

EXPLANATORY MEMORANDUM

CONTEXT OF THE PROPOSAL

- **Reasons for and objectives of the proposal**

Farming and food are strategic sectors for the Union, providing safe and high-quality food to 450 million Europeans at affordable prices and playing a key role for European as well as global food security. At the same time, they are essential for sustaining the economy and life in rural areas, as well as an important part of the solution in the protection of climate, nature, soils, water, and biodiversity currently under stress. The Common Agricultural Policy (CAP) is at the heart of the European project and has committed more than 60 years ago to ensuring food security and a fair standard of living for the agricultural community, in line with the EU Treaties' objectives.

Such commitment is as relevant today as it was then, as the EU agricultural sector faces significant challenges. The sectors attractiveness for young people needs a boost, as only a fraction of farmers is younger than 40 years. The sector is exposed to climate change, biodiversity loss, and socio-economic pressures, which threaten its long-term sustainability and livelihoods. Uneven global playing fields, some import dependencies and vulnerability to geopolitical uncertainties add to the long-term uncertainty faced by EU farmers. Investments are difficult to finance as agricultural income per worker remains significantly lower than the average wages in the whole economy (60% in 2023). Additionally, territorial imbalances and, insufficient access to knowledge and innovation – including digital solutions - contribute to the declining attractiveness of the sector, particularly among young people.

These challenges make public support necessary for the sector and at the same time call for a robust and adaptive policy response to ensure a competitive, resilient, and sustainable agricultural sector. Building on the successful previous reforms that put the CAP on the path of a performance-based and market-oriented policy, the CAP thus needs to continue to evolve and sharpen its ability to respond effectively to a changing global, EU, national and regional situation, including at farm level.

EU Heads of State have repeatedly emphasized the need to enhance the resilience of EU agriculture to ensure long-term food security, preserve the vitality of rural communities, and recognize the crucial role of the CAP in achieving these goals. At the same time, they have stressed the importance of providing a stable and predictable policy framework to support farmers in addressing environmental and climate challenges.

The Political Guidelines for the Commission mandate 2024-2029 underscore the importance of ensuring that farmers have a fair and sufficient income to continue innovating and delivering benefits to the Union as a whole. To achieve this, the guidelines call for reducing bureaucratic burdens, rewarding farmers who work in harmony with nature, and strengthening their position in the food value chain to protect them from unfair trading practices. This requires striking a balance between incentives, investments, and regulation to build a more competitive and resilient agricultural sector.

The Commission's Communication of 19 February 2025, "A Vision for Agriculture and Food," outlines key principles for the CAP post-2027. These principles include a CAP based on clear

objectives and targeted requirements, with Member States assuming greater responsibility and accountability for meeting policy objectives. The Communication also highlights the essential role of the CAP in supporting and stabilizing farmers' incomes, attracting a new generation of farmers, and ensuring a simpler and more targeted policy with a clearer balance between incentives and mandatory requirements. Furthermore, it emphasises the need for greater flexibility for farmers and a shift from conditions to incentives. The new financial framework presents an opportunity to build on the recent reform, aligning rules for support to achieve competitiveness, resilience, innovation, and sustainability objectives in a cohesive and effective manner.

The 2023-27 CAP Strategic Plans have proven to be effective tools for integrated policy implementation, facilitating cooperation among governments, stakeholders, and civil society. The new delivery mechanism introduced in 2023 offers a policy- and performance-based approach, increasing flexibility and responsibility for Member States to address local specificities within a common EU framework. Building on this experience, there is an opportunity to further streamline the CAP's implementation and to increase synergies and flexibility within and with other spending areas.

In the context of the MFF legislative proposals for 2028-2034, this proposal dedicated to agriculture is justified by the specificities of the CAP. **While the future CAP will align with the streamlined delivery mechanisms for EU spending programmes under the new MFF and its programming and delivery will be part of the National and Regional Partnership Fund and plans**, this proposal lays down specific rules which are needed to steer the CAP towards:

- **Contributing to a more targeted income support for farmers and their long-term competitiveness**, directing support towards farmers that actively contribute to food security, towards the economic vitality of the farms and specific sectors and the preservation of the environment, while enabling access to complementary sources of income.
- **Improving the attractiveness of the profession and fostering generational renewal**, helping the access of young people and those entering in the profession, including through promoting skills development, better access to capital and better working conditions.
- **Enhancing the role of the farming and forest sector for climate action, ecosystem services provision, the conservation of biodiversity and natural resources**, by rewarding farmers who work with nature and incentivising a move towards more sustainable production methods which are adapted to the local conditions, and delivering the right balance of investments, incentives and requirements.
- **Improving resilience, ability to cope with crises and risks**, providing stronger and more targeted incentives for farmers to reduce their vulnerability and exposure to risks including through adaptation at the farm level and diversification of production, promoting more ambitious transformation changes in places where business as usual is not sustainable in the longer term, and strengthening the link between prevention and crisis management.
- **Accelerate innovation, enhancing access to knowledge and accelerating the digital transition** for a thriving agriculture sector through strengthening agricultural knowledge and innovation systems including access to impartial and qualified advisory services, targeted training, fostering the wider uptake of digital solutions.

- **Enhancing working conditions and life in rural areas**, by offering relief services and support for cooperation, business development, value added and projects allowing rural development.

In achieving these objectives, the proposal aims to **realise the full potential of strategic planning through a simpler and more flexible policy framework that enhances synergies and complementarities across sectors**. The new Multiannual Financial Framework provides an opportunity for the EU budget spending for agriculture to be more impactful. Building on the current system based on strategic plans, the programming will benefit from a further evolution while ensuring the coherence and synergies with the common framework provided by the full set of MFF proposals, particularly the Commission proposals for a Regulation establishing the **National and Regional Partnership Fund** for the period 2028-2034 ('NPRF Regulation') [ref to be added], the proposal for a Regulation on **Common performance framework** ('Performance Regulation') [ref to be added], the proposal for a **European Competitiveness Fund** [ref to be added] and the proposal for a **Research Framework Programme** [ref to be added]. As regards **pre-accession** support, the proposal for a Global Europe will prepare candidate countries by putting in place the required structures for their agriculture systems to gradually align with the CAP.

- **Consistency with existing policy provisions in the policy area**

This proposal is fully consistent with the CAP TFEU objectives. It modernises the way the TFEU provisions are implemented, in line with the orientations of the MFF 2028-2034, the vision for agriculture and food and the simplification efforts, while adapting to current challenges.

Article 39 TFEU sets out the objectives of the CAP:

- to increase agricultural productivity by promoting technical progress and by ensuring the rational development of agricultural production and the optimum utilisation of the factors of production, in particular labour;
- thus to ensure a fair standard of living for the agricultural community, in particular by increasing the individual earnings of persons engaged in agriculture;
- to stabilise markets;
- to assure the availability of supplies;
- to ensure that supplies reach consumers at reasonable prices.

- **Consistency with other Union policies**

Agriculture is a major contributor to the EU global **competitiveness**. The Union is a large importer of commodities and an export champion for valuable agriculture and food products and has therefore an impact on food systems outside the Union. The proposal, in line with Article 208 TFEU, takes into account the Union development cooperation's objectives of poverty eradication and sustainable development in developing countries, in particular by ensuring that Union support to farmers has no or minimal trade effects.

Agriculture and forestry cover 84% of the Union territory. The sector both depends on and influences the state of the environment. CAP specific objectives naturally include **environmental and climate action**. For example, the CAP contributes to climate adaptation and water resilience,

such as flood risk mitigation and water management through landscape restoration, while also supporting biodiversity and conservation initiatives. Similarly, the CAP can support renewable energy projects and bioeconomy, thus contributing to the EU's energy transition and circularity objectives.

The proposal puts a strong focus on supporting young farmers and promotes **generational renewal**, in line with the Commission's focus on youth.

The CAP supports income for farmers and thus contributes to the enhancement of **social objectives and policies** in several important ways: targets farmers most in need, supports the diverse socio-cultural characteristics of EU rural areas, including job creation and good workers conditions in farming and rural areas. It is necessary to protect final beneficiaries and ensure predictability for the income support component of the CAP and to target and steer the support efforts, which this regulation provides for. Finally, the CAP finances skills and knowledge to support farmers in their socio-economic, green and digital transition. Strengthened agricultural education, lifelong learning opportunities, and peer-to-peer. With the new structure it can better align its instruments with the national training systems and research programmes.

Agriculture has a direct link with the “**one health**” concept. In this respect, the proposal provides a set of instruments that aim at ensuring high quality food production, reducing use of pesticides and antimicrobials, improving animal welfare conditions, as well as biosecurity measures at farm level to prevent outbreaks of pests and animal diseases.

The CAP contributes to cohesion and the right to stay by fostering a diverse and resilient rural economy in **rural areas**, supporting for example business opportunities, agro-tourism, infrastructure, and the bioeconomy via its LEADER strategies. This aligns with the Long-Term Vision for Rural Areas goals, emphasizing economic diversification in rural environments for farmers.

Like in other sectors, agriculture and rural areas should make better use of **innovation** to enhance competitiveness, sustainability and resilience. New technology and knowledge, in particular digital technologies, improve resource efficiency. The proposal reinforces the links to research policy by putting the organisation of knowledge exchange prominently in the policy delivery model. The CAP and the EU research and innovation policy can significantly enhance agricultural sector competitiveness and resilience. Similarly, the emphasis placed on digitisation allows linking up to the EU Digital and AI Agenda, but also limit reporting burden.

