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THE EUROPEAN PARLIAMENT

THE COUNCIL

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LEGISLATIVE ACTS AND OTHER INSTRUMENTS

Subject: REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL laying down certain transitional provisions on support for rural development by the European Agricultural Fund for Rural Development (EAFRD), amending Regulation (EU) No .../2013 of the European Parliament and of the Council as regards resources and their distribution in respect of the year 2014 and amending Council Regulation (EC) No 73/2009 and Regulations (EU) No .../2013, (EU) No .../2013 and (EU) No .../2013 of the European Parliament and of the Council as regards their application in the year 2014

**REGULATION (EU) No .../2013
OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

of

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

* OJ: please insert the number of the Regulation in document PE-CONS 93/13 [RD].
** OJ: please insert the number of the Regulation in document PE-CONS 95/13 [DP].
*** OJ: please insert the number of the Regulation in document PE-CONS 94/13 [HR].
**** OJ: please insert the number of the Regulation in document PE-CONS 96/13 [sCMO].

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 Articles 42 and 43(2) thereof,

Having regard to the proposal from the European Commission,

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

Having regard to the opinion of the European Economic and Social Committee¹,

Acting in accordance with the ordinary legislative procedure²,

¹ OJ C 341, 21.11.2013, p. 71.

² Position of the European Parliament of ... (not yet published in the Official Journal) and decision of the Council of

Whereas:

- (1) Regulation (EU) No ... /2013 of the European Parliament and of the Council^{1*}, which is to apply from 1 January 2014, lays down rules governing Union support for rural development and repeals Council Regulation (EC) No 1698/2005², without prejudice to the continued application of the Regulations implementing that Regulation until they are repealed. To facilitate the transition from existing support schemes under Regulation (EC) No 1698/2005 to the new legal framework which covers the programming period starting on 1 January 2014 ("the new programming period"), transitional rules should be adopted to avoid any difficulties or delays in the implementation of rural development support which may be caused as a result of the date of adoption of the new rural development programmes. For that reason, Member States should be allowed to continue to undertake legal commitments under their existing rural development programmes in 2014 for certain measures and the resulting expenditure should be eligible for support in the new programming period.
- (2) In view of the substantial change in the method for the delimitation of areas facing significant natural constraints in the new programming period, the obligation imposed upon the farmer to continue farming in the area for five years should not apply to new legal commitments undertaken in 2014.

¹ Regulation (EU) No .../2013 of the European Parliament and of the Council of... on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and repealing Council Regulation (EC) No 1698/2005 (OJ L ...).

* OJ: please insert the number of the Regulation in document PE-CONS 93/13 [RD] and complete the footnote.

² Council Regulation (EC) No 1698/2005 of 20 September 2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) (OJ L 277, 21.10.2005, p. 1).

- (3) To ensure legal certainty in the transition, certain expenditure undertaken pursuant to Regulation (EC) No 1698/2005 should be eligible for a European Agricultural Fund for Rural Development (EAFRD) contribution in the new programming period where there are still payments to be made. This should also cover certain long-term commitments under similar measures provided for in Council Regulation (EEC) No 2078/1992¹, in Council Regulation (EEC) No 2080/1992² and in Council Regulation (EC) No 1257/1999³ where those measures were receiving support under Regulation (EC) No 1698/2005 and there are still payments to be made in 2014. In the interest of sound financial management and effective programme implementation, such expenditure should be clearly identified in the rural development programmes and throughout the management and control systems of the Member States. In order to avoid unnecessary complexity in the financial management of rural development programmes in the new programming period, the co-financing rates of the new programming period should apply to transitional expenditure.

¹ Council Regulation (EEC) No 2078/1992 of 30 June 1992 on agricultural production methods compatible with the requirements of the protection of the environment and the maintenance of the countryside (OJ L 215, 30.7.1992, p. 85).

² Council Regulation (EEC) No 2080/1992 of 30 June 1992 instituting a Community aid scheme for forestry measures in agriculture (OJ L 215, 30.7.1992, p. 96).

³ Council Regulation (EC) No 1257/1999 of 17 May 1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF) and amending and repealing certain Regulations (OJ L 160, 26.6.1999, p. 80).

- (4) In view of the serious difficulties that a number of Member States still face with respect to their financial stability, and in order, during the transition from the current to the new programming period, to limit the negative effects resulting from those difficulties by allowing for maximum utilisation of the EAFRD funds available, it is necessary to extend the duration of the derogation which increases the maximum EAFRD contribution rates provided for in Article 70(4c) of Regulation (EC) No 1698/2005 to the final date of eligibility of expenditure for the 2007-2013 programming period, namely to 31 December 2015.

- (5) Regulation (EU) No .../2013 of the European Parliament and of Council^{1*}, which sets up new support schemes is to apply from 1 January 2015. Council Regulation (EC) No 73/2009² therefore continues to form the basis on which income support will be granted for farmers in calendar year 2014, but due account should be taken of Council Regulation (EU) No .../2013^{3**}. In order to ensure consistency in the implementation of the provisions on cross-compliance and respect of the standards required by certain measures, it should be provided that the relevant provisions that apply in the 2007-2013 programming period continue to apply until the new legislative framework becomes applicable. For the same reasons, the provisions relating to complementary national direct payments for Croatia that apply in 2013 should continue to apply.

¹ Regulation (EU) No .../2013 of the European Parliament and of the Council of ... establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy and repealing Council Regulation (EC) No 637/2008 and Council Regulation (EC) No 73/2009 (OJ L ...).

* OJ: please insert the number of the Regulation in document PE-CONS 95/13 [DP] and complete the footnote.

² Council Regulation (EC) No 73/2009 of 19 January 2009 establishing common rules for direct support schemes for farmers under the common agricultural policy and establishing certain support schemes for farmers amending Regulations (EC) No 1290/2005, (EC) No 247/2006, (EC) No 378/2007 and repealing Regulation (EC) No 1782/2003 (OJ L 30, 31.1.2009, p. 16).

³ Council Regulation (EU) No .../2013 of ... 2013 laying down the multiannual financial framework for the years 2014–2020 (OJ L ...).

** OJ: please insert the number of the Regulation in document ST 11791/13 [MFF] and complete the footnote.

- (6) Regulation (EU) No .../2013* of the European Parliament and the Council¹ gives Member States the possibility to pay advances for the direct payments. Under Regulation (EC) No 73/2009, the exercise of that possibility needs to be authorised by the Commission. Experience gained in the implementation of direct support schemes has shown that it is appropriate to allow for farmers to receive advance payments. As regard applications made in 2014, those advances should be limited to up to 50 % of the support schemes listed in Annex I to Regulation (EC) No 73/2009 and to up to 80 % of the beef and veal payment.

* OJ: please insert the number of the Regulation in document PE-CONS 94/13 [HR] and complete the footnote.

¹ Regulation (EU) No .../2013 of the European Parliament and of the Council of ... on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008 (OJ L ...).

