

COMPARISON BETWEEN THE COMMISSION PROPOSAL – AREPO’S AMENDMENT
PROPOSALS AND THE COMAGRI COMPROMISE AMENDMENTS

RURAL DEVELOPMENT

Article	Current proposal	AREPO amendment proposal	Compromise Amendment
8.1	<p>Member States may include within their rural development programmes thematic sub-programmes, contributing to the Union priorities for rural development, aimed to address specific needs identified, in particular in relation to:</p> <p>(a) young farmers;</p> <p>(b) small farms as referred to in the third subparagraph of Article 20(2);</p> <p>(c) mountain areas as referred to in Article 33(2);</p> <p>(d) short supply chains.</p> <p>An indicative list of measures and types of operations of particular relevance to each thematic sub-programme is set out in Annex III.</p>	<p>Member States may include within their rural development programmes thematic sub-programmes, contributing to the Union priorities for rural development, aimed to address specific needs identified, in particular in relation to:</p> <p>(a) young farmers;</p> <p>(a bis) European Union quality schemes for agricultural products and foodstuffs and quality schemes recognized by member states (art. 17.1.a and 17.1.b)</p> <p>(b) small farms as referred to in the third subparagraph of Article 20(2);</p> <p>(c) mountain areas as referred to in Article 33(2);</p> <p>(d) short supply chains.</p> <p>An indicative list of measures and types of operations of particular relevance to each thematic sub-programme is set out in Annex III.</p>	<p>1. <u>With the aim of contributing to the achievement of rural development priorities</u>, Member States may include within their rural development programmes thematic sub-programmes that address specific needs. <u>Such thematic sub-programmes may, inter alia, relate to:</u></p> <p>(a) young farmers;</p> <p>(b) small farms as referred to in the third subparagraph of Article 20(2);</p> <p>(c) mountain areas as referred to in Article 33(2);</p> <p>(d) short supply chains;</p> <p><u>(da) women in rural areas.</u></p> <p>An indicative list of measures and types of operations of particular relevance to each thematic sub-programme is set out in Annex III.</p> <p>2. Thematic sub-programmes may also address specific needs relating to the restructuring of agricultural sectors with a significant impact on the development of a specific rural area <u>or other specific needs identified by the Member State.</u></p> <p>3. The support rates laid down in Annex I may be increased by 10 percentage points for operations supported in the framework of thematic sub-programmes concerning small farms and short supply chains. In the case of <u>inter alia</u>, young farmers and mountain areas, the maximum support rates may be increased in accordance with Annex I. However, the maximum combined support rate shall not exceed 90%.</p>

Justification for AREPO's proposal	
Quality schemes for agricultural products and foodstuffs meet the priorities of the Union for rural development presented in the proposal for a Regulation of the European Parliament and of the Council on support for rural development by the European Agricultural Fund for Rural Development (EAFRD).	

Article	Current proposal	Amendment proposal	Compromise Amendment
17.1	1.Support under this measure shall cover new participation by farmers in:	1.Support under this measure shall cover new participation by farmers, <u>producers' consortia and agri-food companies</u> in:	1. Support under this measure shall cover new participation by farmers, <u>producer groups and producer organisations in:</u>
Justification for AREPO's proposal			
<p>1/ Quality products have a vertical composition that implies the participation in collective organizations for the management, protection and promotion of products and that involve downstream firms.</p> <p>2/ A producers consortia that already has product specifications for one product and that asks for new specifications for a different product is therefore eligible .</p>			

Article	Current proposal	Amendment proposal	Compromise Amendment
17.1.c	(c) voluntary agricultural product certification schemes recognised by the Member States as meeting the Union best practice guidelines ²⁹ for the operation of voluntary certification schemes relating to agricultural products and foodstuffs..	To be suppressed (c) voluntary agricultural product certification schemes recognised by the Member States as meeting the Union best practice guidelines²⁹ for the operation of voluntary certification schemes relating to agricultural products and foodstuffs..	(c) voluntary agricultural-product <u>and farm</u> certification schemes recognised by the Member States as meeting the Union best practice guidelines for the operation of voluntary certification schemes relating to agricultural products and foodstuffs.
Justification for AREPO's proposal			
Voluntary certification schemes are a business-to-business sort of certification that isn't relevant to the consumer. The nature of such schemes is different from that of quality schemes. It is therefore inappropriate to make these systems compete for the same resources, which are earmarked for quality in the new CAP proposal.			