There are many opportunities for synergies between the CAP and other EU policies, that the new planning mechanism will allow to better exploit. Nevertheless,

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

• Legal basis

Article 38 TFEU empowers the Union to define and implement a common agriculture policy. Article 39 TFEU sets the objectives of the CAP, which include the increase of agricultural productivity, a fair standard of living for the agricultural community, stabilise markets, assure the availability of supplies and that these supplies reach consumers at reasonable prices.

The legal basis for this proposal is Article 43(2) TFEU.

- **Subsidiarity (for non-exclusive competence)**

The Treaty on the Functioning of the European Union provides for shared competence for agriculture between the Union and the Member States, while establishing a common agricultural policy with common objectives and a common implementation.

In the current delivery model, the Union has moved towards setting the basic policy parameters (objectives of the CAP, broad types of intervention, basic requirements), while Member States take greater responsibility and are more accountable for how they meet the objectives and achieve agreed targets. In this framework, the proposal for the CAP post-2027 continues to ensure a level playing field among Member States and farmers in the single market, guaranteeing food security throughout the Union, and addressing challenges of a cross-border and global nature.

In line with the Vision for Agriculture and Food and seeing the Union's highly diversified farming environment with different physical parameters, a one-size-fits-all approach is not suitable to delivering the desired results. A greater level of integration with various policies and flexibility for Member States will make it possible to better take into account local conditions and needs. Member States will be in charge of tailoring CAP interventions to maximise their contribution to Union objectives, based on recommendations from the Commission.

- **Proportionality**

The economic, environmental and social challenges facing the EU's farming sector and rural areas require a substantial response and a lasting effort which does justice to the EU dimension of those challenges. The CAP policy framework is accompanied by a robust and commensurate budget in the NRPF. The greater power of choice offered to Member States in selecting and adapting available policy tools within the CAP to meet EU common objectives, is proportionate to the level of action required in the face of needs and challenges.

- **Choice of the instrument**

The Common agricultural policy has its legal basis in TFEU article 42-43 and has shown over more than 60 years of history that it remains relevant, necessary and is evolving over time. A well targeted policy, providing the right steer will ensure the right conditions for farmers and rural areas to strive and ensure food security and generational renewal in a sustainable way.

The legal act sets out the specific policy aspects genuine to the CAP, its focus and its steer, creating rights for and obligations on Member States and final beneficiaries. Due to its long-term and strategic nature, and the nature of its expenditure being income support, investments and cooperation an integrated but self-standing legal basis is justified. Taking into account the overall MFF governance system, the most appropriate vehicle to operationalize the proposed framework is a dedicated regulation on the Common Agriculture Policy, which complements the proposed NRPF Regulation and Performance Regulation with specific provisions applicable to Common Agriculture Policy. It works together with the CMO, as in the past.

3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

• Ex-post evaluations/fitness checks of existing legislation

In November 2023, the Commission published a report¹ on the joint efforts of all the CAP Strategic Plans in the EU Member States (under the currently applicable Regulation (EU) 2021/2115) highlighting some key elements:

- The new CAP Strategic Plans are an appropriate tool to pursue the CAP policy objectives;
- The CAP Strategic Plans show continued support for farm income, economic sustainability and resilience of the agricultural sector;
- There is a need to reinforce risk management tools and their increased uptake across the Union through EU or national schemes;
- The plans are greener than in the previous CAP period; but there is more potential to contribute to climate change mitigation, in particular by enhancing carbon sequestration, while climate adaptation challenges call for a more holistic and longer-term approach that requires relevant management practices and investment;
- There is progress on sustainable management of natural resources, in particular on soil and reducing dependency on chemical inputs;
- More holistic approaches to specific sectors will be needed, encompassing their economic, social and environmental vulnerabilities and benefits: for example, enhancing the positive influence of extensive livestock systems on biodiversity, carbon sequestration, landscapes, cultural heritage and rural livelihoods;
- And, lastly, the overall situation also depends on elements outside the CAP, as well as on other external factors such as the evolution of markets and consumer preferences.

In that overview report summarising the collective ambition and joint effort of Member States, the Commission considered that additional attention is particularly needed on the following areas: reinforcing skills, training and advisory capacity at all levels; fostering exchanges of good practices to better guide Member States and stakeholders; reducing the administrative burden of specific interventions; and monitoring implementation and results (as well as adjusting CAP Strategic Plans where necessary).

• Stakeholder consultations

The Commission actively engaged with stakeholders in the preparation of the MFF initiatives.

A strategic dialogue on the future of EU agriculture was launched in January 2024, bringing together 29 key stakeholders from the European agri-food sectors, civil society, rural communities and academia to reach a common understanding and set a vision for the future of EU's farming and food systems. The Strategic Dialogue highlighted the need to continue providing socio-economic support targeted to the farmers who need it most; promoting positive environmental, social, and animal welfare outcomes for society; and invigorating enabling conditions for rural areas. It found that reaching the EU's objectives in terms of agriculture and food production, rural development, climate neutrality, and biodiversity restoration requires a dedicated and commensurate budget that

¹ [add ref]

matches all ambitions in a balanced and equal importance. Such principle is essential for making the transition economically profitable, promoting generational renewal, invigorating rural areas and supporting farms at a competitive disadvantage, yet essential for agricultural diversity in the EU.

Furthermore, in the framework of the recently established European Board for Agriculture and Food (EBAF), bringing together organisations representing the farming community, other actors of the food supply chain, and civil society, a dedicated discussion took place on 19 May 2025 and on 19-20 June 2025 on how to better target direct payments and move from conditions to incentives in the CAP post-2027.

Additional inputs on the future of the CAP were collected through dedicated meetings organized in the framework of existing EU stakeholders' platforms and ad-hoc technical workshops bringing together EU stakeholders and Member States.

- **Collection and use of expertise**

In order to gather evidence and knowledge from experts on CAP-related issues a set of technical workshops were organised between December 2023 and May 2024. These workshops allowed to exchange views between EU stakeholders, Member States and Commission services, and to advance in the formulation of the key conclusions and issues to take into account in the modernisation and simplification process of the CAP.

The first workshop on resilience concluded on the need to strengthen risk management tools at farm level and risk sharing opportunities along the value chain, with a more holistic approach, including on prevention. A second workshop focused on food security, a third workshop on sustainability concluded with a broad support on the need to help farmers in testing new innovations, more independent advice. A fourth workshop on CAP governance and performance confirmed the overall support for the new delivery model of the CAP, participants called on the need of stability, flexibility and simplification (especially for farmers); explore more voluntary approaches; increase the ability to respond to external shocks; proportionality in controls and penalties. A last workshop focused on solidarity and rural areas and highlighted a general support to ensure more integrated policy responses, essential for the breadth of rural challenges, CAP cannot do it all, best practices exist but are not picked up, and the need for more capacity building for administrations and simpler frameworks.

A Commission foresight project on digital transition for farmers and rural communities included a series of participatory workshops with stakeholders, between March 2022 and May 2023. The Commission participated, alongside the Member States, in the foresight exercise undertaken by the Spanish Presidency on Open Strategic Autonomy, that included agri-food as part of four strategic sectors.

Finally, an implementation dialogue in June 2025 chaired by Commissioner Hansen allowed to identify priorities to improve the current CAP instruments.

- **Impact assessment**

The proposal was informed by the impact assessment carried out in the context of the MFF 2028-2034 Commission NPRF proposal [reference], which evaluated options for the NPR plan's design,

focusing on two key aspects: the delivery model, which determines how funds are disbursed, and the management mode, which governs how EU spending is implemented and overseen.

The impact assessment evaluated options for integrating the Common Agricultural Policy (CAP) into a single plan.

Option 1 (CAP outside of the NPR Plans) would be building on the expertise gained from implementing the current CAP Strategic Plans. This approach would ensure continuity, allow for manageable changes, and clarify responsibilities at the Union and national levels.

The further integration of CAP would bring further simplification and greater synergies in achieving the policy's objectives and ensure predictability for beneficiaries. On the other hand, a one-fund approach for the future CAP, while allowing for targeted support, would limit the ability to address emerging or unforeseen needs and changing priorities. However, to enhance efficiency, there is potential for additional harmonization of key policy design aspects, such as monitoring, performance, and audit systems, across the future Multiannual Financial Framework (MFF). This would create synergies in administrative procedures, reducing costs for Member States.

In contrast, the impact assessment shows that fully integrating the CAP (Option 2b) would necessitate introducing specific rules to ensure the integrity of the single market and fair competition among farmers, particularly for instruments directly supporting farm income, such as direct payments, which are crucial for farmers' livelihoods.

According to the impact assessment having one plan per Member State would ensure more coherent programming, reflecting national and regional needs while supporting Union priorities. A single envelope per Member State would enable efficient and flexible allocation of funding, allowing for easy reallocation of resources to address new priorities or challenges. Overall, the impact assessment concludes that a broader scope and integrated management approach would bring significant benefits, including increased coherence, simplicity, and flexibility.

- Regulatory fitness and simplification

Simplification is an overarching priority of the Commission with the aim to reduce burden and over complexity and favour speed and flexibility.

The number of provisions relating to the common agricultural policy has been drastically reduced, and coherence achieved between the relevant articles in the NRPP, the CAP regulation and the Common market organisation regulation. Overall, the level of detail and number of requirements is reduced while emphasis is put on provisions essential for the functioning of the CAP legal framework. This leads not only to a reduction in the overall number of provisions but also improves the overall quality of the legislation and reduces its complexity, while providing more flexibility for Member States to adjust the common CAP instruments to their specific needs and challenges.

