



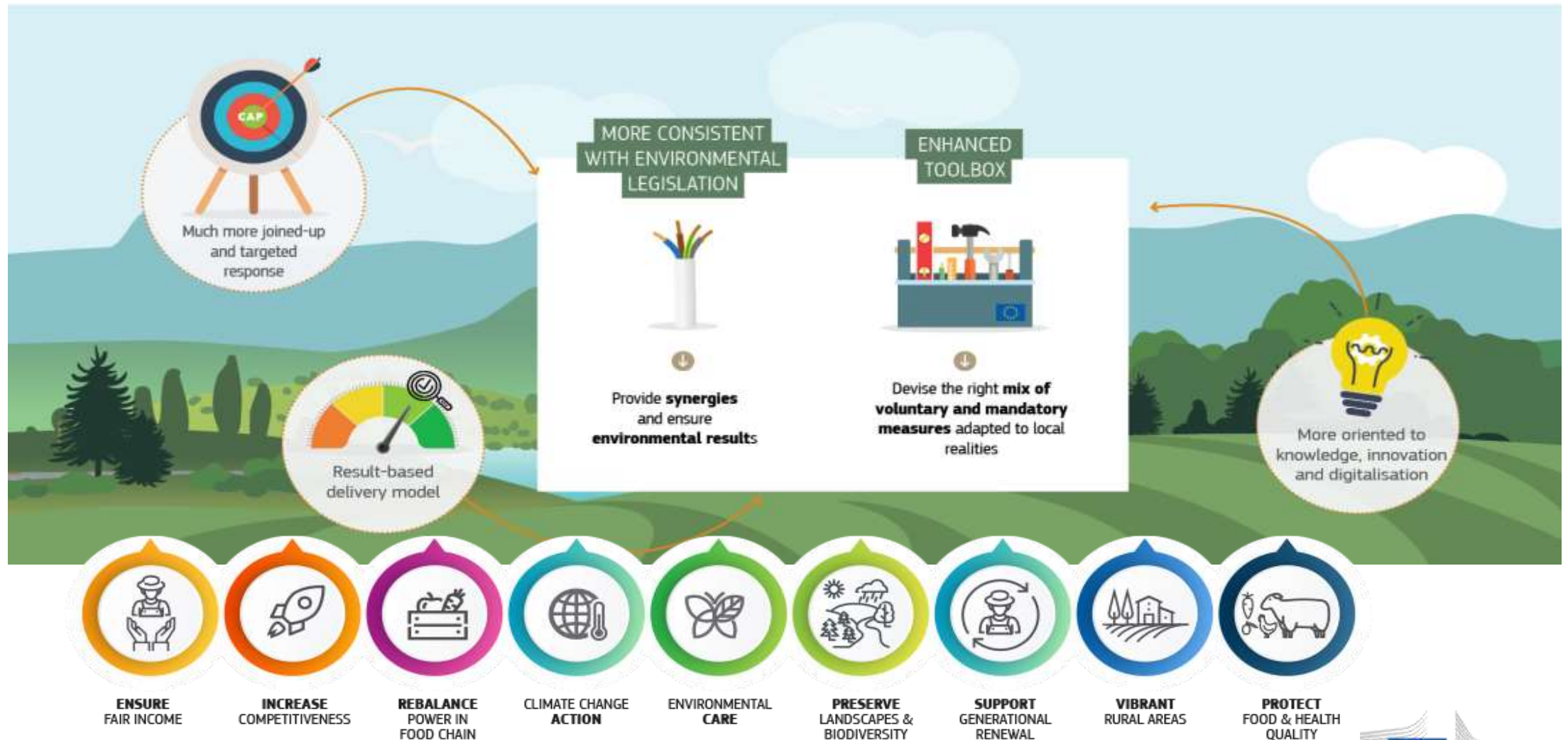
CAP Reform and Transitional Regulation: state of play

European Rural Networks' Assembly

4 Dec 2020

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The Future Common Agricultural Policy: Proposed June 2018/ on-going work by co-legislators



Two years after #FutureCAP

- New developments
 - **Green Deal:** EU strategies on sustainability challenges (Farm to Fork, Biodiversity Strategy)
 - **Structured dialogue with MS:** recommendations on future CAP Strategic Plans
 - **COVID-19 Crisis:** common EU response to crisis – recovery and resilience facility
- Transitional period agreed (proposed 1 year – turned into a 2 years)
- Negotiations for new CAP ongoing