Article	Current proposal	Amendment proposal	Compromise Amendment
17.2	Support shall be granted as an annual incentive payment, the level of which shall be determined according to the level of the fixed costs arising from participation in supported	Support shall be granted as an annual incentive payment, the level of which shall be determined according to the level of the fixed costs arising from participation in supported	2. Support shall be granted as an annual incentive payment, the level of which shall be determined according to the level of the fixed costs arising from

	<p>schemes, for a maximum duration of five years.</p> <p>For the purposes of this paragraph, 'fixed costs' means the costs incurred for entering a supported quality scheme and the annual contribution for participating in that scheme, including, where necessary, expenditure on checks required to verify compliance with the specifications of the scheme.</p>	<p>schemes, for a maximum duration of five years. <u>Payments are done annually on presentation of due documents, but the producer makes a single application covering 5 years.</u></p> <p>For the purposes of this paragraph, 'fixed costs' means the costs incurred for entering a supported quality scheme and the annual contribution for participating in that scheme, including, where necessary, expenditure on checks required to verify compliance with the specifications of the scheme.</p>	<p>participation in supported schemes, for a maximum duration of five years.</p> <p><u>By way of derogation from paragraph 1, support may also be provided to beneficiaries who participated in a similar scheme during the programming period 2007-2013, provided that double payments are excluded and that the overall maximum duration of five years is complied with. Support shall be paid annually on presentation of documents proving participation in the scheme. However, the producer shall make a single application covering a five-year period.</u></p>
Justification for AREPO's proposal			
<p>According to the project presented by the Commission, support can be given during 5 years, but applications should be presented and paid annually. We propose to allow producers to make a single application that would cover a 5 years period (administrative simplification). Payments should on the contrary remain annual and dependent on the presentation of invoices (therefore the possibility of an interruption in the production of a specific product is taken into account).</p>			

Article	Current proposal	Amendment proposal	Compromise Amendment
17.2	<p>Support shall be granted as an annual incentive payment, the level of which shall be determined according to the level of the fixed costs arising from participation in supported schemes, for a maximum duration of five years.</p> <p>For the purposes of this paragraph, 'fixed costs' means the costs incurred for entering a supported quality scheme and the annual contribution for participating in that scheme, including, where necessary, expenditure on checks required to verify compliance with the specifications of the scheme.</p>	<p>Support shall be granted as an annual incentive payment, the level of which shall be determined according to the level of the fixed costs arising from participation in supported schemes, for a maximum duration of five years.</p> <p>For the purposes of this paragraph, 'fixed costs' means the costs incurred for entering a supported quality scheme and the annual contribution for participating in that scheme, including, where necessary, expenditure on checks required to verify compliance with the specifications of the scheme.</p> <p><u>Control costs incurred by new</u></p>	-

		<u>producers' consortia that applied for recognition of a quality sign are eligible since the beginning of the transitional procedure, i.e. during the period of transmission of the file from the Member State to Brussels.</u>	
Justification for AREPO's proposal			
The first years of functioning of producers' consortia are key to the development of a quality sign and for its sustainability. During these years producers are engaged on a transitional procedure, between the moment when the product obtains the recognition of the Member State and the obtainment of the European Union recognition.			