By integrating interventions from the current two-fund structure (EAGF and EAFRD), the proposal aligns tools for competitiveness, resilience, innovation, and sustainability objectives, allowing them to work jointly towards better outcomes. This alignment not only enhances the

effectiveness of the support available but also brings greater flexibility and simplification to its management, ultimately leading to more efficient and targeted interventions for farmers and authorities alike. This increased flexibility gives Member States room to design, plan and implement the tools for CAP support in the way that best addresses the specific needs of the sector.

Simplification for beneficiaries will be achieved, *inter alia*, through:

- simplification of conditionality (farm stewardship) Reduction in the number of types of interventions (many merged e.g. ecoschemes and agri-env-climate commitments, significant reduction of schemes in direct payments), improved focusing of the types of interventions, key requirements only in the Regulation;
- offering more lumpsums. This will allow for simplified application procedures that will reduce the burden for beneficiaries and administrations.

Simplification for Member States comes from:

- Single fund: no complex rules about transfers, no separate sets of rules for each fund Moving the burden of control from Paying agencies to existing national control competent bodies thus reducing the risks for multiple control checks on farm
 - The proposal also aligns timelines for payments, removing rigidities while ensuring timely payments to farmers, thus allowing a closer link to the actual implementation of interventions.
- **Fundamental rights**

This proposal respects the fundamental rights and observes the principles recognised in particular by the Charter of Fundamental Rights of the European Union as laid down in the Commission proposal for NRPf Regulation. The provisions of that proposed Regulation concerning respect of fundamental rights and the rule of law will apply also to the support for common agriculture policy.

4. BUDGETARY IMPLICATIONS

In order to reap the benefits of the national and regional partnership planning, the Commission proposal on the multiannual financial framework for 2028-2034 (insert reference) includes the common agricultural policy in the NRPf. A significant part of the Fund is dedicated to income support for agriculture, which is ringfenced with a minimum of EUR XXX from the allocations of the Fund, in order to provide stability and predictability of support for beneficiaries.

This funding can be augmented within the NRPf by synergetic programming of actions that service more than one objective, such as agro-energy, skills and social infrastructure, water or connectivity, to give just a few examples. Furthermore, the NRPf Regulation will provide funding for promotions and the crisis interventions and safety net under the Facility, including what used to be the agricultural reserve to the tune of EUR XXX, as well as the funding part of the technical assistance for e.g. networks or monitoring.

Funding for agriculture can benefit from projects under the European Competitiveness Fund and remain an integral part of the European Research Framework Programme, under their windows

for Health, Agriculture and Bioeconomy. For Horizon Europe the proposed envelope includes EUR XXX to support research and innovation in food, agriculture, rural development and the bioeconomy. The combination will allow to preserve the tools currently available, for use in an optimised way.

Details on the financial impact of the CAP proposal are set out in the financial statement accompanying the NRPP proposal.

5. OTHER ELEMENTS

• Implementation plans and monitoring, evaluation and reporting arrangements

This initiative will be monitored through the performance framework applicable for the 2028-2034 multiannual financial framework, which is set out in the proposal for a Regulation xx [performance regulation]. The performance framework provides for an implementation report during the implementation phase of the programme, as well as a retrospective evaluation to be carried out in accordance with Article 34(3) of Regulation (EU, Euratom) 2024/2509. The evaluation shall be conducted in accordance with the Commission's Better Regulation Guidelines and will be based on indicators relevant to the objectives of the Fund.

Explanatory documents (for directives)

Not applicable.

• Detailed explanation of the specific provisions of the proposal

This proposal is part of the MMF 2028-2034 package, including NRPF Regulation and Performance Regulation which provide funding, the framework for horizontal principles, rules on the management of the NRP Fund, financial framework, general rules concerning the content and approval of the NRP Plans and their governance, as well as the assurance package, we well as the performance framework and monitoring framework.

This proposal complements these general rules with specific rules applying to common agricultural policy and Agriculture chapter of the NRP Plans.

The proposal is also complementary to the rules set out in the proposed Regulation amending Regulation (EU) No 1308/2013², which will provide for rules concerning interventions in certain sectors and the school schemes.

Common Agriculture Policy Regulation:

Articles 1 and 2 provide for the scope, CAP national recommendations to be adopted and steering. Articles 3 and 4 outline elements of the environmental, climate and social architecture of the CAP including environmental and climate priority areas. Article 5 lists all CAP interventions and sets

² Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007 (OJ L 347, 20.12.2013 p. 671-854), ELI: <http://data.europa.eu/eli/reg/2013/1308/oj>.

out provisions concerning Income support interventions. Articles from 6 to 20 outline requirements for CAP interventions as well as provisions for targeting.

Articles 15 and 16 detail provisions related to generational renewal provides for the starter pack for young farmers, consisting of a comprehensive set of interventions aimed at young farmers facilitating entry and establishment of farmers in the agricultural sector. Articles 18, 19, 20 cover other interventions under the CAP funded from the allocations for the NRP Plans. It establishes types of intervention for cooperation, LEADER, support for knowledge sharing and innovation in agriculture, forestry and rural areas and establishes other actions for the CAP.

Article 21 sets out CAP data governance, including provisions on authority in charge of data governance under the CAP.

Articles 22 to 25 contain general and final provisions, including delegation of power to the Commission to supplement this Regulation and implementing powers for the Commission to take measures to derogate from this Regulation to resolve specific problems in cases of a justifiable emergency, Committee procedure and final provisions.

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

establishing the conditions for the implementation of the Union support to the Common Agriculture Policy for the period from 2028 to 2034

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 and in particular Articles 43(2) thereof,

Having regard to the 1979 Act of Accession, and in particular paragraph 6 of Protocol No 4 on cotton attached thereto,

Having regard to the proposal from the European Commission,

Having regard to the opinion of the Court of Auditors³,

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

Having regard to the opinion of the European Economic and Social Committee,

Having regard to the opinion of the Committee of the Regions,

Acting in accordance with the ordinary legislative procedure,

Whereas:

- (1) The Commission Communication of 19 February 2025 entitled ‘A Vision for Agriculture and Food’⁴ announces that the Common Agricultural Policy (CAP) post-2027 enhances responsibility and accountability for Member States on how they meet the CAP objectives, supporting and stabilising farmers’ incomes and attracting a future generation of farmers, and guaranteeing food security. The new CAP is to be a simpler and more targeted Union common policy, with more flexibility for farmers and a shift from requirements to incentives, for farmers.
- (2) The MFF 2028-2034 package includes Regulation (EU) .../... of the European Parliament and the Council [*NRPF Regulation*] establishing the National and Regional Partnership Fund (the ‘Fund’) for the period 2028-2034, grouping the nationally pre-

³ OJ C [...], [...], p. [...].

⁴ COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS: A Vision for Agriculture and Food: Shaping together an attractive farming and agri-food sector for future generations, COM(2025)75 final; <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52025DC0075>

allocated funds under the Fund, including the European Agriculture Guarantee Fund (EAGF) and the European Agricultural Fund for Rural Development (EAFRD) established under Regulation (EU) 2021/2115 of the European Parliament and the Council⁵ and Regulation (EU) 2021/2116 of the European Parliament and the Council⁶. The Fund should be implemented through National and Regional Partnership Plans (the 'Plans') and the Union Facility (the 'Facility'), which aim at increasing flexibility and cater for crises and interventions that require Union level steering or coordination. This Union support for the CAP will be provided under the Fund, in accordance with the rules governing that Fund set out in Regulation (EU) XX [NRP Fund].

- (3) With regards to agriculture, the general objective of the Fund referred to in Article X, point (c) of Regulation (EU) .../... [NRPF Regulation] recalls the objectives established in Article 39 TFEU. The CAP specific objectives directly contribute to sustaining Union's quality of life and are to be implemented by the Member States through their Plans.
- (4) In order to ensure that the Union adequately addresses the most pressing challenges for the agricultural sector, it is appropriate to provide for a steering mechanism reflecting the orientations of the Vision for Agriculture and Food for a targeted policy. To advance towards a competitive, resilient and sustainable agricultural sector, in line with the outcome of the stakeholders' consultations, the CAP national recommendations should provide a sufficient level of policy steering at Union level, to guide Member States in the design of their Plans as regards agriculture, defining the relevant interventions on the basis of their specific challenges and needs.
- (5) To ensure a level playing field and common framework for support for the Union agricultural sector, Member States should define the elements of the framework taking into account the local specificities and needs with the CAP objectives in mind, while the Union should provide the common framework for a policy that supports those who need it most.
- (6) The CAP has showed a positive impact on generational renewal in agriculture, but there remain obstacles, in particular as regards the provision of basic infrastructure and services in rural areas, access to land and social safety net for young as well as for retiring farmers. To address the specific needs of young farmers and new entrants, each Member State should be required to set in the Plan a strategy for generational renewal that should be based on the assessment of the specific national context, in line with the

⁵ Regulation (EU) 2021/2115 of the European Parliament and of the Council of 2 December 2021 establishing rules on the support for strategic plans to be drawn up by Member States under the common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and (EU) No 1307/2013 (OJ L 435 6.12.2021 p. 1) ELI: <http://data.europa.eu/eli/reg/2021/2115/oj>.

⁶ Regulation (EU) 2021/2116 of the European Parliament and the Council of 6 December 2021 on the financing, management and monitoring of the common agricultural policy and repealing Regulation (EU) No 1306/2013 (OJ L 435 6.12.2021 p. 187) ELI: <http://data.europa.eu/eli/reg/2021/2116/oj>

Commission's Vision for Agriculture and Food, which prioritises the long-term sustainability and attractiveness of the EU's farming and agri-food sector. The Member States should also develop a comprehensive "starter pack" for young farmers, designed to facilitate the entry and establishment of young farmers in the sector, including a comprehensive package of interventions targeting young farmers.