Transitional Regulation: state of play

- **Provisional political agreement** between the co-legislators on the essential aspects of transition (**EAFRD**) reached in June 2020;
- **Provisional political agreement** on the integration of the €8 billion of the **Next Generation EU (ERI)** funds for rural development in the transitional regulation reached in November 2020; - front loaded in 2021 and 2022 instead 2022 - 2023
- **Last trilogue** held on 27 November
- Remaining issues:
 - adoption of the 2021-2027 MFF (€26 896 831 880);
 - adoption of the ERI regulation;

Transitional Regulation: next steps

- **Adoption of TR:** mid-December 2020 (?);
- **Consequential amendments of the relevant secondary legislation (DA&IA);**
- **Requests to modify RDPs** to include and program the 2021-2022 allocations and the ERI resources – respecting:
- **NO backsliding** - RDP amendment shall **ensure** that **at least the same overall share** of the EAFRD contribution is reserved for the **measures referred to in Article 59(6)**.

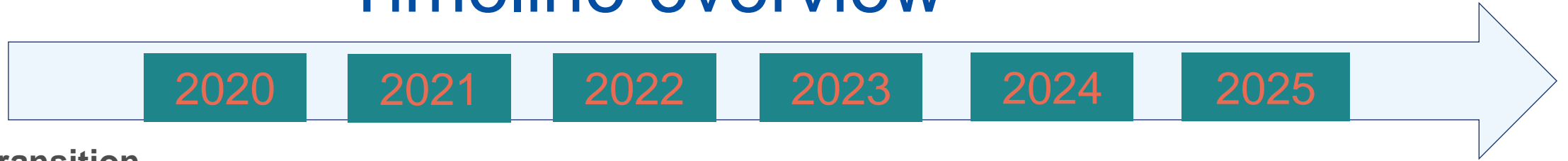
ERI: Implementation rules

- Objective: to support the recovery, tackle the adverse economic consequences and address the impact of the COVID-19 pandemic on agriculture and rural development in the aftermath of the COVID-19 pandemic (ERI Regulation);
- ERI will be used to support **RD measures** *‘...paving the way for a resilient, sustainable and digital economic recovery in line with the objectives of the Union’s environmental and climate commitments and with the new ambitions set out in the European Green Deal’*;
- ERI resources will be implemented through RD Regulation (1305/2013);
- In consequence, the rules set out in RD, Horizontal and CPR Regulations apply, except where the Transitional Regulation provides otherwise.

Targeting Green and Digital recovery

- **Ring fencing requirements of ERI**
- Minimum spending requirements of 5% for LEADER (Art. 59(5)) and 30% for environment/climate beneficial operations (Art. 59(6)) will not apply to ERI;
- **1) No- regression** (no-backsliding) principle applies: At least the same overall share of the EAFRD contribution must be reserved in RDPs for measures under Art. 59(6) (the same measures as for the 30% env/climate operations);
- **2) At least 37 %** must be reserved in for measures under Art. 33, 59(5) and (6) (animal welfare, LEADER and operations beneficial for environment & climate);
- **3) At least 55 %** must be reserved for measures under Art. 17 (investments), 19 (farm & business development), 20 (basic services) and 35 (co-operation) to promote economic & social development of rural areas, resilient, sustainable & digital economic recovery in line with agri-environment -climate objectives.
- MS may **derogate from the no-back sliding principle or the 55% threshold** to the extent necessary to comply with either of the two requirements.

