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from: General Secretariat
to: Delegations

No. Cion prop.: 15396/11 + REV 1, REV 2 (NL), REV 3 - COM(2011) 625 final/3,
14483/12 - COM(2012) 552 final

No. prev. doc.: 16173/12

Subject: Proposal for a Regulation of the European Parliament and of the Council
establishing rules for direct payments to farmers under support schemes within the
framework of the common agricultural policy (*CAP Reform*)
*Common declaration of Bulgaria, the Czech Republic, Hungary, Latvia, Poland,
Romania and Slovakia on Coupled Support supported by Slovenia*
- Request from the Bulgarian delegation

Delegations will find in Annex a document submitted by the Bulgarian delegation to be presented under "Any other business" at the Council ("Agriculture and Fisheries") at its session on 18-20 December 2012.

**COMMON DECLARATION OF BULGARIA, THE CZECH REPUBLIC, HUNGARY,
LATVIA, POLAND, ROMANIA, SLOVAKIA ON COUPLED SUPPORT**

(Supported by Slovenia)

The Common Agricultural Policy (CAP) reform should guarantee equal treatment and possibilities for all Member States.

Coupled support is an extremely important instrument of CAP because it ensures support for sectors with particular difficulties and has significant contribution in solving specific regional problems.

At present, the limitation of a maximum 3.5% of the national ceiling for coupled support according to Article 68 of Regulation 73/2009 and the impossibility to implement other coupled support schemes do not allow new Member States to allocate more than 10% for coupled direct support. The current restriction should not limit the future opportunity for larger package for voluntary coupled support.

Without prejudice to the Joint proposal for the differentiated basic payment (document 11152/12), we invite the Commission to explore all possibilities which could allow equal treatment of Member States and introduction of an option also for the Member States applying SAPS to be able to notify more than 10% for coupled support for the next programming period

Therefore we propose amendment in Art. 39, paragraph 3 of the draft Regulation on direct payments, providing explicit text for the Member States applying SAPS to be able to allocate more than 10% for coupled support.

Article 39

Financial provisions

1. In order to finance the voluntary coupled support, Member States may decide, by 1 August of the year preceding the first year of implementation of such support, to use up to 5 % of their annual national ceiling set out in Annex II.
2. By way of derogation from paragraph 1, Member States may decide to use up to 10 % of the annual national ceiling set out in Annex II provided that:
 - (a) they applied, until 31 December 2013, the single area payment scheme as laid down in Title V of Regulation (EC) No 73/2009, or financed measures under Article 111 of that Regulation, or are concerned by the derogation provided for in Article 69(5), or, in the case of Malta, in Article 69(1) of that Regulation; and/or

- (b) they allocated, during at least one year in the period 2010-2013, more than 5 % of their amount available for granting the direct payments provided for in Titles III, IV and V of Regulation (EC) No 73/2009, with the exception of Section 6 of Chapter 1 of Title IV, for financing the measures laid down in Section 2 of Chapter 2 of Title III of Regulation (EC) No 73/2009, the support provided for in points (i) to (iv) of paragraph 1(a) and paragraphs 1(b) and (e) of Article 68 of that Regulation, or the measures under Chapter 1, with the exception of Section 6, of Title IV of that Regulation.
3. By way of derogation from paragraph 2, Member States having allocated during at least one year in the period 2010-2013 more than 10 % of their amount available for granting the direct payments provided for in Titles III, IV and V of Regulation (EC) No 73/2009, with the exception of Section 6 of Chapter 1 of Title IV, for financing the measures laid down in Section 2 of Chapter 2 of Title III of Regulation (EC) No 73/2009, the support provided for in points (i) to (iv) of paragraph 1(a) and paragraphs 1(b) and (e) of Article 68 of that Regulation, or the measures under Chapter 1, with the exception of Section 6, of Title IV of that Regulation, **as well as Member States which applied the single area payment scheme as provided for in Regulation (EC) No 73/2009**, may decide to use more than 10 % of the annual national ceiling set out in Annex II upon approval by the Commission in accordance with Article 41.
4. Member States may, by 1 August 2016, review their decision pursuant to paragraphs 1, 2 and 3 and decide, with effect from 2017:
- (a) to increase the percentage fixed pursuant to paragraphs 1 and 2, within the limits laid down therein where applicable, and, where appropriate, modify the conditions for granting the support;
- (b) to reduce the percentage used for the funding of coupled support and, where appropriate, modify the conditions for granting that support;
- (c) to cease granting the support under this Chapter.
5. On the basis of the decision taken by each Member State pursuant to paragraphs 1 to 4 on the proportion of the national ceiling to be used, the Commission shall, by means of implementing acts, fix the corresponding ceiling for the support on a yearly basis. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 56(2).