- (7) In order to comply with Regulation (EU) No .../2013*, and in particular the levelling of the amount available for granting direct support to farmers as well as the external convergence mechanism, it is necessary to modify the national ceilings fixed in Annex VIII to Regulation (EC) No 73/2009 for 2014. The modification of the national ceilings will inevitably have an impact on the amounts that individual farmers may receive as direct payments in 2014. The way in which this modification will impact on the value of payment entitlements and the level of other direct payments should therefore be laid down. In order to take account of the situation of smaller farmers, especially as no modulation or adjustment mechanism, including in particular the exemption of direct payments up to EUR 5 000 from such mechanism, is applicable in 2014, Member States which do not grant a redistributive payment and which do not opt for transferring funds to rural development support via the flexibility mechanism should be allowed not to reduce the value of all payment entitlements.
- (8) Certain provisions of Regulation (EC) No 73/2009, in particular as regards the elements covered by the figures set out in Annex VIII to that Regulation and the link with the possibility given to Member States to use the funds unspent in the single payment scheme to finance the specific support, should be clarified on the basis of experience gained in the financial implementation of that Regulation.

* OJ: please insert the number of the Regulation in document ST 11791/13 [MFF].

- (9) Under Regulation (EC) No 73/2009, Member States could decide to use a certain percentage of their national ceiling for specific support for their farmers, as well as to review a previous decision by deciding to modify, or put an end to, such support. It is appropriate to provide for an additional review of those decisions, with effect from calendar year 2014. At the same time, the special conditions set out in Article 69(5) of Regulation (EC) No 73/2009 pursuant to which the specific support is paid in some Member States, which are due to expire in 2013, need to be extended for one more year, in order to avoid disruption in the degree of support. In view of the introduction of the voluntary coupled support that will be available from 1 January 2015 for certain sectors or regions in clearly defined cases, it is appropriate to allow Member States to increase the level of certain types of specific support under Article 68 of Regulation (EC) No 73/2009 to 6,5 % in 2014.
- (10) The unitary support to farmers with smaller holdings should be sufficient in order to achieve the objective of income support effectively. As no modulation or adjustment mechanism, including in particular the exemption of direct payments up to EUR 5 000 from such mechanism, is applicable in 2014, Member States should be allowed already in 2014 to redistribute direct support between farmers by granting them an extra payment for the first hectares.

- (11) The single area payment scheme laid down in Regulation (EC) No 73/2009 is transitional and was due to end on 31 December 2013. In the context of the reform of the common agricultural policy ("the CAP"), it was decided that Member States applying this scheme should be allowed to apply it for the purpose of granting the basic payment for a further transitional period until the end of 2020 at the latest. Therefore, the period of application of the single area payment scheme in Regulation (EC) No 73/2009 should be extended by one year. Moreover, in order to take account of ongoing land restructuring and for reasons of simplification, the eligible agricultural area in those Member States should also include those eligible areas which were not in good agricultural condition on 30 June 2003, as will be the case from 1 January 2015 under Regulation (EU) No .../2013*..
- (12) In accordance with Article 133a of Regulation (EC) No 73/2009, new Member States other than Bulgaria and Romania applying the single area payment scheme may grant transitional national aid to farmers in 2013. In view of the prolongation of the single area payment scheme for the year 2014, those Member States should retain that possibility in 2014. In view of the level of complementary national direct payments under Article 132 of Regulation (EC) No 73/2009 in Bulgaria and Romania in 2014, those Member States should be able to opt for transitional national aid in 2014 instead of granting complementary national direct payments.

* OJ: please insert the number of the Regulation in document PE-CONS 95/13 [DP].

- (13) Transitional national aid is to be granted subject to the same conditions as those applied to this aid in 2013 or, in the case of Bulgaria and Romania, subject to the same conditions as those applied to complementary national direct payments in 2013. However, in order to simplify the management of the transitional national aid in 2014, the reductions referred to in Article 132(2) in conjunction with Articles 7 and 10 of Regulation (EC) No 73/2009 should not be applied. Furthermore, in order to ensure that the transitional national aid is coherent with the convergence mechanism, the maximum level of aid per sector should be limited to a certain percentage. In view of the difficult financial situation in Cyprus, certain adaptations should be provided for that Member State.
- (14) With a view to allowing Member States to address the needs of their agricultural sectors or to strengthen their rural development policy in a more flexible way, they should be given the possibility to transfer funds from their direct payments ceilings to their support assigned for rural development and vice versa. At the same time, those Member States in which the level of direct support remains lower than 90 % of the Union average level of support should be given the possibility to transfer additional funds from their support assigned for rural development to their direct payments ceilings. Such decisions should be made, within certain limits, for the whole period of financial years 2015-2020, with the possibility of review in 2017, provided that any decision based on such review does not entail any decrease in the amounts assigned for rural development.

- (15) Directive 2000/60/EC of the European Parliament and of the Council¹ provided for the repeal of Council Directive 80/68/EEC² with effect from 22 December 2013. In order to maintain the same rules under cross-compliance related to protection of groundwater as those laid down in Directive 80/68/EEC on the last day of its validity, it is appropriate to adjust the scope of cross-compliance and to define a standard of good agricultural and environmental condition that covers the requirements of both Article 4 and Article 5 of that Directive.
- (16) Article 83 of Regulation (EC) No 1107/2009 of the European Parliament and of the Council³ provides that the reference to Article 3 of Council Directive 91/414/EEC⁴ in Annex II to Regulation (EC) No 73/2009 is to be construed as a reference to Article 55 of Regulation (EC) No 1107/2009. However, Regulation No (EU) .../2013*, limits that reference so that it now refers only to the first and second sentence of Article 55 of Regulation (EC) No 1107/2009. In order to ensure consistency between the requirement for the use of plant protection products in the year 2014 and following years, Annex II to Regulation (EC) No 73/2009 should be amended accordingly.

¹ 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).

² Council Directive 80/68/EEC of 17 December 1979 on the protection of groundwater against pollution caused by certain dangerous substances (OJ L 20, 26.1.1980, p. 43).

³ 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).

⁴ Council Directive 91/414/EEC of 15 July 1991 concerning the placing of plant protection products on the market (OJ L 230, 19.8.1991, p. 1).

* OJ: please insert the number of the Regulation in document PE-CONS 94/13 [HR].

- (17) Regulation (EU) No .../2013^{1*} of the European Parliament and of the Council provides for support for silkworm rearing to be integrated into the direct support regime and, consequently, for its removal from Regulation (EU) No .../2013*. In view of the delayed application of the new direct support regime, aids in the silkworm sector should continue for one more year.
- (18) Finland has been authorised to pay national support to certain agricultural sectors in southern Finland in accordance with Article 141 of the 1994 Act of Accession. Taking into account the timing of the CAP reform, and due to the fact that the economic situation of agriculture in southern Finland is difficult and that the producers are, therefore, still in need of specific support, it is appropriate to provide for integration measures whereby Finland may, in accordance with Article 42 of the Treaty on the Functioning of the European Union, be authorised by the Commission to grant national aid in southern Finland under certain conditions. Income aid should be gradually reduced over the whole period and, by 2020, should not exceed 30 % of the amounts granted in 2013.
- (19) The provisions on the farm advisory system, the integrated administration and control system and cross-compliance laid down in Title III, Chapter II of Title V and Title VI, respectively, of Regulation (EU) No .../2013** should apply from 1 January 2015.