Timeline overview



Without transition



With a 2-year transition



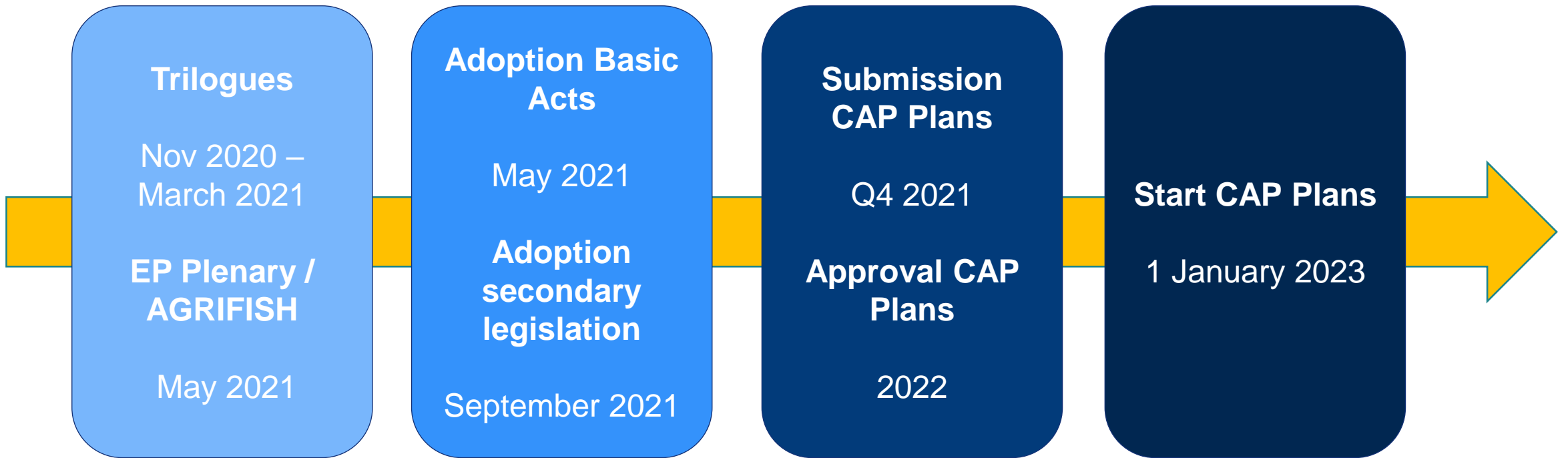
CAP reform: **state of play**

- European Parliament and Council: mandates for inter-institutional negotiations adopted in October 2020
- Trilogues kicked-off on 10 November (SPR, HZR, CMO)
- Trilogues for SPR (to be) held on 19/11, 01/12 and 10/12
 - Technical meetings running in parallel
 - Issues discussed so far:
 - **Green Architecture (conditionality and eco-schemes)**
- Trilogue for CMO held on 2/12
- Trilogues for HZR (to be) held on 4/12 and 18/12

Inter-institutional negotiations: COM priorities

- A 'green architecture' that retains essential elements to allow for an ambitious contribution of the CAP to environmental-climate sustainability (conditionality, eco-schemes, pillar 2 interventions and ring-fencing)
- A fairer and a more targeted distribution of direct payments
- A solid and credible performance framework (→ new delivery model focused on performance)

CAP reform: next steps

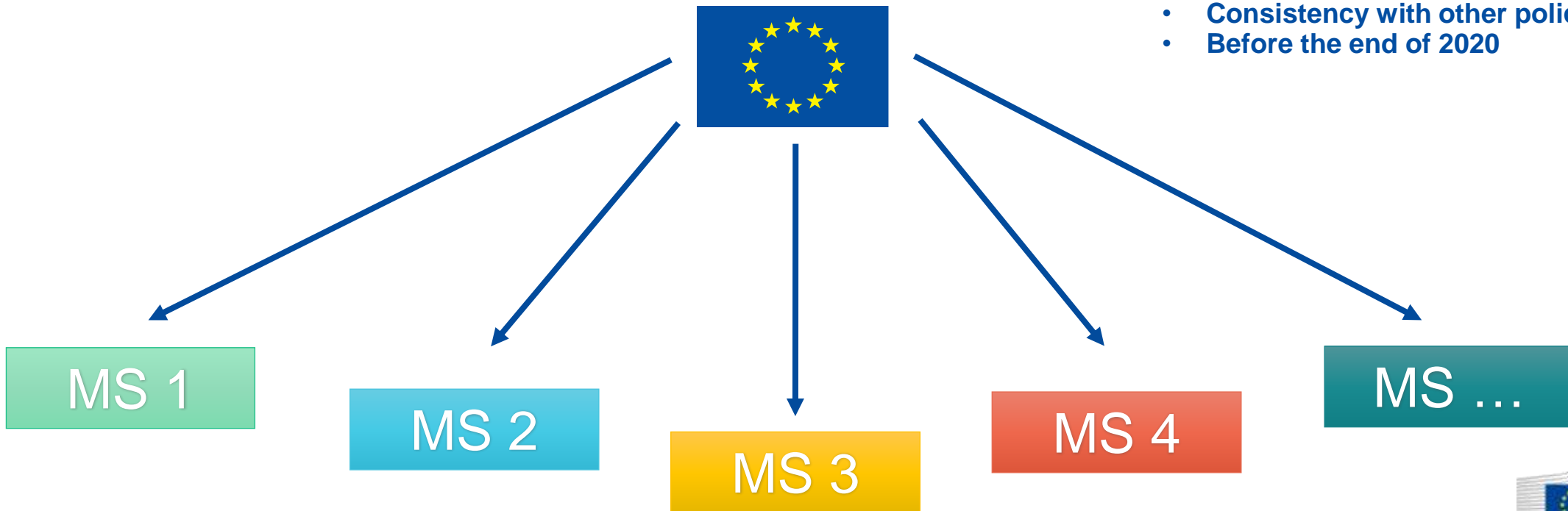


A new structured dialogue with MS



RECOMMENDATIONS

- Based on evidence
- Particular attention to the EGD Targets
- Consistency with other policy instruments
- Before the end of 2020