- (7) In line with the objective of achieving a better balance between incentives and requirements, Member States should target support through their Plans towards CAP priorities, which are essential for the long-term sustainability of agriculture. The CAP post-2027 should accelerate the transition towards more sustainable production methods, contributing to climate-neutrality objective by 2050. The new CAP should offer better rewards for delivering more ambitious ecosystem services which go beyond the results achieved through mandatory requirements. The new CAP should strike a new balance between a farm stewardship with a set of mandatory requirements, and agri-environmental and climate actions which support commitments beneficial for the environment, climate and animal welfare and a transition towards more resilient production systems.
- (8) The farm stewardship should be established to guarantee compliance of the CAP support with the "Do No Significant Harm" principle laid down in Regulation (EU) .../... of the European Parliament and the Council [*Performance Regulation*]⁷. The farm stewardship should comprise minimum environmental and social conditionality requirements, as well as protective practices designed by Member States to deliver on key objectives such as protection of soils and river courses from pollution. Member States should have the flexibility to adapt those protective practices to their specific geographical and climatic context and production systems including by establishing exemptions. To promote socially sustainable agriculture, certain CAP payments require compliance with standards on working and employment conditions, occupational safety and health. The European Charter and diverse national frameworks and labour market models should be respected, no additional obligations should be imposed on social partners or Member States regarding enforcement or controls and double corrections avoided.
- (9) Income support for farmers should continue to be the central policy instrument to guarantee a fair income to farmers and sustainable farming and food production. It should contribute to fostering a competitive and resilient agricultural sector pursuing the benefits of high-quality production and resource-efficiency, while ensuring generational renewal and thus long-term food security. Income support allocations should be ringfenced to be used for Income support for farmers only, to provide stability and predictability for the EU agricultural sector. In order to ensure high impact and efficiency, the new CAP should entail a streamlined and consistent toolbox of

⁷ Regulation (EU) .../... of the European Parliament and the Council of ... [add exact name of the act]

Income support types of intervention enabling Member States to deliver on the CAP objectives.

- (10) Given the need to target the support to those most in need, Member States should pay the area-based degressive income support only to those persons whose principal activity is agriculture, while ensuring that small and pluri-active farmers, who are engaged in at least a minimum level of agricultural activity, are not excluded.
- (11) Recognising the need for more farm resilience and risk management, support should be granted to improve the ability of farmers to withstand increasing risks and crises, such as those related to the climate change or market instability, to enable farmers to participate in risk management tools, including support for insurance premiums and contributions to mutual funds in all Member States. A proactive approach to risk management reinforcing the sector's resilience should be promoted by fixing appropriate maximum support rates, with incentives for farmers who implement risk preventive measures.
- (12) The CAP objectives should also be pursued through support for investments implemented by farmers and forest holders. Such investments may concern, inter alia, infrastructures related to the development, modernisation or adaptation to climate change of agriculture and forestry, agro-forestry practices, energy and water, installation of digital technologies in agriculture, precision farming, diversification of income sources in other activities such as agro-tourism and bioeconomy. It should also be possible to support investments in the restoration of agricultural or forestry production potential following natural disasters, adverse climatic events or catastrophic events, including fires, storms, floods, pests and diseases.
- (13) Recognising the necessity for farmers to balance the professional duties with personal and family responsibilities, it should be possible to provide support for farm relief services facilitating replacement of farmers during leave for sickness, childbearing, holidays or in case of training participation. It should be possible to support establishment of these services as well as wages for temporary workers replacing the farmer.
- (14) To foster social, economic, environmental and digital transition in rural areas Member States should ensure that LEADER is supported. It should be possible to grant support under the NRP Plans to quality schemes and promotion activities, short supply chain and local market development.
- (15) In line with the need to boost innovation and more sustainable practices, the European Innovation Partnership for agricultural productivity and sustainability (EIP-AGRI) should remain a key policy tool, to support interactive innovation, enhancing the exchange of knowledge between actors with a view to spreading solutions ready for practice⁸. Synergies between the CAP and the Union Research Framework

⁸ COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL on the European Innovation Partnership 'Agricultural Productivity and Sustainability', COM(2012)79 final.

Programme (FP10), established by Regulation (EU) .../... of the European Parliament and of the Council [*cross reference*], should encourage agriculture to make the best use of research and innovation results, in particular those stemming from projects funded by FP10 and the EIP-AGRI, leading to innovations in the farming and bioeconomy sector and rural areas.

- (16) Enhancing interoperability between public agricultural information systems at national level can bring significant benefits, including reduced data collection burden, improved efficiency, and enhanced policy monitoring. In pursuing this aim, Member States should adopt the "collect once, use multiple times" principle to reduce reporting burden. Designating a single authority to coordinate interoperability efforts and investing in unique farm IDs, the EU ID Wallet, and data-sharing infrastructure can reduce administrative burden, streamline reporting obligations, and empower farmers within the data value chain, ultimately supporting the goals of the CAP.
- (17) In order to supplement the non-essential elements of this Regulation, the power to adopt acts in accordance with Article 290 TFEU should be delegated to the Commission. In order to ensure legal certainty, power should be delegated to the Commission to supplement this Regulation with measures ensuring that interoperability and seamless data exchange between information systems used for the implementation, monitoring and evaluation of the CAP are implemented by the Member States.
- (18) To ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred to the Commission to set out the Roadmap to achieve and maintain interoperability between information systems.
- (19) The Commission should be empowered to adopt immediately applicable implementing acts where, in duly justified cases relating to solving specific problems while ensuring the continuity of income support in the case of extraordinary circumstances, imperative grounds of urgency so require. Moreover, the Commission should be empowered to adopt immediately applicable implementing acts, where in duly justified circumstances, extraordinary circumstances affect the granting of support and jeopardise the effective implementation of the interventions listed in this Regulation.
- (20) In order to ensure smooth implementation of the measure envisaged and as a matter of urgency, this Regulation should enter into force on the day following that of its publication in the *Official Journal of the European Union*,

Article 1

Subject matter

In order to ensure a strong, sustainable common agricultural policy, EU food security, generational renewal and vibrant rural areas, this Regulation lays down specific conditions for the

implementation of the Union support for the Common Agriculture Policy (CAP) in accordance with the general objective laid down in Article 2, point (c), of Regulation (EU) [...] [NRP].

This Union support shall be provided under the National and Regional Partnership Fund in accordance with the rules governing that Fund and set out in Regulation (EU) [...] [NRP Plans].

Article 2

CAP national recommendations and steering

1. The Commission shall adopt CAP national recommendations providing guidance to each Member State for the implementation of the CAP-relevant specific objectives laid down in Article 3(d), of Regulation (EU) [...] [NRP], within their NRP Plans in line with Article 22 of Regulation (EU) [...] [NRP] [*requirements for the NRP Plans*] well in advance of the submission of the NRP Plans by the Member States. The CAP national recommendations shall be based on the following:
 - (a) contribution to fair and sufficient income for farmers and their long-term competitiveness, including the farmers' position in the value chain;
 - (b) improvement of attractiveness of the profession and foster generational renewal;
 - (c) enhancing climate action, ecosystem services provision, the conservation of biodiversity and natural resources, sustainable farming and improve animal welfare;
 - (d) improving resilience, farmers' preparedness and ability to cope with crises and risks;
 - (e) enhancing the access to knowledge and accelerate innovation and the digital transition for a thriving agri-food sector.

The CAP national recommendations may be updated by the Commission, as appropriate.

2. The Commission shall base the CAP national recommendations on an analysis of the situation of the agricultural sector and rural areas, including demographic factors, structural and territorial characteristics as well as food security in each Member State.
3. In the CAP national recommendations, the Commission shall in particular identify key challenges to be addressed by each Member State in their NRP Plan, on the basis of the CAP-relevant specific objectives set out in Article 3, point (d), of Regulation (EU) [...] [NRP].

Article 3

Farm stewardship

1. Farm stewardship shall comprise statutory management requirements (SMRs) listed in Annex I, part A [*Annex with SMRs*], protective practices defined by Member States in the NRP Plan in accordance with paragraph 4 of this Article and Annex I, part C, and the social conditionality system which comprises the statutory management requirements listed in Annex I, part B.
2. Payments under interventions referred to in Article 5(1), points (a) to (f), and points (o) and (p) to the extent they concern support for local agricultural products, [*degressive-area income support; payment for natural or other area-specific constraints; support for disadvantages resulting from certain mandatory requirements; agri-environmental and climate actions; coupled income support, POSEI and SAI only as regards local agri products support*] shall be

subject to compliance with a system of statutory management requirements and protective practices collectively referred to as ‘farm stewardship system’.

The list of statutory management requirements and the objectives of protective practices are set out in Annex I [*SMR and protective practices*]. However, these requirements shall not apply to farmers receiving support under Article 5(1), point (g) [*payment for small farmers*].

3. Support subject to the farm stewardship conditions shall be deemed to comply with the principle of ‘do no significant harm’ in accordance with Article 4 of Regulation (EU, Euratom) 202X/XXXX [*Performance Regulation*]. For the purposes of this Article, ‘statutory management requirement’ means each individual requirement listed in Annex I, parts A and B [*statutory management requirements*] set out within a given legal act listed in Annex I, parts A and B, differing in substance from any other requirement in the same act.

The legal acts referred to in Annex I [*statutory management requirements*] concerning the statutory management requirements shall apply in the version that is applicable and, in the case of Directives, as implemented by the Member States. Acts implementing directives may however not have the purpose or effect of an exemption of farmers or other beneficiaries from the Statutory Management Requirements referred to in Annex I, parts A and B.