¹ Regulation (EU) No .../2013 of the European Parliament and of the Council of... 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...).

* OJ: please insert the number of the Regulation in document PE-CONS 96/13 [sCMO] and complete the footnote.

** OJ: please insert the number of the Regulation in document PE-CONS 94/13 [HR].

- (20) Following the insertion of Article 136a into Regulation (EC) No 73/2009, references to Article 14 of Regulation (EU) No .../2013* in Regulation (EU) No .../2013** need to be amended.
- (21) Regulations (EC) No 73/2009, (EU) No .../2013*, (EU) No .../2013***, (EU) No .../2013**** and (EU) No .../2013** should therefore be amended accordingly.
- (22) In order to allow for the prompt application of the transitional provisions envisaged, this Regulation should enter into force on the day of its publication and should apply from 1 January 2014. In order to avoid any overlap between the rules on flexibility between pillars laid down in Regulation (EC) No 73/2009 and Regulation (EU) No .../2013* as amended by this Regulation, that particular amendment to Regulation (EC) No 73/2009 should apply from 31 December 2013 and the amendments to Regulation (EU) No .../2013*, should apply from the date of entry into force of that Regulation. Furthermore, the amendments to Annexes II and III to Regulation (EC) No 73/2009, which aim to ensure the continuation of the current rules on cross-compliance, should apply from the date of repeal of Directive 80/68/EEC, namely 22 December 2013.

* OJ: please insert the number of the Regulation in document PE-CONS 95/13 [DP].
** OJ: please insert the number of the Regulation in document PE-CONS 93/13 [RD].
*** OJ: please insert the number of the Regulation in document PE-CONS 94/13 [HR].
**** OJ: please insert the number of the Regulation in document PE-CONS 96/13 [sCMO].

- (23) Taking into account the fact that 2014 will be a transitional year during which Member States will have to prepare the full implementation of the CAP reform, it is important to ensure that the administrative burden resulting from the transitional arrangements laid down in this Regulation is kept to the absolute minimum.

HAVE ADOPTED THIS REGULATION:

CHAPTER I

TRANSITIONAL PROVISIONS

ON SUPPORT FOR RURAL DEVELOPMENT

Article 1

Legal commitments under Regulation (EC) No 1698/2005 in 2014

1. Without prejudice to Article 88 of Regulation (EU) No .../2013*, Member States may continue to undertake new legal commitments in relation to beneficiaries in 2014, in relation to the measures referred to in Article 20, with the exception of points (a)(iii), (c)(i) and (d) thereof, and in Article 36 of Regulation (EC) No 1698/2005, pursuant to the rural development programmes adopted on the basis of that Regulation even after the financial resources of the 2007-2013 programming period have been used up, provided that the application for support is submitted before the adoption of the respective rural development programme for the 2014-2020 programming period.

* OJ: please insert the number of the Regulation in document PE-CONS 93/13 [RD].

Without prejudice to Point E of Annex VI to the 2012 Act of Accession and the provisions adopted on the basis thereof, Croatia may continue to undertake new legal commitments in respect of beneficiaries in 2014 in relation to the measures referred to in points (a) and (c) of Article 171(2) of Commission Regulation (EC) No 718/2007¹, pursuant to the Instrument for Pre-Accession Assistance on Rural Development (IPARD) programme adopted on the basis of that Regulation even after the relevant financial resources of that programme have been used up, provided that the application for support is submitted before the adoption of its rural development programme for the 2014-2020 programming period.

The expenditure incurred on the basis of those commitments shall be eligible in accordance with Article 3 of this Regulation.

2. The condition set out in the second indent of Article 14(2) of Regulation (EC) No 1257/1999 shall not apply to new legal commitments undertaken by Member States under points (a)(i) and (ii) of Article 36 of Regulation (EC) No 1698/2005 in 2014.

¹ Commission Regulation (EC) No 718/2007 of 12 June 2007 implementing Council Regulation (EC) No 1085/2006 establishing an instrument for pre-accession assistance (IPA) (OJ L 170, 29.6.2007, p. 1).

Article 2

Continued application of Articles 50a and 51 of Regulation (EC) No 1698/2005

Without prejudice to Article 88 of Regulation (EU) No .../2013*, Articles 50a and 51 of Regulation (EC) No 1698/2005 shall continue to apply, until 31 December 2014, to operations selected under the rural development programmes of the 2014-2020 programming period pursuant to points (a) and (b) of Article 21(1) of Regulation (EU) No .../2013*, as regards the annual premium, and to Articles 28 to 31, 33 and 34 of that Regulation.

* OJ: please insert the number of the Regulation in document PE-CONS 93/13 [RD].

Article 3

Eligibility of certain types of expenditure

1. Without prejudice to Article 6(1) and Article 88 of Regulation (EU) No .../2013*, expenditure relating to legal commitments to beneficiaries incurred under the measures referred to in Articles 20 and 36 of Regulation (EC) No 1698/2005 and, without prejudice to Point E of Annex VI to the 2012 Act of Accession and the provisions adopted on the basis thereof in the case of Croatia, measures referred to in points (a) and (c) of Article 171(2) of Regulation (EC) No 718/2007 shall be eligible for an EAFRD contribution in the 2014-2020 programming period in the following cases:
 - (a) for payments to be made between 1 January 2014 and 31 December 2015, and, in the case of Croatia, between 1 January 2014 and 31 December 2016, where the financial allocation for the relevant measure of the respective programme adopted pursuant to Regulation (EC) No 1698/2005 or Regulation (EC) No 718/2007 has already been used up; and
 - (b) for payments to be made after 31 December 2015, and, in the case of Croatia, after 31 December 2016.

* OJ: please insert the number of the Regulation in document PE-CONS 93/13 [RD].

This paragraph shall also apply to legal commitments to beneficiaries undertaken under corresponding measures provided for in Regulations (EC) No 1257/1999, (EEC) No 2078/1992 and (EEC) No 2080/1992 which are receiving support under Regulation (EC) No 1698/2005.

2. The expenditure referred to in paragraph 1 shall be eligible for an EAFRD contribution in the 2014-2020 programming period, subject to the following conditions:
 - (a) that such expenditure is provided for in the respective rural development programme for the 2014-2020 programming period;
 - (b) that the EAFRD contribution rate of the corresponding measure under Regulation (EU) No .../2013*, as set out in Annex I to this Regulation, applies; and
 - (c) that Member States ensure that the relevant transitional operations are clearly identified through their management and control systems.

* OJ: please insert the number of the Regulation in document PE-CONS 93/13 [RD].

Article 4

Application of certain provisions of Regulation (EC) No 73/2009 in 2014

By way of derogation from Regulation (EU) No .../2013^{**}, for the year 2014:

- (a) the reference to Chapter I of Title VI of Regulation (EU) No .../2013^{*} in Articles 28, 29, 30 and 33 of Regulation (EU) No .../2013^{**} shall be read as a reference to Articles 5 and 6 of Regulation (EC) No 73/2009 and to Annexes II and III thereto.
- (b) the reference in Article 40(1) of Regulation (EU) No .../2013^{**} to Article 19 of Regulation (EU) No .../2013^{***} shall be read as a reference to Article 132 of Regulation (EC) No 73/2009;
- (c) the reference in point (a) of Article 40(2) of Regulation (EU) No .../2013^{**} to Article 17 of Regulation (EU) No .../2013^{***} shall be read as a reference to Article 121 of Regulation (EC) No 73/2009.