Transition for EU & National Networks

Networks to accompany (extended) RDPs & support CSP preparation

National CAP Networks to be established max. 12 months after CSP approval

DE Presidency: Technical clarification to Art 140 SPR (*Transitional & Final Provisions*)

- Until networks (EU or national) are established under Art 113, 'old' networks may carry out in addition to their current RD tasks, the new tasks under SPR

And, vice versa

- Once new networks (EU or national) are established under SPR, they can until 31.12.2025, carry out tasks related to RDPs under Art 1305/2013

Continuity in supporting the EU Rural Networks and the future European CAP network

Call for tenders for setting up and managing Networking Activities in Support of the CAP
published 28/10/2020 – deadline for submitting offers: 19/01/2021

LOT 1

Design and implementation of CSPs + remaining years of RDPs

LOT 2

Innovation and knowledge exchange
EIP AGRI

LOT 3

European Evaluation Helpdesk for the CAP

LOT 4

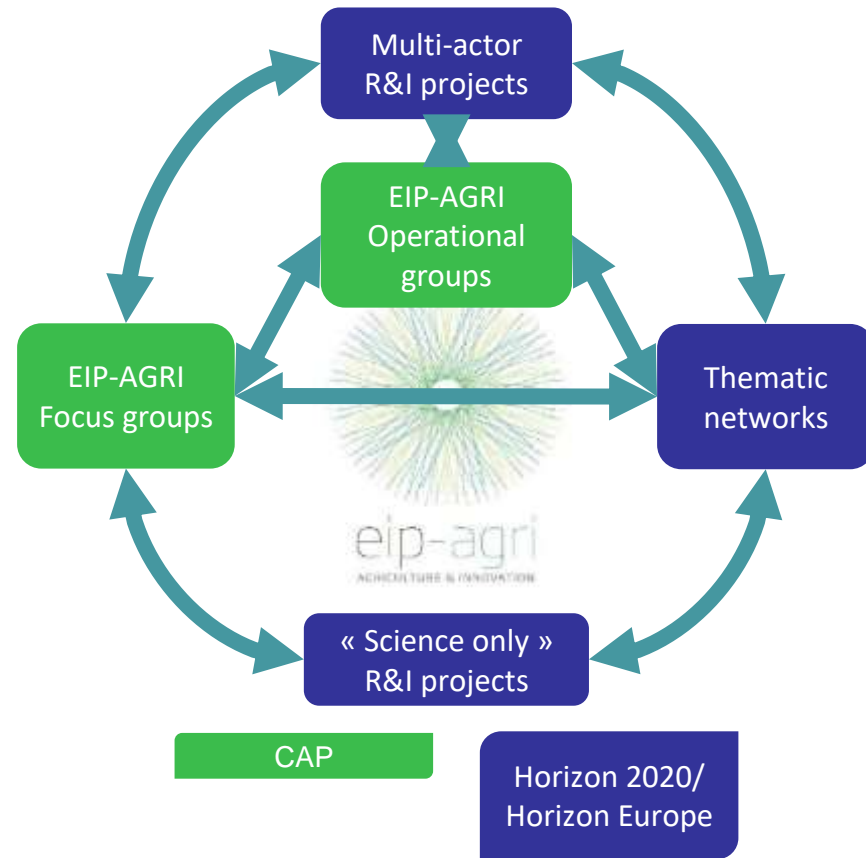
Logistical and communication support for lots 1, 2 and 3

Reflections on future CAP Network governance

- **Reflection exercises** held on experience with current RN governance bodies (*strengths/weaknesses + suggestions for future*) in:
 - RN Steering Group & Assembly
 - Sub Group on Innovation
 - LEADER/CLLD Sub-Group (via survey)
- **Continuity:** Current RN Governance bodies will continue until ones for new EU CAP Network are set up.

Boosting implementation of agricultural R&I and impact on the ground

Agriculture, Forestry and Rural Areas



Horizon Europe Missions

Leaving space for new approaches



Agriculture, Forestry and Rural Areas

Adaptation to climate change, including societal transformation

Soil health and food

Mission areas

Cancer

Climate-neutral and smart cities

Healthy oceans, seas, coastal and inland waters

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Thank you



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