4. Member States shall define in accordance with Annex I, part C, [*Protective practices – specific objectives*], at a national or regional level, protective practices to be respected by farmers and other beneficiaries receiving the support referred to in paragraph 2, to achieve the following objectives:
 - (a) protection of carbon-rich soils, landscape features and permanent grasslands on agricultural area;
 - (b) protection of soil against erosion, preservation of the soil potential, maintenance of soil organic matter, including through crop rotation or diversification, as well as protection against burning of stubble on arable land;
 - (c) protection of river courses against pollution and runoff.
5. Member States shall include in the NRP Plan a description of the protective practices defined for each of the objectives referred to in the first subparagraph including their territorial scope, farmers and other beneficiaries subject to the practice and a summary of the protective practice. In setting the protective practices, Member States shall take utmost account of the CAP national recommendations referred to in Article 2 [*CAP national recommendations and steering*]. Member States shall adapt the protective practices to different land management systems and different environmental and climatic conditions in their territory.
6. Farmers whose entire holding is certified in accordance with Regulation (EU) 2018/848 of the European Parliament and of the Council shall be deemed to comply with protective practices set out in the NRP Plans in respect to objectives referred to in paragraph 4, points (b) and (c).
7. In setting the protective practices referred to in paragraph 4, Member States may establish in their NRP Plan specific exemptions from those protective practices based on objective and non-discriminatory criteria, such as crops, soil types and farming systems or damage to permanent grasslands due, inter alia, to wild animals or invasive species. Those specific exemptions shall be limited in terms of their area coverage, shall be established only in the

event, and to the extent, that they are necessary to address specific problems in the application of those practices and shall not hamper the objectives set out in paragraph 4 or distort competition.

8. Member States may grant temporary derogations from protective practices, where weather conditions prevent farmers and other beneficiaries from implementing those practices or where the implementation of those protective practices would hamper the objectives set out in paragraph 4. Member States shall ensure that the temporary derogations are limited in their scope and duration, granted based on objective and non-discriminatory criteria and that they do not hamper the objectives set out in paragraph 4 or distort competition.
9. Member States may recognise the management practices under agri-environmental and climate actions referred to in Article 10(1), point (a), contribute to the objectives set out in paragraph 4 of this Article in an equivalent way as the relevant protective practices established in the NRP Plan pursuant to that paragraph. Member States may deem farmers and other beneficiaries who commit to implement those equivalent practices to be compliant with the relevant protective practice.

Article 4

Environment and climate priority areas

1. Member States shall provide support to farmers and other beneficiaries at least in each of the following environmental and climate priority areas:
 - (a) climate change adaptation, including efficient management of water and improved resilience to droughts or floods;
 - (b) climate change mitigation including carbon removals and on-farm renewable energy production, including biogas production;
 - (c) soil health;
 - (d) preservation of biodiversity, such as conservation of habitats or species, landscape features, reduction of use of pesticides;
 - (e) development of organic farming.

Member States with areas affected by water pollution due to nitrate surplus shall provide support to farmers for extensification of livestock systems or for diversification to other agricultural activities.

2. For each of the priority areas referred to in paragraph 1 support shall be provided under the conditions laid down in Articles 9, 10 [*agri-environmental and climate actions, mandatory requirements*], and Article 13 [*investments for farmers and forest holders*].

Article 5

Types of support

1. The following CAP interventions are set out:
 - (a) degressive area-based income support;
 - (b) coupled income support;

- (c) crop specific payment for cotton referred to in Article X of Regulation (EU) [...] [NRPF Regulation]
- (d) payment for natural and other area specific constraints;
- (e) support for disadvantages resulting from certain mandatory requirements;
- (f) agri-environmental and climate actions;
- (g) support for small farmers;
- (h) support for risk management tools;
- (i) support for investments for farmers and forest holders;
- (j) support for setting-up of young farmers, new farmers, rural business and start-ups and development of small farms;
- (k) support for farm relief services;
- (l) LEADER;
- (m) support for knowledge sharing and innovation in agriculture, forestry and rural areas
- (n) cooperation referred to in Article X of Regulation (EU) [...] [NRPF Regulation]
- (o) interventions in outermost regions referred to in Articles/Section X of Regulation (EU) [...] [NRPF Regulation]
- (p) interventions in smaller Aegean islands referred to in Articles/Section X of Regulation (EU) [...] [NRPF Regulation]
- (q) EU school scheme referred to in Title I, Part II, Chapter IIa, of Regulation (EU) No 1308/2013;
- (r) interventions in certain sectors referred to in Title I, Part II, Chapter IIa, of Regulation (EU) No 1308/2013.

2. Interventions referred to in paragraph 1, points (a) to (k) and interventions in certain sectors referred to in Title I, Part II, Chapter IIa, of Regulation (EU) No 1308/2013 shall be income support interventions to be financed from the Fund in accordance with Article 10(2), point (a), second subparagraph, [Budget] of Regulation (EU) [...] [NRP].

Article 6

Degressive area-based income support

1. Member States shall provide area-based income support for eligible hectares to farmers to address income needs.
2. The payment per eligible hectare shall be differentiated by groups of farmers or geographical areas, on the basis of objective and non-discriminatory criteria. The groups of farmers or geographical areas that are basis for the differentiation of payments shall be established based on farmers' income from agricultural activity in a representative reference period.

When differentiating the payments, Member States shall target the support at farmers who are the most in need, in particular young and new farmers, women, family or small farmers, farmers combining the production of crops and livestock or farmers in areas with natural or other area-specific constraints determined in accordance with Article 8 [*ANC areas*].

The differentiation of payments may take the form of annual lump sum payments that replace fully or partially the area-based income support per eligible hectare. Member States shall increase the support per eligible hectare granted to young farmers.

3. The total amount of payments per farmer established in accordance with paragraph 2 shall be degressive in accordance with the following rules:
 - (a) Member States shall reduce the annual amount of the area-based income support exceeding EUR 20 000 to be granted to a farmer by 25 % where the amount of the area-based income support granted to a farmer is between EUR 20 000 and EUR 50 000;
 - (b) Member States shall reduce the annual amount of the area-based income support exceeding EUR 50 000 to be granted to a farmer by 50 % where the amount of the area-based income support granted to a farmer is more than EUR 50 000 and not more than EUR 75 000;
 - (c) Member States shall reduce the annual amount of the area-based income support exceeding EUR 75 000 to be granted to a farmer by 75 % where the amount of the area-based income support granted to a farmer exceeds EUR 75 000.
4. The total amount of area-based income support shall not be higher than maximum EUR 100 000 per farmer per year. In the case of a legal person, the capping shall cover all holdings under the control of that legal person.
5. The Member States shall ensure that the support under this Article is not granted to those farmers who do not perform any production of agricultural products, on their holding. However, small farmers, whose principal activity is not agriculture, but who are engaged in at least a minimum level of agricultural activity, as set out by Member States, shall be considered farmers as well.
6. Member States shall ensure that at the latest by 2032 the applicants who reach the retirement age, determined by national law, and who receive a retirement pension, no longer receive support under this Article.
7. Member States shall ensure that the eligible hectare comprises only areas which are at the farmers' disposal and which comprise:
 - (a) agricultural areas on which an agricultural activity is performed under the farmer's controls in terms of management, benefits and financial risks. If non-agricultural activities are also performed on these areas, the agricultural activity shall be predominant;

(b) areas for which support is provided under Article 5(1), points (a) and (g) [*degressive income support, small farmers*], or under the basic income support for sustainability under Title III, Chapter II, Section 2, Subsection 2, [*BISS [all incl. entitlements], small farmers scheme*], of Regulation (EU) 2021/2115, where agricultural activity is not performed due to commitments and obligations arising from Union or national interventions or other programmes which contribute to the CAP environmental and climate priority areas referred to in Article 4;

(c) Member States may decide to include in the ‘eligible hectare’ landscape features, not covered by the commitments and schemes referred to in point (b), provided that these landscape features do not significantly hamper the performance of agricultural activity and are not predominant on the agricultural parcel.

Article 7

Payment for small farmers

1. Member States shall provide income support to small farmers, as determined by the Member States replacing the support under interventions referred to in Articles 5(1), points (a), (b) and (d) [*Degressive Income support, ANC payment and Coupled Income Support*]. Member States shall design the intervention in the NRP Plan as optional for farmers.

Member States shall ensure that the support is not granted to those farmers who do not perform any production of agricultural products on their holding.

The annual payment for each small farmer shall not exceed EUR 3 000.

2. Member States may differentiate support granted under this Article for different groups of farmers or geographical areas.

Article 8

Payment for natural or other area-specific constraints

1. Member States may provide support to compensate farmers for natural or other area-specific constraints.
2. The payment for areas with natural and other specific constraints may be provided in respect of areas that:

- (a) were designated pursuant to Article 32 of Regulation (EU) No 1305/2013 of the European Parliament and of the Council⁹;
- (b) are newly designated in view of specific constraints defined by Member States and have been included in the Plan.

Member States may carry out a fine-tuning with the purpose of excluding areas within the areas designated in accordance the first subparagraph, points (a) and (b), under the conditions laid down in Article 32(3) of Regulation (EU) No 1305/2013.

The surface of the areas designated pursuant to paragraph 2, point (b), shall not exceed 2 % of the utilised agricultural area of the Member State concerned.

3. The payments per eligible hectare shall be limited to the additional costs or loss of income related to undertaking agricultural production in the designated areas compared to production in non-designated areas.