* OJ: please insert the number of the Regulation in document PE-CONS 94/13 [HR].

** OJ: please insert the number of the Regulation in document PE-CONS 93/13 [RD].

*** OJ: please insert the number of the Regulation in document PE-CONS 95/13 [DP].

CHAPTER II

AMENDMENTS

Article 5

Amendments to Regulation (EC) No 1698/2005

Article 70(4c) of Regulation (EC) No 1698/2005 is hereby amended as follows:

(a) in the first subparagraph, the introductory phrase is replaced by the following:

"(4c) By way of derogation from the ceilings set out in paragraphs 3, 4 and 5, the EAFRD contribution may be increased up to a maximum of 95 % of eligible public expenditure in the regions eligible under the Convergence Objective and the outermost regions and the smaller Aegean Islands, and 85 % of eligible public expenditure in other regions. These rates shall apply to the eligible expenditure newly declared in each certified declaration of expenditure until the final date of eligibility of expenditure for the 2007-2013 programming period on 31 December 2015, where on ...* or thereafter a Member State complies with one of the following conditions:";

* OJ: please insert date of entry into force of this Regulation.

(b) the second subparagraph is replaced by the following:

"A Member State wishing to make use of the derogation provided in the first subparagraph shall submit a request to the Commission to modify its rural development programme accordingly. The derogation shall apply from the approval, by the Commission, of the modification of the programme."

Article 6

Amendments to Regulation (EC) No 73/2009

Regulation (EC) No 73/2009 is hereby amended as follows:

(1) In Article 29, the following paragraph is added:

"5. By way of derogation from paragraph 2, Member States may, from 16 October 2014, pay advances to farmers of up to 50 % of the direct payments under the support schemes listed in Annex I in respect of applications made in 2014. In the case of beef and veal payments provided for in Section 11 of Chapter 1 of Title IV, Member States may increase that percentage to up to 80 %."

(2) Article 40 is replaced by the following:

"Article 40

National ceilings

1. For each Member State and for each year, the total value of all allocated payment entitlements, of the national reserve referred to in Article 41 and of the ceilings fixed in accordance with Article 51(2), Article 69(3) and Article 72b shall be equal to its national ceiling determined in Annex VIII.
2. Where necessary, a Member State shall make a linear reduction or increase in the value of all payment entitlements, or in the amount of the national reserve referred to in Article 41 or in both in order to ensure compliance with its national ceiling determined in Annex VIII.

Member States that decide not to implement Chapter 5a of Title III of this Regulation and not to use the possibility provided for in Article 136a(1) may decide, for the purpose of obtaining the necessary reduction in the value of payment entitlements referred to in the first subparagraph, not to reduce payment entitlements activated in 2013 by farmers who, in 2013, claimed less than an amount of direct payments to be determined by the Member State concerned; that amount shall not be higher than EUR 5 000.

3. Without prejudice to Article 26 of Regulation (EU) No .../2013⁺ of the European Parliament and of the Council^{*}, the amounts of direct payments which may be granted in a Member State in respect of calendar year 2014 under Articles 34, 52, 53, 68 and 72a of this Regulation and for the aid to silkworm rearers under Article 111 of Regulation (EC) No 1234/2007 shall not be higher than the ceilings set out in Annex VIII to this Regulation for that year, reduced by the amounts resulting from the application of Article 136b of this Regulation for the calendar year 2014 as set out in Annex VIIIa to this Regulation.

Where necessary, and in order to comply with the ceilings set out in Annex VIII to this Regulation reduced by the amounts resulting from the application of Article 136b of this Regulation for the calendar year 2014 as set out in Annex VIIIa to this Regulation, Member States shall make a linear reduction in the amounts of direct payments in respect of calendar year 2014.

* Regulation (EU) No .../2013 of the European Parliament and of the Council of ... on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008 (OJ L ..., ..., p. ...)."⁺⁺

⁺ OJ: please insert the number of the Regulation in document PE-CONS 94/13 [HR].

⁺⁺ OJ: please insert the number, date of adoption and publication reference of the Regulation in document PE-CONS 94/13 [HR].

(3) In Article 41(1), point (b) is replaced by the following:

"(b) the total value of all allocated payment entitlements and the ceilings fixed in accordance with Article 51(2), Article 69(3) and Article 72b of this Regulation."

(4) In Article 51(2), the following subparagraph is added:

"For 2014, the ceilings for the direct payments referred to in Articles 52 and 53 shall be identical to the ceilings determined for 2013, multiplied by a coefficient to be calculated for each Member State concerned by dividing the national ceiling for 2014 set out in Annex VIII by the national ceiling for 2013. This multiplication shall only apply to Member States for which the national ceiling set out in Annex VIII for 2014 is lower than the national ceiling for 2013."

(5) In Article 68(8), the introductory phrase is replaced by the following:

"8. By 1 February 2014, those Member States that took the decision referred to in Article 69(1) may review that decision and decide, with effect from 2014, to:"

(6) Article 69 is amended as follows:

(a) paragraph 1 is replaced by the following:

"1. Member States may decide, by 1 August 2009, by 1 August 2010, by 1 August 2011, by 1 September 2012, by the date of its accession in the case of Croatia, or by 1 February 2014, to use, from the year following such decision, from the first year of implementation of the single payment scheme in the case of Croatia, or in the case of a decision taken by 1 February 2014, from the year 2014, up to 10 % of their national ceiling referred to in Article 40, or, in the case of Malta, the amount of EUR 2 000 000 for the specific support provided for in Article 68(1).";

(b) in paragraph 3, the second subparagraph is replaced by the following:

"For the sole purposes of ensuring compliance with the national ceilings as provided for in Article 40(2) and making the calculation referred to in Article 41(1), the amounts used to grant the support referred to in point (c) of Article 68(1) shall be deducted from the national ceiling referred to in Article 40(1). They shall be counted as allocated payment entitlements.";

- (c) in paragraph 4, the percentage "3,5 %" is replaced by "6,5 %";
- (d) in the first sentence of paragraph 5, the year "2013" is replaced by "2014";
- (e) in paragraph 6, the second subparagraph is replaced by the following:

"For the sole purposes of ensuring compliance with the national ceilings provided for in Article 40(2) and making the calculation referred to in Article 41(1), where a Member State makes use of the option provided for in point (a) of the first subparagraph of this paragraph, the amount concerned shall not be counted as part of the ceilings fixed under paragraph 3 of this Article."

- (7) In Title III, the following Chapter is added:

"Chapter 5a

REDISTRIBUTIVE PAYMENT IN 2014

Article 72a

General rules

- 1. Member States may decide, by 1 March 2014, to grant, for 2014, a payment to farmers who are entitled to a payment under the single payment scheme referred to in Chapters 1, 2 and 3 ("the redistributive payment").

Member States shall notify the Commission of their decision by 1 March 2014.