Article	Current proposal	Amendment proposal	Compromise Amendment
17.2 bis	New	<u>Support is available for producers' consortia that make a new application for participation in quality schemes (art. 17.1.a et 17.1.b) in order to help them carrying out technical preliminary studies (product characterization, definition of specifications), market studies (marketing, product positioning, prospecting) or juridical studies (creation of the association in charge of the quality sign management). This support is available during the first 5 years that follow the official application for the recognition of a quality sign in the Member State.</u>	-
Justification for AREPO's proposal			
Quality products are vertical constructions that imply collective organisations for products management, protection and promotion. The funding of preliminary stages is necessary to favour the emergence of new applications, mainly but not only, in new member states.			

Article	Current proposal	Amendment proposal	Compromise Amendment
17.2 ter	New	<u>A support is possible for information and promotional measures for products that belong to quality schemes (art. 17.1.a et 17.1.b).</u> <u>Any organization that brings together or represents the active operators of an agricultural product or food quality scheme, regardless of its juridical form, can be considered as a beneficiary. Professional and/or interprofessional organisations that represent one or more products and/or sectors, as well as regional associations for quality food and agricultural products promotion are eligible.</u> <u>Promotional activities, include, in particular, participation in fairs and expositions and/or their organization, similar public relations activities, as well as advertisement through different</u>	<u>1a. Support may also cover costs arising to farmers or producer groups and producer organisations from information and promotion activities for products under the quality schemes referred to in paragraph 1(a) and (b).</u>

		<p><u>communication means or inside the selling points.</u></p> <p><u>The main message should highlight the specificities or the advantages of the products involved, in particular quality, specific production techniques, high level measures concerning animal welfare and the respect of the environment that are related to the quality scheme concerned.</u></p> <p><u>Collective operations can be carried out by several associations of producers, regardless of whether they are part of an association. They can also be represented by a professional and/or interprofessional organization or by a regional promotion agency. In the latter case, the regional origin of products can be indicated on condition that it doesn't appear as being more relevant than the main message.</u></p> <p><u>A specific procedure must allow to make sure that actions that benefit from a support in the framework of rural development are not actions equally supported by the regulation (CE) no 3/2008 of the Council on information provision and promotion measures for agricultural products on the internal market and in third countries.</u></p>	
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Justification for AREPO's proposal

The conclusions of the green book on the promotion of agricultural products, launched in august 2011, and their legal implications aren't known yet. In the meanwhile, a measure on the promotion of quality products should be included in the regulation project for the 2014-2020 CAP.

An equivalent for the measure 133 of the EAFRD should be included with the following improvements:

- no coupling with art.17 (currently, measure 133 of the EAFRD is coupled to the measure 132 of the EAFRD)
- It should also include agricultural products (ex. case of organic cereals), on top of food.
- Possibility to promote products during the transition period, i.e. during the transmission of the files to Brussels by the Member State
- Possibility for a collective communication, in particular for several quality products brought together on a regional level; promotion of the region of origin

Authorized public aid level at 80% (VS 70% in the current measure 133 of the EAFRD)

Article	Current proposal	Amendment proposal	Compromise Amendment
Annex I	<p>Art. 17 (3)</p> <p>Quality schemes or agricultural products and foodstuffs</p>	<p>Art. 17 (3)</p> <p>Quality schemes or agricultural products and foodstuffs</p> <p>Maximum amount in EUR or rate</p>	<p><u>Art. 17.3.:</u></p> <p><u>Support shall be limited to the maximum</u></p>

	<p>Maximum amount in EUR or rate</p> <p>3.000 Per holding per year</p>	<ul style="list-style-type: none"> – 3.000 Per holding per year – <u>7 000 per agri-food holding per year</u> – <u>80 % per producers consortium in order to cover control costs quoted in art. 17.2</u> – <u>80 % capped at 45 000€ of support per producers consortium to cover expenses related to the studies mentioned in art. 17.2bis</u> – <u>80 % per beneficiary for promotional costs cited in Art. 17.2ter</u> 	<p><u>amount laid down in Annex I. Where support is provided to producer groups in accordance with paragraph 1a, Member States may fix a different maximum amount.</u></p>
Justification for AREPO's proposal			
In coherence with previous amendments.			