Article 9

Support for disadvantages resulting from certain mandatory requirements

1. Member States may provide area-based support in agricultural and forest areas for disadvantages resulting from the implementation of:

- (a) Directives 92/43/EEC¹⁰ and 2009/147/EC¹¹;
- (b) Directive 2000/60/EC¹².

In addition to the areas referred to in the first subparagraph, point (a), Member States may decide to support other delimited nature protection areas with environmental restrictions applicable to farming or forestry which contribute to the implementation of Article 10 of Directive 92/43/EEC, provided that those areas do not exceed 5 % of the designated Natura 2000 areas covered by the Plan.

2. Payments under this Article may be granted to farmers, forest holders and their associations.
3. Member States may only grant payments under this Article in order to compensate beneficiaries for all or part of the additional costs and income foregone related to the

⁹ Regulation (EU) No 1305/2013 of the European Parliament and of the Council of 17 December 2013 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and repealing Council Regulation (EC) No 1698/2005 (OJ L 347, 20.12.2013, p. 487–548), ELI: <http://data.europa.eu/eli/reg/2013/1305/oj>.

¹⁰ Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora (OJ L 206, 22.7.1992, p. 7–50), ELI: <http://data.europa.eu/eli/dir/1992/43/oj>.

¹¹ Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds (OJ L 20, 26.1.2010, p. 7–25), ELI: <http://data.europa.eu/eli/dir/2009/147/oj>.

¹² Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy (OJ L 327, 22.12.2000, p. 1–73), ELI: <http://data.europa.eu/eli/dir/2000/60/oj>.

compliance with mandatory requirements resulting from the implementation of the Union acts and provisions listed in paragraph 1, first subparagraph, including transaction costs.

Article 10

Agri-environmental and climate actions

1. Member States shall provide incentives for the following actions beneficial for the climate, environment, animal health and welfare and sustainable forestry ('agri-environmental and climate actions'):
 - (a) voluntary management commitments taken up by farmers and other beneficiaries, including commitments to maintain organic farming and extensification of livestock production, established and implemented in accordance with paragraph 3 ('management commitments');
 - (b) voluntary transition towards resilient production systems carried out by farmers at the level of the holding or for part of a holding, including conversion to organic farming and extensification of livestock production systems, established and implemented in accordance with paragraph 4 ('transition actions').
2. Each Member State shall provide support for organic farming certified in accordance with Regulation (EU) 2018/848¹³ of the European Parliament and the Council and extensive livestock production systems under both forms of action referred to in paragraph 1.
3. The management commitments referred to in paragraph 1, point (a), may be annual or multiannual and may have in particular the following objectives:
 - (a) protection of water quality and reduction of pressure on water resources, protection of soil, nutrient management, biodiversity conservation, including landscape features and reduction of the use of pesticides;
 - (b) climate change mitigation, including reduction of greenhouse gas emissions and carbon sequestration, climate change adaptation, including animal and plant diversity for resilient ecosystems;
 - (c) animal health and welfare, including combating of antimicrobial resistance;
 - (d) sustainable use and development of genetic resources; or
 - (e) forest environmental services and forest conservation.
4. Support for the transition actions referred to in paragraph 1, point (b) shall be granted on the basis of a transition action plan drawn up by a farmer and approved by the Member State. To implement the support for transition actions referred to in paragraph 1, point (b), Member States shall describe in the Plan the production systems that they deem beneficial for the climate and environment.

¹³ Regulation (EU) 2018/848 of the European Parliament and of the Council of 30 May 2018 on organic production and labelling of organic products and repealing Council Regulation (EC) No 834/2007 (OJ L 150 14.06.2018 p. 1-92), ELI: <http://data.europa.eu/eli/reg/2018/848/oj>.

Member States shall pay the support to farmers in instalments over the period of implementation of the transition action plan. The payment of the last instalment shall be conditional upon completion of the implementation of the transition action plan. Member States shall ensure that the payment of the first instalment is recovered if the farmer fails to implement the transition action plan.

5. Member States shall only grant support for management commitments referred to in paragraph 1, point (a), which go beyond the relevant statutory management requirements referred to in Annex I, part A, [SMRs] and the relevant minimum requirements for the use of fertiliser and plant protection products, animal welfare and other relevant mandatory requirements established by national and Union law.

Article 11

Coupled income support

1. Member States may provide coupled income support to farmers in specific agricultural sectors and products, where relevant defined in accordance with Annex I to Regulation (EU) No 1308/2013, or to specific types of farming therein, which undergo difficulties and are important for socio-economic or environmental reasons.

Coupled income support shall take the form of an annual payment per eligible hectare or per animal or per animal equivalent, defined in accordance with Annex II.

Member States may grant support in the form of a payment per hectare only for areas they have determined as eligible hectares in accordance with Article 6(7).

Support granted as a payment per hectare may include support for short rotation coppice and grasses and other herbaceous forage. Support shall not be granted to the tobacco and wine sectors.

Support granted as a payment per animal shall be limited to the beef and veal, milk and milk products, sheep and goat meat, apiculture products and silkworms sectors.

2. The support referred to in paragraph 1 shall, on the basis of objective and non-discriminatory criteria, address additional income needs.
3. When planning the support referred to in paragraph 1, Member States shall minimise the potential impact of their support decisions on the internal market.
4. For support granted as a payment per animal to the livestock sectors, Member States shall at least set maximum livestock density criteria in nitrate vulnerable zones.

Article 12

Support for participation in risk management tools

1. Member States shall provide support to farmers for participation in risk management tools. Member States shall ensure that support is granted only for losses which exceed a threshold of at least 20 % of the average annual production or income of the farmer in the preceding

three-year period, or a three-year average based on the preceding five-year period excluding the highest and lowest entry.

By way of derogation from the first subparagraph, Member States that demonstrate in the in the NPR Plan the existence of national systems which provide risk coverage for farmers shall be exempt from the obligation to include in their NPR Plan interventions for risk management tools under this Article.

2. Sectoral production risk management tools shall calculate the losses either at holding level, at the level of the holding's activity in the sector concerned or related to the specific area insured.
3. For permanent crops and in other justified cases for which the calculation methods referred to in the first subparagraph are not appropriate, Member States may provide for a method for calculation of the losses based on the average annual production or income of the farmer over a period that does not exceed eight years, excluding the highest and lowest entry.
4. Member States may apply an appropriate alternative method for calculating the losses for young farmers and new farmers.
5. Member States shall establish the methodology for the calculation of losses and triggering factors for compensation in their NPR Plan. Member States shall ensure that any overcompensation resulting from the combination of the interventions under this Article with other public or private risk management schemes is avoided.

Article 13

Support for investments for farmers and forest holders

1. Member States shall grant support under this Article for productive and non-productive investments making an appropriate overall contribution to resilience of agriculture, food systems, forestry and rural areas, in particular climate and water resilience. Member States shall explain in their NPR Plans how they plan to grant such support.
2. For holdings above a certain size, to be determined by Member States in their NPR Plans, support for the forestry sector shall be conditional on the presentation of the relevant information from a forest management plan or equivalent instrument in accordance with the sustainable management of forests as defined in the most recent version of Forest Europe's General Guidelines for the Sustainable Management of Forests in Europe².
3. Support for investments in the restoration of agricultural or forestry production potential damaged by natural disasters, adverse climate events or catastrophic events shall be granted only when the event concerned has caused the destruction of at least 30% of the agricultural production potential or at least 20% of the forestry production potential.
4. Member States shall establish a list of ineligible investments and categories of expenditure, including at least the following:

(a) purchase of agricultural production rights;

(b) purchase of land for an amount exceeding 10 % of the total eligible expenditure for the operation concerned, with the exception of land purchase for environmental conservation and carbon-rich soil preservation;

(c) purchase of animals, and purchase of annual plants and their planting for a purpose other than:

(i) restoring agricultural or forestry potential following natural disasters, adverse climatic events or catastrophic events;

(ii) protecting livestock against large predators or being used in forestry instead of machinery;

(iii) rearing endangered breeds as defined in Article 2, point (24), of Regulation (EU) 2016/1012 under the management commitments referred to in Article 10(1), point (a) [*agri-environmental and climate actions*];

(iv) rearing of bovine, sheep or goat pure-bred animals of high genetic value for breeding to improve the quality and productivity of livestock herds or to preserve rare or local breeds;

(v) preserving plant varieties under threat of genetic erosion under the commitments referred to in Article 10(1), point (a) [*agri-environmental and climate actions*];

(d) interest rate on debt, except in relation to grants given in the form of an interest rate subsidy or guarantee fee subsidy.

5. By way of derogation from paragraph 4, points (a), (b) and (c), that paragraph shall not apply where the support is provided through financial instruments.

6. Where Union law results in the imposition of new requirements on farmers, support may be granted for investments to comply with those requirements for a maximum period of 36 months from the date on which they become mandatory for the holding.

For young farmers setting up for the first time in an agricultural holding as head of the holding support for investments to comply with the requirements of Union law may be granted for a maximum period of 36 months from the date of setting up, or until the actions defined in the business plan referred to in Article 14(3) [*requirement of business plan for support for setting up*] are completed.

Article 14

Setting-up of young farmers, rural business start-up and development of small farms

1. Member States shall provide support for the setting-up of young farmers and the start-up of rural businesses, including the setting-up of new farmers, under the conditions laid down in this Article and as further specified in their NRP Plans.