2. Member States which have decided to apply the single payment scheme at regional level in accordance with Article 46 may apply the redistributive payment at regional level.
3. Without prejudice to the application of financial discipline, of linear reductions as referred to in Article 40(3), and to the application of Articles 21 and 23, the redistributive payment shall be granted upon activation of payment entitlements by the farmer.
4. The redistributive payment shall be calculated by Member States by multiplying a figure to be set by the Member State, which shall not be higher than 65 % of the national or regional average payment per hectare, by the number of payment entitlements activated by the farmer in accordance with Article 34. The number of such payment entitlements shall not exceed a maximum to be set by Member States which shall not be higher than 30 hectares or the average size of agricultural holdings set out in Annex VIIIb if that average size exceeds 30 hectares in the Member State concerned.

5. Provided that the maximum limits set out in paragraph 4 are respected, Member States may, at national level, establish a graduation in the number of hectares set in accordance with that paragraph, which shall apply identically to all farmers.
6. The national average payment per hectare referred to in paragraph 4 shall be established by the Member States on the basis of the national ceiling set out in Annex VIIIc and the number of eligible hectares declared in accordance with Article 34(2) in 2014.

The regional average payment per hectare referred to in paragraph 4 shall be established by the Member States by using a share of the national ceiling set out in Annex VIIIc and the number of eligible hectares declared in the region concerned in accordance with Article 34(2) in 2014. For each region, this share shall be calculated by dividing the respective regional ceiling set in accordance with Article 46(3) by the national ceiling set in accordance with Article 40 for the year 2014.

7. Member States shall ensure that no advantage provided for under this Chapter is granted to farmers in respect of whom it is established that, after 18 October 2011, they divided their holding with the sole purpose of benefiting from the redistributive payment. This shall also apply to farmers whose holdings result from that division.

Article 72b

Financial provisions

1. In order to finance the redistributive payment, Member States may decide, by 1 March 2014, to use up to 30 % of the annual national ceiling set in accordance with Article 40 for claim year 2014. They shall notify the Commission of any such decision by that date.
2. On the basis of the percentage of the national ceiling to be used by Member States pursuant to paragraph 1 of this Article, the Commission shall adopt implementing acts fixing the corresponding ceiling for the redistributive payment. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 141b(2)."

(8) In Article 90, paragraph 3 is replaced by the following:

"3. The amount of the aid per eligible hectare shall be established by multiplying the yields established in paragraph 2 by the following reference amounts:

Bulgaria: EUR 520,20

Greece: EUR 234,18

Spain: EUR 362,15

Portugal: EUR 228,00."

(9) In Article 122, paragraph 3 is replaced by the following:

"3. The single area payment scheme shall be available until 31 December 2014."

(10) In Article 124, paragraphs 1 and 2 are replaced by the following:

"1. The agricultural area of a new Member State under the single area payment scheme shall be that part of its utilised agricultural area which is maintained in good agricultural condition, whether or not in production, and, where appropriate, adjusted in accordance with the objective and non-discriminatory criteria to be set by that new Member State after approval by the Commission.

For the purposes of this Title, 'utilised agricultural area' shall mean the total area taken up by arable land, permanent grassland, permanent crops and kitchen gardens, as established by the Commission for its statistical purposes.

2. For the purpose of granting payments under the single area payment scheme, all agricultural parcels corresponding to the criteria provided for in paragraph 1, as well as agricultural parcels planted with short rotation coppice (CN code ex 0602 90 41), shall be eligible.

Except in the case of force majeure or exceptional circumstances, the parcels referred to in the first subparagraph shall be at the farmer's disposal on the date fixed by the Member State, which shall be no later than the date fixed in that Member State for amendment of the aid application.

The minimum size of eligible area per holding for which payments may be requested shall be 0,3 ha. However, any new Member State may decide, on the basis of objective criteria and after approval by the Commission, to set the minimum size at a higher level provided that it does not exceed 1 ha."

(11) In Title V, the following Chapter is inserted:

"Chapter 2a

REDISTRIBUTIVE PAYMENT IN 2014

Article 125a

General rules

1. The new Member States applying the single area payment scheme may decide, by 1 March 2014, to grant, for 2014, a payment to farmers who are entitled to a payment under the single area payment scheme referred to in Chapter 2 ("the redistributive payment for new Member States").

The new Member States concerned shall notify the Commission of their decision by 1 March 2014.

2. Without prejudice to the application of financial discipline and the application of Articles 21 and 23, the redistributive payment for new Member States shall take the form of an increase in the per hectare amounts granted under the single area payment scheme.

3. The redistributive payment for new Member States shall be calculated by Member States by multiplying a figure to be set by the Member State, which shall not be higher than 65 % of the national average payment per hectare, by the number of eligible hectares in respect of which the farmer is granted amounts under the the single area payment scheme. The number of such hectares shall not exceed a maximum to be set by Member States which shall not be higher than 30 or the average size of agricultural holdings set out in Annex VIIIb if that average size exceeds 30 hectares in the new Member State concerned.
4. Provided that the maximum limits set out in paragraph 3 are respected, Member States may, at national level, establish a graduation in the number of hectares set in accordance with that paragraph, which shall apply identically to all farmers.
5. The national average payment per hectare referred to in paragraph 3 shall be established by the Member States on the basis of the national ceiling set out in Annex VIIIc and the number of eligible hectares declared under the single area payment scheme in 2014.

6. New Member States shall ensure that no advantage provided for under this Chapter is granted to farmers in respect of whom it is established that, after 18 October 2011, they divided their holding with the sole purpose of benefiting from the redistributive payment for new Member States. This shall also apply to farmers whose holdings result from that division.

Article 125b

Financial provisions

1. In order to finance the redistributive payment for new Member States, new Member States may decide, by 1 March 2014, to use up to 30 % of the annual national ceiling referred to in Article 40 for claim year 2014, or for Bulgaria and Romania, of the amounts set in Annex VIIIId. They shall notify the Commission of any such decision by that date.

The annual financial envelope in Article 123 shall be reduced by the amount referred to in the first subparagraph.

2. On the basis of the percentage of the national ceiling to be used by the new Member States concerned pursuant to paragraph 1 of this Article, the Commission shall adopt implementing acts fixing the corresponding ceiling for the redistributive payment for new Member States and the corresponding reduction of the annual financial envelope referred to in Article 123. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 141b(2).".

(12) In Article 131, paragraph 1 is replaced by the following:

"1. The new Member States applying the single area payment scheme may decide, by 1 August 2009, by 1 August 2010, by 1 August 2011, by 1 September 2012 or by 1 February 2014, to use, from the year following that decision, or in the case of a decision taken by 1 February 2014, from the year 2014, up to 10 % of their national ceilings referred to in Article 40 to grant support to farmers as set out in Article 68(1) and in accordance with Chapter 5 of Title III, as applicable to them.".

(13) The title of Article 133a is replaced by the following:

"Transitional national aid in 2013".

(14) In Chapter 4 of Title V, the following Article is inserted:

"Article 133b

Transitional national aid in 2014

1. The new Member States applying the single area payment scheme in accordance with Article 122 may decide to grant transitional national aid in 2014.
2. Bulgaria and Romania may grant aid under this Article only if they decide, by 1 February 2014, not to grant, in 2014, any complementary national direct payments under Article 132.
3. The aid under this Article may be granted to farmers in sectors in respect of which transitional national aid pursuant to Article 133a or, in the case of Bulgaria and Romania, complementary national direct payments pursuant to Article 132 were granted in 2013.
4. The conditions for granting the aid under this Article shall be identical to those authorised for the granting of payments pursuant to Articles 132 or 133a in respect of 2013, with the exception of the reductions due to the application of Article 132(2) in conjunction with Articles 7 and 10.

