations (EU) No 1307/2013, (EU) No 1306/2013 and (EU) No 1308/2013 of the European Parliament and of the Council as regards their application in the year 2014.

CONTENT: this Regulation is part of a series of measures aiming to **reform the Common Agricultural Policy (CAP).** The CAP reform package contains four main legal texts:

- <u>the Regulation</u> establishing rules for direct payments to farmers;
- <u>the Regulation</u> on the common organisation of the market in agricultural products;
- <u>the Regulation</u> on support for rural development;
- the Regulation on the financing, management and monitoring of the CAP (horizontal Regulation.)

The main objectives of the reform are to **make the CAP greener**, more equitable and better targeted. The reformed CAP remains a strong common policy structured around its **two complementary pillars**: direct payments and market management (first pillar) and rural development (second pillar).

This **transitional regulation for the year 2014** seeks to bridge the gap between the existing legal framework and the elements of the reform for which it was decided that they will apply only from 2015 (particularly as regards direct payments and rural development), in order to give Member States sufficient time to roll out the new policy on the ground and to avoid any difficulties or delays in the implementation of rural development support which may be caused as a result of the date of adoption of the new rural development programmes.

Direct payments: transitional measures provide for the prolongation of the main elements of the existing schemes – Single payment Scheme, Single Area Payment Scheme, coupled regimes, and also those granted as specific support under Article 68 – for claim year 2014.

In particular, the Regulation:

• extends the period of application of the single area payment scheme by one year to 2014 and allow Member States applying this scheme to grant transitional national aid to farmers in 2014;

- allows Member States to redistribute direct support between farmers by granting them an extra payment for the first hectares;
- allows Bulgaria and Romania to opt for transitional national aid in 2014 instead of granting complementary national direct payments;
- allows Finland to be authorised by the Commission to grant national aid in southern Finland under certain conditions.

Rural development: in view of the serious difficulties that a number of Member States still face with respect to their financial stability, the Regulation **extends the duration of the derogation which increases the maximum EAFRD contribution rates** to the final date of eligibility of expenditure for the 2007-2013 programming period, namely to 31 December 2015.

Flexibility between pillars: the transitional measures also include provisions regarding the possibility of Member States transferring funds between pillars.

ENTRY INTO FORCE: 20.12.2013. It shall apply from 1 January 2014.