2. Member States may only grant support under this Article to help:

(a) the setting-up of young farmers who fulfil the conditions provided for by Member States in their NRP Plans in accordance with Article 4 of Regulation (EU) [...] [NRP] [*definition of young farmer*];

- (b) the start-up of rural businesses linked to agriculture or forestry including the setting up of new farmers, or farm household income diversification into non-agricultural activities;
 - (c) the start-up of rural businesses
 - (d) the business development of small farms, as determined by Member States.
3. Member States shall set conditions for the submission and the content of a business plan which beneficiaries must provide in order to receive support under this Article.
 4. Member States shall grant support in the form of lump sums or financial instruments or a combination of both. Support shall be limited to the maximum amount of aid of EUR 300 000 and may be differentiated in accordance with objective and non-discriminatory criteria.

Article 15

Generational Renewal strategy

Member States shall establish in their NRP Plan a Strategy on Generational Renewal in Agriculture to enhance the effectiveness and coherence of interventions targeting young farmers under this Regulation, and national initiatives. The Strategy shall include:

- (a) an assessment of the current demographic situation in the agricultural sector;
- (b) identification of entry barriers for young farmers and proposed national initiatives and measures to overcome them;
- (c) description of how the Starter Pack for Young Farmers referred to in Article 16 will be utilised in the national context;
- (d) synergies between measures contributing to generational renewal set out in the NRP Plan.

Article 16

Starter pack for young farmers

1. The Starter Pack for Young Farmers shall include a set of the following measures, in line with the Strategy on Generational Renewal referred to in paragraph 1:
 - (a) support for setting-up of young farmers in accordance with Article 14;
 - (b) degressive area-based income support for young farmers in accordance with Article 6 [*degressive area-based income support*];
 - (c) support for small farmers in accordance with Article 7 targeting young farmers [*payments for small farmers*];
 - (d) investment support with higher aid intensity for young farmers;
 - (e) possibilities of financing investments implemented by young farmers through the financial instruments in accordance with Article X of Regulation (EU) [...] [NRP/financial instruments];
 - (f) support for rural business start ups;
 - (g) cooperation interventions facilitating access to innovation through the projects of EIP-AGRI operational groups in accordance with Article 19 of this Regulation and Article X of Regulation (EU) [...] [NRP/cooperation] ;

- (h) cooperation interventions facilitating intergenerational cooperation including farm succession in accordance with Article X of Regulation (EU) [...] [NRP] [*cooperation*];
 - (i) support for farm relief services in accordance with Article 17 [*types of support*];
 - (j) access to advisory services and training programs tailored to young farmers' needs, in accordance with Article 20 [*AKIS/advisory services*].
2. Member States shall integrate in the design of the measures referred to in paragraph 1 links and synergies with other measures set out in their NRP Plans, in particular in respect to measures facilitating intergenerational succession and generational renewal, investments for rural business start-ups, or access to and use of financial instruments
 3. In order to facilitate access to the interventions referred to in paragraph 1, Member States shall establish a single point of access for young farmers which may provide inter alia information on support opportunities and procedures and facilitate the entry and the establishment in the agricultural sector, including submission of funding applications and guidance.

Article 17

Farm relief services

1. Member States may provide support for the farm relief services, allowing farmers to take a leave for sickness, childbearing, care for children and other family members, holidays and similar life events, as well as participation in trainings, as further specified in their Plans.
2. This support shall be limited to the setting up of farm relief services and to costs of wages of the workers replacing the farm holder during a limited period of time.

Article 18

LEADER

1. Member States shall provide support for LEADER to prepare and implement LEADER local development strategies under the conditions set out in Article X of Regulation (EU) [...] [NRP Regulation [*CLLD-LEADER*]] and as further specified in their NRP Plans.

Member States shall support LEADER at least in rural areas with specific disadvantages defined by the Member States in their NPR Plans.

2. Support provided from LEADER shall be focused on rural development and social, environmental, digital and economic transformation of rural areas, support for diversifying economic activities such as agri-tourism and processing, business startups, improvement of well-being of rural citizens and social capital building.

Article 19

Support for knowledge sharing and innovation in agriculture, forestry and rural areas

1. Member States shall provide support for knowledge sharing and innovation in agriculture, forestry and rural areas under the conditions set out in this Article. Member States shall provide support:
 - (a) to prepare and implement the projects of the EIP-AGRI operational groups as well as actions to ensure broader uptake of projects' results;
 - (b) for actions to promote innovation, training and advice, skills development, advisory services and other forms of knowledge sharing and dissemination of information.Support for advisory services shall only be granted for those advisory services that comply with Article 20(3)[*AKIS/advisory services*].
2. The aim of EIP-AGRI shall be to accelerate development and use of innovations to improve the exchange of knowledge, by fostering synergies between policies, actors and instruments in agriculture, forestry and rural areas. Results from its work shall be disseminated and multiplied through the AKIS. [*AKIS*].

The EIP-AGRI shall:

- (a) support cooperation projects for innovation through operational groups based on the 'interactive innovation model' referred to in paragraph 4;
 - (b) link research and farming and forestry practice and informing the scientific community of the needs of those practices;
 - (c) connect innovation actors and projects, particularly via the EU and national CAP networks
 - (d) promoting the use of innovative solutions through dissemination of information and knowledge, including farmer-to-farmer exchanges.
3. The projects implemented by the EIP-AGRI operational groups based on the 'interactive innovation model' that complies with the following principles:
 - (a) develop innovative solutions focusing on the specific needs of farmers, foresters and rural actors;
 - (b) bring together partners with complementary knowledge such as academia, researchers and the farming community, and where relevant, actors of the food chain and ensure their active involvement in projects;
 - (c) the projects are co-created and co-decided among the actors involved in the projects and implemented in a consultative manner, including ensuring the potential for scale up.

Member States shall ensure that the key results of the projects referred to in this paragraph are disseminated through practice-oriented channels, including the national and EU CAP networks . The disseminated information shall include the objectives of the projects, participating partners, key thematic areas addressed, geographical location of the project, total budget, and the final outcome of the project, with focus on the practical innovative solutions developed.

4. Member States may grant support for projects of EIP-AGRI operational groups under the following conditions:
 - (a) support may only be granted on the basis of approved project plan that is based on the principles referred to paragraph 4;
 - (b) the operational group implementing the project shall involve at least two different actors and shall contribute to one or more specific objectives referred to in Article 3(d), points (i) to (iii), or (v), of Regulation (EU) [...] [NRP];Member States shall set objective criteria and transparent requirements for the content, the duration, the submission and approval of project plans to be drawn up by the EIP-AGRI operational groups.
5. Member States shall not provide support under this Article to knowledge sharing and innovation involving research bodies only.

Article 20

Agricultural knowledge and innovation systems and farm advisory services

1. Each Member State shall ensure that farmers and foresters have access to innovation and that new knowledge reaches them in a timely and effective manner, enabling them to deploy innovative solutions effectively and profit from up-to-date knowledge in the agricultural sector.
2. To meet the requirement set out in paragraph 1, each Member State shall establish in the Plan how innovations and up-to-date knowledge reach farmers, in particular through an Agricultural Knowledge and Innovation System (AKIS). AKIS shall include:
 - (a) arrangements to ensure effective knowledge flows and synergies between advisors, researchers, practitioners, national CAP networks and other relevant stakeholders;
 - (b) actions to improve access for farmers to impartial and qualified advice;
 - (c) support for innovation as a part of the farm advisory services, particularly support for the EIP-AGRI operational groups referred to in Article 19 [EIP-AGRI] including for the use of the 'interactive innovation model' referred to in Article 19(4) [EIP AGRI/Knowledge management].
 - (d) plan to improve dissemination and demonstration of research outcomes and innovative solutions to farmers, foresters and other end-users at a large scale;
 - (e) interventions set out in the Plan supporting AKIS operation, in particular those referred to in Article 19 [Knowledge management], and their complementarity and coherence with relevant national initiatives and other relevant measures set out in the Plan;
 - (f) system for provision of farm advisory services, established in accordance with paragraph 3.
3. As part of the AKIS, Member States shall describe in the NRP Plans, and implement, a system for provision of farm advisory services to be established to support access to

knowledge and wider deployment and use of innovations. The farm advisory services shall cover all the following elements:

- (a) advice to farmers and foresters on sustainable and resilient management of land, farms and forests tailored to farm types and different production systems, as well as on the requirements for support set out in the NPF Plans, including farm stewardship, setting-up and transfers of holdings and start-ups; business management, access to social support, raising awareness about mental health issues and availability of the relevant services; and the use of innovations, data-driven solutions and digital tools,
 - (b) targeted advice for young farmers, in particular as regards business management, access to finance, access to public support, knowledge and innovation.
4. Member States shall ensure that farmers and foresters have direct access to advisers, such as by providing public databases of advisors. Member States shall ensure that the advice provided to farmers and foresters is impartial, and that advisors are suitably qualified and free from conflict of interest.

Article 21

Authority in charge of data governance under the CAP

1. Each Member State shall designate one authority responsible for taking or coordinating actions to achieve and maintain national and cross-border interoperability between information systems used for the implementation, administration, monitoring and evaluation of the CAP for the benefit of farmers and other CAP beneficiaries. For the purposes of this Article, interoperability means the ability of information systems to interact with each other by sharing data by means of electronic communication.
2. The designated authority shall have in particular the following tasks:
- (a) drawing up and submitting to the Commission a Roadmap at the level of the Member State to achieve and maintain interoperability (hereinafter the 'Roadmap') and follow up of Commission observations on the Roadmap;
 - (b) coordination of the implementation, or, as decided by the Member State, implementation of the Roadmap in an efficient, effective and timely way.

The Member States shall notify the Commission of the designation of the authority at the latest by [...][OPOCE: within three months from the entry into force of this Regulation].