5. The total amount of aid that may be granted to farmers in any of the sectors referred to in paragraph 3 shall be limited to 80 % of the sector-specific financial envelopes in respect of 2013 authorised by the Commission in accordance with Article 133a(5) or, in the case of Bulgaria and Romania, in accordance with Article 132(7).

For Cyprus, the sector-specific financial envelopes are set out in Annex XVIIa.

6. Paragraphs 3 and 4 shall not apply to Cyprus.
7. The new Member States shall notify the Commission of the decisions referred to in paragraphs 1 and 2 by 31 March 2014. The notification of the decision referred to in paragraph 1 shall include the following information:
 - (a) the financial envelope for each sector;
 - (b) the maximum rate of transitional national aid, where appropriate.
8. The new Member States may decide, on the basis of objective criteria and within the limits authorised by the Commission pursuant to paragraph 5, on the amounts of transitional national aid to be granted."

(15) In Title VI, the following Article is added:

"Article 136a

Flexibility between pillars

1. By 31 December 2013, Member States may decide to make available as additional support for measures under rural development programming financed under the EAFRD as specified under Regulation (EU) No .../2013⁺ of the European Parliament and of the Council*, up to 15 % of their annual national ceilings for calendar year 2014 set out in Annex VIII to this Regulation and of their annual national ceilings for calendar years 2015-2019 set out in Annex II to Regulation (EU) No .../2013⁺⁺ of the European Parliament and of the Council**. As a result, the corresponding amount shall no longer be available for granting direct payments.

The decision referred to in the first subparagraph shall be notified to the Commission by 31 December 2013. That decision shall set out the percentage referred to in that subparagraph, which may vary by calendar year.

Member States which do not take the decision referred to in the first subparagraph in respect of calendar year 2014 may, by 1 August 2014, take that decision, in respect of calendar years 2015 to 2019. They shall notify the Commission of any such decision by that date.

⁺ OJ: please insert the number of the Regulation in document PE-CONS 93/13 [RD].

⁺⁺ OJ: please insert the number of the Regulation in document PE-CONS 95/13 [DP].

Member States may decide to review the decision referred to in this paragraph with effect from calendar year 2018. Any decisions based on such review shall not result in a decrease of the percentage notified to the Commission in accordance with the first, second and third subparagraphs. Member States shall notify the Commission of any decision based on such review by 1 August 2017.

2. By 31 December 2013, Member States which do not take the decision referred to in paragraph 1 may decide to make available as direct payments up to 15 % or, in the case of Bulgaria, Estonia, Spain Latvia, Lithuania, Poland, Portugal, Romania, Slovakia, Finland, Sweden and the United Kingdom, up to 25 % of the amount allocated to support for measures under rural development programming financed under the EAFRD in the period 2015-2020 as specified in Regulation (EU) No .../2013⁺. As a result, the corresponding amount shall no longer be available for support measures under rural development programming.

The decision referred to in the first subparagraph shall be notified to the Commission by 31 December 2013. That decision shall set out the percentage referred to in that subparagraph which may vary by calendar year.

⁺ OJ: please insert the number of the Regulation in document PE-CONS 93/13 [RD].

Member States which do not take the decision referred to in the first subparagraph in respect of financial year 2015 may, by 1 August 2014, take that decision in respect of financial years 2016 to 2020. They shall notify the Commission of any such decision by that date.

Member States may decide to review the decision referred to in this paragraph with effect for financial year 2019 and 2020. Any decision based on such review shall not result in an increase of the percentage notified to the Commission in accordance with the first, second and third subparagraphs. Member States shall notify the Commission of any decision based on such review by 1 August 2017.

3. In order to take account of the decisions notified by Member States in accordance with paragraphs 1 and 2, the Commission shall be empowered to adopt delegated acts, in accordance with Article 141a, reviewing the ceilings set out in Annex VIII.

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- * Regulation (EU) No .../2013 of the European Parliament and of the Council of... on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and repealing Council Regulation (EC) No 1698/2005 (OJ L ..., ..., p. ...).⁺
- ** Regulation (EU) No [...] of the European Parliament and of the Council of ... establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy and repealing Council Regulation (EC) No 637/2008 and Council Regulation (EC) No 73/2009 (OJ L ..., ..., p.....)."⁺⁺

⁺ OJ: please insert the number, date of adoption and publication reference of the Regulation in document PE-CONS 93/13 [RD].

⁺⁺ OJ: please insert the number, date of adoption and publication reference of the Regulation in document PE-CONS 95/13 [DP].

(16) In Title VI, the following Article is added:

"Article 136b

Transfer to EAFRD

Member States that, in accordance with Article 136, decided to make an amount available from the financial year 2011 for Union support under rural development programming and financing under the EAFRD, shall continue to make the amounts of Annex VIIIa available for rural development programming and financing under the EAFRD for financial year 2015."

(17) The following Article is inserted:

"Article 140a

Delegation of powers

In order to take account of the decisions notified by Member States in accordance with Article 136a(1) and (2), as well as of any other modification of the national ceilings set out in Annex VIII, the Commission shall be empowered to adopt delegated acts, in accordance with Article 141a, adapting the ceilings set out in Annex VIIIc.

In order to ensure an optimal application of the linear reduction provided for under Article 40(3) in 2014, the Commission shall be empowered to adopt delegated acts, in accordance with Article 141a, laying down rules for calculating the reduction to be applied by Member States to farmers pursuant to Article 40(3)."

(18) Article 141a is replaced by the following:

"Article 141a

Exercise of the 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 11a, Article 136a(3) and Article 140a shall be conferred on the Commission until 31 December 2014.
3. The delegation of power referred to in Article 11a, Article 136a(3) and Article 140a may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the *Official Journal of the European Union* or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

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 11a, Article 136a(3) and Article 140a 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."
- (19) Annexes I, VIII and XVIIa are amended and new Annexes VIIIa, VIIIb, VIIIc and VIId added in accordance with points (1), (4), (5) and (6) of Annex II to this Regulation.
- (20) Annexes II and III are amended in accordance with points (2) and (3) of Annex II to this Regulation.

Article 7
*Amendments to Regulation (EU) No .../2013**

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

(1) In Article 6, paragraph 3 is replaced by the following:

"3. In order to take account of the developments relating to the total maximum amounts of direct payments that may be granted, including those resulting from the decisions taken by Member States in accordance with Article 136a of Regulation (EC) No 73/2009 and Article 14 of this Regulation and those resulting from the application of Article 20(2) of this Regulation, the Commission shall be empowered to adopt delegated acts in accordance with Article 70 of this Regulation adapting the national ceilings set out in Annex II to this Regulation."

(2) In Article 26(6), the following subparagraph is added:

"For the purposes of the calculation methods provided for in this Article, provided that the redistributive payment pursuant to Article 41 is not applied, Member States shall fully take into account the support granted for calendar year 2014 under Articles 72a and 125a of Regulation (EC) No 73/2009."