Article	Current proposal	Amendment proposal	Compromise Amendment
36.2	<p>Co-operation under paragraph 1 shall relate in particular to the following:</p> <p>[(a), (b), (c)]</p> <p>(d) horizontal and vertical co-operation among supply chain actors for the establishment of logistic platforms to promote short supply chains and local markets;</p> <p>(e) promotion activities in a local context relating to the development of short supply chains and local markets;</p> <p>[(f), (g), (h), (i), (j)]</p>	<p>Co-operation under paragraph 1 shall relate in particular to the following:</p> <p>[(a), (b), (c)]</p> <p>(d) horizontal and vertical co-operation among supply chain actors for the establishment of logistic platforms to promote short supply chains and local markets, <u>especially for quality products (art. 17.1.a and 17.1.b)</u> ;</p> <p>(e) promotion activities in a local context relating to the development of short supply chains and local markets <u>especially for quality products (art. 17.1.a and 17.1.b)</u> ;</p> <p>[(f), (g), (h), (i), (j)]</p>	<p>1. Support under this measure shall promote forms of co-operation involving at least two entities and in particular:</p> <p>(a) co-operation approaches among different actors in the Union agriculture and food chain, forestry sector and among other actors that contribute to achieving the objectives and priorities of rural development policy, including <u>producer groups, cooperatives</u> and inter-branch organisations;</p> <p>(b) the creation of clusters and networks <u>and coordination points</u>;</p> <p>(c) the establishment and operation of operational groups of the EIP for agricultural productivity and sustainability as referred to in Article 62.</p> <p>2. Co-operation under paragraph 1 shall relate in particular to the following:</p> <p>(a) pilot projects, <u>demonstration and flagship projects</u>;</p> <p>(b) the development of new products, practices, processes and technologies in the agriculture, food and forestry sectors <u>including those for the reduction of waste</u>;</p> <p>(c) co-operation among small operators in</p>

			<p>organising joint work processes, sharing facilities and resources;</p> <p>(d) horizontal and vertical co-operation among supply chain actors for the establishment of logistic platforms to promote short supply chains and local and regional markets;</p> <p>(e) promotion activities in a local context relating to the development of short supply chains and local and regional markets <u>and of products under quality schemes;</u></p> <p><u>[g] [h] [i] [j]</u></p> <p><u>(ja) the development, including the marketing, of tourism services relating to rural tourism;</u></p> <p><u>(jb) development of ‘social agriculture’ projects.</u></p> <p><u>2a. When allocating support, priority may be given to cooperation among entities involving primary producers.</u></p>
Justification for AREPO’s proposal			
<p>Several quality products (PDO, PGI and TSG) mainly concern small producers and have a commercial potential limited to the local market. The diffusion and promotion of such products on local markets should be among the priorities.</p>			

DIRECT PAYMENTS

Article	Current proposal	Amendment proposal	Compromise Amendment
38.1	<p>Member States may grant coupled support to farmers under the conditions laid down in this Chapter. Coupled support may be granted to the following sectors and productions:</p> <p>cereals, oilseeds, protein crops, grain legumes, flax, hemp, rice, nuts, starch potato, milk and milk products, seeds, sheepmeat and goatmeat, beef and veal, olive oil, silk worms, dried fodder, hops, sugar beet, cane and chicory, fruit and vegetables and short rotation coppice.</p>	<p>Member States may grant coupled support to farmers under the conditions laid down in this Chapter. Coupled support may be granted to the following sectors and productions:</p> <p>cereals, oilseeds, protein crops, grain legumes, flax, hemp, rice, nuts, starch potato, milk and milk products, seeds, sheepmeat and goatmeat, beef and veal, olive oil, silk worms, dried fodder, hops, sugar beet, cane and chicory, fruit and vegetables and short rotation coppice.</p> <p><u>Coupled support should also be given to products under European quality schemes or recognized by member states, regardless of their belonging to the above-mentioned sectors.</u></p>	-
Justification for AREPO's proposal			
<p>Such possibility to extend aid to produce under quality schemes existed in the previous regulation. This addition allows taking into account produce that is not listed in the proposal by the commission, such as poultry and pork meat that respect quality specifications. Furthermore, quality schemes are completely absent from the first pillar of the new CAP.</p>			