3. The Roadmap referred to in paragraph 2 shall cover:

- (a) identification of needs to achieve and maintain interoperability as referred to in paragraph 1, and design of measures to address them as well as timeframe with milestones and targets for their implementation;
- (b) identification of possible synergies with other EU and national interoperability initiatives.

To the extent possible, Member States shall base their assessment of needs and the design of the measures on the principle that data is collected only once and re-used.

For the elements referred to in the first subparagraph, point (a), the Member State shall consider in particular the need to establish a single digital identity framework and shall consider alignment with Regulation (EU) No 910/2014, including as regards the European Digital Identity Wallet for natural and legal persons.

4. The Member States shall submit to the Commission by 16 December of each calendar year an annual report on the implementation of the Roadmap, assessing the progress of the implementation of the steps and measures and the timeframe set out in the Roadmap.

Where necessary, Member States shall submit to the Commission amendments of the Roadmaps together with the annual reports.

Member States shall submit the first annual report to the Commission by 16 December 2029.

5. The Commission is empowered to adopt delegated acts in accordance with Article 23, which are necessary to ensure that interoperability and seamless data exchange between information systems used for the implementation, monitoring and evaluation of the CAP are implemented in an efficient, coherent, effective and timely manner, supplementing this Article with rules where the implementation of the Roadmap referred to in paragraph 2 so requires as well as rules on interoperability measures referred to in paragraph 3, point (b).

6. The Commission may adopt implementing acts laying down rules on:

- (a) form and content of the Roadmap and annual report; and
- (b) arrangements for transmitting or making available to the Commission the Roadmaps and annual reports.

These implementing acts shall be adopted in accordance with the examination procedure referred to in Article 24.

Article 22

Measures to resolve specific problems

1. In order to resolve specific problems, the Commission shall adopt implementing acts which are both necessary and justifiable in an emergency. Such implementing acts may derogate from provisions of this Regulation to the extent and for such a period as strictly necessary. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 24(2) [*examination procedure*]
2. On duly justified imperative grounds of urgency, and in order to resolve specific problems as referred to in paragraph 1 while ensuring the continuity of the CAP interventions set out in the Plan in case of extraordinary circumstances, the Commission shall adopt immediately applicable implementing acts in accordance with the procedure referred to in Article 24(3) [*urgency procedure*].
3. Measures adopted pursuant to paragraphs 1 and 2 shall remain in force for a period not exceeding twelve months. If after this period, the specific problems referred to in those paragraphs persist, the Commission may, in order to establish a permanent solution, submit an appropriate legislative proposal.

4. The Commission shall inform the European Parliament and the Council of any measure adopted under paragraph 1 or 2 within two working days of its adoption.

Article 23

Exercise of delegation

1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.
2. The power to adopt delegated acts referred to in Article 21(6) shall be conferred on the Commission for a period of seven years from [OPOCE: [date of entry into force of this Regulation]]. The Commission shall draw up a report in respect of the delegation of power not later than nine months before the end of the seven-year period. The delegation of power shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than three months before the end of each period.
3. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making.
4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.
5. A delegated act adopted pursuant to Article 21(6) shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

Article 24

Committee procedure

The Commission shall be assisted by a committee called ‘Common Agricultural Policy Committee’. The Committee shall be a committee within the meaning of Regulation (EU) No 182/2011 and shall be tasked with the following:

- (a) issuing opinions on any implementing acts adopted pursuant to this Regulation;
- (b) discussing any issues of relevance for the implementation of this Regulation.

Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.

Where reference is made to this paragraph, Article 8 of Regulation (EU) No 182/2011, in conjunction with Article 5 thereof, shall apply.

Article 25
Entry into force

This Regulation shall enter into force on the [twentieth] day following that of its publication in the *Official Journal of the European Union*.

It shall apply from the date of application of Regulation (EU) [...] establishing the National and Regional Partnership Fund for the period 2028-2034.

This Regulation shall be binding in its entirety and directly applicable in the Member States in accordance with the Treaties.

Annexes

Annex I

Farm stewardship requirements referred to in Article 3

Part A: Rules on farm stewardship:

Areas	Main issue	Statutory Management Requirements	
Climate and environment	Water	SMR 1	Directive 2000/60/EC of 23 October 2000 of the European Parliament and of the Council establishing a framework for Community action in the field of water policy (OJ L 327, 22.12.2000, p. 1): Article 11(3), point (e), and point (h), as regards mandatory requirements to control diffuse sources of pollution by phosphates
		SMR 2	Council Directive 91/676/EEC of 12 December 1991 concerning the protection of waters against pollution caused by nitrates from agricultural sources (OJ L 375, 31.12.1991, p. 1): Articles 4 and 5
	Biodiversity and landscape (protection and quality)	SMR 3	Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds (OJ L 20, 26.1.2010, p. 7): Article 3(1), Article 3(2), point (b), Article 4(1), (2) and (4)
		SMR 4	Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild flora and fauna (OJ L 206, 22.7.1992, p. 7): Article 6(1) and (2)
Public health, and plant health	Food safety	SMR 5	Regulation (EC) No 178/2002 of the European Parliament and of the Council of 28 January 2002 laying down the general principles and requirements of food law, establishing the European Food Safety Authority and laying down procedures in matters of food safety (OJ L 31, 1.2.2002, p. 1): Articles 14 and 15, Article 17(1)(⁶) and Articles 18, 19 and 20

		SMR 6	<p>Council Directive 96/22/EC of 29 April 1996 concerning the prohibition on the use in stockfarming of certain substances having a hormonal or thyrostatic action and beta-agonists, and repealing Directives 81/602/EEC, 88/146/EEC and 88/299/EEC (OJ L 125, 23.5.1996, p. 3):</p> <p>Article 3, points (a), (b), (d) and (e), and Articles 4, 5 and 7</p>
		SMR 7	<p>Regulation (EC) No 1107/2009 of the European Parliament and of the Council of 21 October 2009 concerning the placing of plant protection products on the market and repealing Council Directives 79/117/EEC and 91/414/EEC (OJ L 309, 24.11.2009, p. 1):</p> <p>Article 55, first and second sentence</p>
		SMR 8	<p>Directive 2009/128/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for Community action to achieve the sustainable use of pesticides (OJ L 309, 24.11.2009, p. 71):</p> <p>Article 5(2) and Article 8(1) to (5) Article 12 with regard to restrictions on the use of pesticides in protected areas defined on the basis of Directive 2000/60/EC and Natura 2000 legislation</p> <p>Article 13(1) and (3) on handling and storage of pesticides and disposal of remnants</p>
Animal welfare	Animal welfare	SMR 9	<p>Council Directive 2008/119/EC of 18 December 2008 laying down minimum standards for the protection of calves (OJ L 10, 15.1.2009, p. 7):</p> <p>Articles 3 and 4</p>
		SMR 10	<p>Council Directive 2008/120/EC of 18 December 2008 laying down minimum standards for the protection of pigs (OJ L 47, 18.2.2009, p. 5):</p> <p>Articles 3 and 4</p>
		SMR 11	<p>Council Directive 98/58/EC of 20 July 1998 concerning the protection of animals kept for farming purposes (OJ L 221, 8.8.1998, p. 23):</p> <p>Article 4</p>

Part B: Rules on social conditionality:

Areas	Main issue	Statutory Management Requirements	
Employment of workers	Working conditions	SMR 12	Directive (EU) 2019/1152 of the European Parliament and of the Council of 20 June 2019 on transparent and predictable working conditions in the European Union (OJ L 186, 11.7.2019, p. 105): Article 3, 4, 5, 6, 8, 10 and 13
	Occupational safety and health	SMR 13	Council Directive 89/391/EEC of 12 June 1989 on the introduction of measures to encourage improvements in the safety and health of workers at work (OJ L 183, 29.6.1989, p. 1): Article 5, 6, 7, 8, 9, 10, 11 and 12
		SMR 14	Directive 2009/104/EC of the European Parliament and of the Council of 16 September 2009 concerning the minimum safety and health requirements for the use of work equipment by workers at work (OJ L 260, 3.10.2009, p. 5): Article 3, 4, 5, 6, 7, 8 and 9

Part C: Rules on protective practices

General objectives referred to in Article 3(4)	Specific objectives of the protective practices
(a) Protection of carbon-rich soils, landscape features and permanent grasslands on agricultural area	Protection of carbon-rich soils and carbon sinks, including protection of wetlands, peatlands
	Protection of environmentally sensitive permanent grasslands on agricultural area in Natura 2000 areas
(b) Protection of soil against erosion, preservation of the soil potential, maintenance of soil organic matter including soil rotation or diversification, and protection against burning of stubble on arable land	Protection of soil against erosion subject to site specific conditions
	Preservation of the soil potential, including: <ul style="list-style-type: none">- Protection of soils in periods that are most sensitive- Crop rotation or diversification

	Maintenance of soil organic matter through crop residue management, including ban on burning stubble on arable land
(c) Protection of river courses against pollution and runoff	Protection of river courses against pollution and runoff, including through establishment of buffer strips along water courses

Annex II

Rules concerning the calculation of animal equivalents for the purposes of Coupled income support referred to in Article 11

Member States shall use the following coefficients to convert animals to animal equivalents for the purposes of the coupled income support interventions referred to in Article 11(1).

Species	Age/category	Coefficient
Bovine animals	below six months	0,4
	from six months to 2 years	0,6
	over 2 years	1,0
Equine animals	over 6 months	1,0
Sheep and goats		0,15
Pigs	breeding sows > 50kg	0,5
	other pigs	0,3
Poultry		
	laying hens	0,014
	other poultry	0,03