* OJ: please insert the number of the Regulation in document PE-CONS 95/13 [DP]

(3) In Article 36(3), the following subparagraph is added:

"In order to differentiate the single area payment scheme, and provided that the redistributive payment pursuant to Article 41 is not applied, Member States shall fully take into account the support granted for calendar year 2014 under Article 125a of Regulation (EC) No 73/2009."

(4) In Article 72(2), the following subparagraph is inserted after the first subparagraph:

"However, it shall continue to apply in respect of aid applications relating to claim years starting before 1 January 2015."

Article 8

*Amendments to Regulation (EU) No .../2013**

Regulation (EU) No .../2013* is hereby amended as follows:

(1) In Article 119(1), the second subparagraph is replaced by the following:

"However, Article 31 of Regulation (EC) No 1290/2005 and the relevant implementing rules shall continue to apply until 31 December 2014 and Articles 30 and 44a of Regulation (EC) No 1290/2005 and the relevant implementing rules shall continue to apply to expenditure incurred and payments made for agricultural financial year 2013, respectively."

* OJ: please insert the number of the Regulation in document PE-CONS 94/13 [HR].

(2) The following Article is inserted:

"Article 119a

Derogation from Regulation (EU) No 966/2012

By way of derogation from Article 59(5) of Regulation (EU) No 966/2012 and from Article 9(1) of this Regulation, for agricultural financial year 2014, it shall not be necessary for the opinion of the certification body to establish whether the expenditure in respect of which reimbursement has been requested from the Commission is legal and regular."

(3) In Article 121, paragraph 2 is replaced by the following:

"2. However, the following provisions shall apply as follows:

(a) Articles 7, 8, 16, 25, 26 and 43, from 16 October 2013;

(b) Article 52, Title III, Chapter II of Title V and Title VI, from 1 January 2015.

3. Notwithstanding paragraphs 1 and 2:
 - (a) Articles 9, 18, 40 and 51 shall apply to expenditure effected from 16 October 2013;
 - (b) Chapter IV of Title VII shall apply to payments made from agricultural financial year 2014 onwards."

Article 9

*Amendments to Regulation (EU) No .../2013**

Regulation (EU) No .../2013* is hereby amended as follows:

- (1) The following Article is inserted:

"Article 214a

National payments for certain sectors in Finland

Subject to authorisation by the Commission, for the period 2014-2020, Finland may continue to grant national aids which it granted in 2013 to producers on the basis of Article 141 of the 1994 Act of Accession, provided that:

- (a) the amount of income aid is degressive over the whole period and in 2020 does not exceed 30 % of the amount granted in 2013; and

* OJ: please insert the number of the Regulation in document PE-CONS 96/13 [sCMO].

- (b) prior to any recourse to this possibility, full use has been made of the support schemes under the CAP for the sectors concerned.

The Commission shall adopt its authorisation without applying the procedure referred to in Article 229(2) or (3) of this Regulation."

- (2) In Article 230(1), the following points are inserted:

"(ba) Article 111 until 31 March 2015;"

"(ca) Article 125a(1)(e) and (2) and, in respect of the fruit and vegetables sector, Annex XVIa, until the date of application of the related rules to be established pursuant to the delegated acts provided for in points (b) and (i) of Article 173(1);"

"(da) Articles 136, 138 and 140, as well as Annex XVIII for the purposes of applying those Articles, until the date of application of the rules to be established pursuant to the implementing acts provided for in Article 180 and in point (a) of Article 183 or until 30 June 2014, whichever is the earlier."

Article 10
*Amendments to Regulation (EU) No .../2013**

Regulation (EU) No .../2013* is hereby amended as follows:

(1) In Article 31, the following paragraph is added:

"6. Croatia may grant payments under this measure to beneficiaries in areas which have been designated pursuant to Article 32(3), even where the fine-tuning exercise referred to in the third subparagraph of that paragraph has not been completed. The fine-tuning exercise shall be completed by no later than 31 December 2014. Beneficiaries in areas that are no longer eligible following the completion of the fine-tuning exercise shall receive no further payments under this measure."

(2) In Article 58, paragraph 6 is replaced by the following:

"6. The funds transferred to the EAFRD in application of Article 136a(1) of Regulation (EC) No 73/2009 and Article 7(2) of Regulation (EU) No .../2013** and the funds transferred to the EAFRD in application of Articles 10b, 136 and 136b of Regulation (EC) No 73/2009 in respect of calendar years 2013 and 2014 shall also be included in the annual breakdown referred to in paragraph 4 of this Article."

* OJ: please insert the number of the Regulation in document PE-CONS 93/13 [RD].

** OJ: please insert the number of the Regulation in document PE-CONS 95/13 [DP].

(3) In Article 59(4), point (f) is replaced by the following:

"(f) 100 % for an amount of EUR 100 million, in 2011 prices, allocated to Ireland, for an amount of EUR 500 million, in 2011 prices, allocated to Portugal and for an amount of EUR 7 million, in 2011 prices, allocated to Cyprus, on the condition that those Member States are receiving financial assistance in accordance with Articles 136 and 143 TFEU on 1 January 2014 or thereafter, until 2016 when the application of this provision shall be reassessed."

CHAPTER III

FINAL PROVISIONS

Article 11

Entry into force and application

This Regulation shall enter into force on the day of its publication in the *Official Journal of the European Union*.

It shall apply from 1 January 2014.

However:

- points (15), (17) and (18) of Article 6 shall apply from the date of entry into force of this Regulation;
- point (20) of Article 6 shall apply from 22 December 2013; and
- point (3) of Article 8 shall apply from the dates of application stated therein.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the European Parliament

The President

For the Council

The President

ANNEX I

Correspondence of Articles in measures under the 2007-2013 and the 2014-2020 programming periods

Regulation (EC) No 1698/2005	Regulation (EU) No .../2013*
Article 20(a)(i): Vocational training and information	Article 14
Article 20(a)(ii): Setting up of Young Farmers	Article 19(1)(a)(i)
Article 20(a)(iii): Early retirement	/
Article 20(a)(iv): Use of advisory services	Article 15(1)(a)
Article 20 (a)(v): Setting up of management, relief and advisory services	Article 15(1)(b)
Article 20(b)(i): Modernisation of agricultural holdings	Article 17(1)(a)
Article 20(b)(ii): Improvement of the economic value of forests	Article 21(1)(d)
Article 20(b)(iii): Adding value to agricultural and forestry products	Article 17(1)(b) Article 21(1)(e)
Article 20(b)(iv): Cooperation for development of new products-process-technologies	Article 35
Article 20(b)(v): Agricultural and forestry infrastructure	Article 17(1)(c)

* OJ: please insert the number of the Regulation in document PE-CONS 93/13 [RD].