SINGLE CMO

Article	Current proposal	Amendment proposal	Compromise Amendment
109 b (new)		<p>Article 109b</p> <p>Role of groups</p> <p>1. In order to improve and stabilise the operation of the market in products which have been assigned a protected designation of origin or a protected geographical indication pursuant to Regulation (EC) No XXXXXXXX on agricultural product quality schemes, producer Member States may lay down marketing rules to regulate supply, in particular by implementing decisions taken by the groups referred to in Article 42 of Regulation (EC) No XXXXXXXX on agricultural product quality schemes.</p> <p>2. Such rules shall be proportionate to the objective pursued and:</p> <p>(a) only cover the regulation of supply and aim to bring the supply of the product into line with demand;</p> <p>(b) not be made binding for more than a renewable period of five years of marketing;</p> <p>(c) shall not relate to any transaction after the first marketing of the product concerned;</p> <p>(d) must not allow for price fixing, including where prices are set for guidance or by way of recommendation;</p> <p>(e) shall not render unavailable an excessive proportion of the product concerned that would otherwise be available;</p> <p>(f) shall not have the effect of preventing an operator from starting production of the product concerned;</p> <p>3. The rules referred to in paragraph 1 shall be brought to the attention of operators by being set out in extenso in an official publication of the Member State concerned.</p> <p>4. The decisions and measures taken by the Member States in year n in accordance with this Article shall be notified to the Commission before 1 March of year n+1.</p>	<p>Article 109b</p> <p>Role of groups</p> <p>1. In order to improve and stabilise the operation of the market in products which have been assigned a protected designation of origin or a protected geographical indication pursuant to Regulation (EC) No XXXXXXXX on agricultural product quality schemes, producer Member States may lay down marketing rules to regulate supply, in particular by implementing decisions taken by the groups referred to in Article 42 of Regulation (EC) No XXXXXXXX on agricultural product quality schemes.</p> <p>2. Such rules shall be proportionate to the objective pursued and:</p> <p>(a) only cover the regulation of supply and aim to bring the supply of the product into line with demand;</p> <p>(b) not be made binding for more than a renewable period of five years of marketing;</p> <p>(c) shall not relate to any transaction after the first marketing of the product concerned;</p> <p>(d) must not allow for price fixing, including where prices are set for guidance or by way of recommendation;</p> <p>(e) shall not render unavailable an excessive proportion of the product concerned that would otherwise be available;</p> <p>(f) shall not have the effect of preventing an operator from starting production of the product concerned;</p> <p>3. The rules referred to in paragraph 1 shall be brought to the attention of operators by being set out in extenso in an official publication of the Member State concerned.</p> <p>4. The decisions and measures taken by the Member States in year n in accordance with this Article shall be notified to the Commission before 1 March of year n+1.</p>

		5. The Commission may ask a Member State to withdraw its decision if it finds that that decision precludes competition in a substantial part of the internal market, compromises the free movement of goods or is at odds with the objectives of Article 39 of the Treaty on the Functioning of the European Union.	5. The Commission may ask a Member State to withdraw its decision if it finds that that decision precludes competition in a substantial part of the internal market, compromises the free movement of goods or is at odds with the objectives of Article 39 of the Treaty on the Functioning of the European Union.
Justification of the proposal			
This amendment reiterates the position adopted by the Committee on Agriculture and Rural Development when considering Proposal for a Regulation (2010) 738 on marketing standards.			