Regulation (EC) No 1698/2005	Regulation (EU) No .../2013*
Article 20(b)(vi): Restoration-prevention actions	Article 18
Article 20(c)(i): Meeting Standards	/
Article 20(c)(ii): Food quality schemes	Article 16
Article 20(c)(iii): Information and promotion	Article 16
Article 20(d)(i): Semi-subsistence farming	Article 19(1)(a)(iii)
Article 20(d)(ii): Producer groups	Article 27
Article 36(a)(i): Natural handicap payments in mountains	Article 31
Article 36(a)(ii): Natural handicap payments in areas other than mountain areas	Article 31
Article 36(a)(iii): Natura 2000 and payments linked to Directive 2000/60/EC	Article 30
Article 36(a)(iv): Agri-environment payments	Article 28 Article 29
Article 36(v): Animal welfare payments	Article 33
Article 36(b)(i): First afforestation of agricultural land	Article 21(1)(a)
Article 36(b)(ii): First establishment of agroforestry systems	Article 21(1)(b)

Regulation (EC) No 1698/2005	Regulation (EU) No .../2013*
Article 36(b)(iii): First afforestation of non-agricultural land	Article 21(1)(a)
Article 36(b)(iv): Natura 2000 payments	Article 30
Article 36(b)(v): Forest-environment payments	Article 34
Article 36(b)(vi): Restoring forestry potential and introducing preventive actions	Article 21(1)(c)
Article 36(b)(vii): Non-productive investments	Article 21(1)(d)
Measures under Regulation (EC) No 718/2007	Measures under Regulation (EU) No .../2013*
Article 171(2)(a): Investments in agricultural holdings to restructure and to upgrade to Community standards	Article 17(1)(a)
Article 171(2)(c): Investments in processing and marketing of agriculture and fishery products to restructure those activities and to upgrade them to Community standards	Article 17(1)(b)

* OJ: please insert the number of the Regulation in document PE-CONS 93/13.

ANNEX II

The Annexes to Regulation (EC) No 73/2009 are amended as follows:

- (1) In Annex I, the following row is inserted after that relating to "Specific support":

"Redistributive payment	Title III, Chapter 5a and Title V, Chapter 2a	Decoupled payment
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- (2) Annex II is amended as follows:

- (a) Point A. 'Environment' is replaced by the following:

"1	Council Directive 79/409/EEC of 2 April 1979 on the conservation of wild birds (OJ L 103, 25.4.1979, p. 1)	Article 3(1), Article 3(2)(b), Article 4(1), (2) and (4) and Article 5(a), (b) and (d)
2	-	-
3	Council Directive 86/278/EEC of 12 June 1986 on the protection of the environment, and in particular of the soil, when sewage sludge is used in agriculture (OJ L 181, 4.7.1986, p. 6)	Article 3
4	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
5	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 and Article 13(1)(a)";

(b) point 9 of Point B. 'Public, animal and plant health' is replaced by the following:

"9	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)	Article 55, first and second sentence".
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(3) In Annex III, the entry for "Protection and management of water" is replaced by the following:

"Protection and management of water:	- Establishment of buffer strips along water courses ⁽¹⁾
Protect water against pollution and run-off, and manage the use of water	- Where use of water for irrigation is subject to authorisation, compliance with authorisation procedures

Protection of ground water against pollution:
prohibition of direct discharge into groundwater and measures to prevent indirect pollution of groundwater through discharge on the ground and percolation through the soil of dangerous substances, as listed in the Annex to the Directive 80/68/EEC in its version in force on the last day of its validity, as far as it relates to agricultural activity

⁽¹⁾ Note: The GAEC buffer strips must respect, both within and outside vulnerable zones designated pursuant to Article 3(2) of Directive 91/676/EEC, at least the requirements relating to the conditions for land application of fertiliser near water courses, referred to in point A.4 of Annex II to Directive 91/676/EEC to be applied in accordance with the action programmes of Member States established under Article 5(4) of Directive 91/676/EEC."

(4) In Annex VIII, the column for the year 2014 is replaced by the following:

"Table 1

(thousand EUR)

Member State	2014
Belgium	544 047
Denmark	926 075
Germany	5 178 178
Greece	2 047 187
Spain	4 833 647
France	7 586 341
Ireland	1 216 547
Italy	3 953 394
Luxembourg	33 662
Netherlands	793 319
Austria	693 716
Portugal	557 667
Finland	523 247
Sweden	696 487
United Kingdom	3 548 576

Table 2(*)
(thousand EUR)

Bulgaria	642 103
Czech Republic	875 305
Estonia	110 018
Cyprus	51 344
Latvia	168 886
Lithuania	393 226
Hungary	1 272 786
Malta	5 240
Poland	2 970 020
Romania	1 428 531
Slovenia	138 980
Slovakia	377 419
Croatia	113 908
(*)	Ceilings calculated taking into account of the schedule of increments provided for in Article 121."

(5) The following Annexes are inserted after Annex VIII:

"Annex VIIIa

Amounts resulting from the application of Article 136b in 2014

Germany: EUR 42 600 000

Sweden: EUR 9 000 000

Annex VIIIb

Average size of agricultural holding to be applied under Article 72a(4) and Article 125a(3)

Member State	Average size of agricultural holding (in hectares)
Belgium	29
Bulgaria	6
Czech Republic	89
Denmark	60
Germany	46
Estonia	39
Ireland	32
Greece	5
Spain	24
France	52
Croatia	5,9
Italy	8
Cyprus	4
Latvia	16
Lithuania	12
Luxembourg	57
Hungary	7
Malta	1
Netherlands	25
Austria	19
Poland	6
Portugal	13
Romania	3
Slovenia	6
Slovakia	28
Finland	34
Sweden	43
United Kingdom	54

Annex VIIIc

National ceilings referred to in Article 72a(3) and Article 125a(3)

	(thousands EUR)
Belgium	505 266
Bulgaria	796 292
Czech Republic	872 809
Denmark	880 384
Germany	5 018 395
Estonia	169 366
Ireland	1 211 066
Greece	1 931 177
Spain	4 893 433
France	7 437 200
Croatia	265 785
Italy	3 704 337
Cyprus	48 643
Latvia	302 754
Lithuania	517 028
Luxembourg	33 432
Hungary	1 269 158
Malta	4 690
Netherlands	732 370
Austria	691 738
Poland	3 061 518
Portugal	599 355
Romania	1 903 195
Slovenia	134 278
Slovakia	394 385
Finland	524 631
Sweden	699 768
United Kingdom	3 591 683

Annex VIII d

Amounts for Bulgaria and Romania referred to in Article 125b(1)

Bulgaria	EUR 789 365 000
Romania	EUR 1 753 000 000

".

(6) Annex XVIIa is replaced by the following:

"Annex XVIIa

Transitional national aid in Cyprus

(EUR)

Sector	2013	2014
Cereals (durum wheat excluded)	141 439	113 151
Durum wheat	905 191	724 153
Milk and dairy	3 419 585	2 735 668
Beef	4 608 945	3 687 156
Sheep and goats	10 572 527	8 458 022
Pig sector	170 788	136 630
Poultry and eggs	71 399	57 119
Wine	269 250	215 400
Olive oil	3 949 554	3 159 643
Table grapes	66 181	52 945
Dried grapes	129 404	103 523
Processed tomatoes	7 341	5 873
Bananas	4 285 696	3 428 556
Tobacco	1 027 775	822 220
Deciduous fruit including stone fruit	173 390	138 712
Total	29 798 462	23 838 770

".