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9242/24

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INFORMATION NOTE

From:	General Secretariat of the Council		
To:	Permanent Representatives Committee/Council		
Subject:	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulations (EU) 2021/2115 and (EU) 2021/2116 as regards good agricultural and environmental condition standards, schemes for climate, environment and animal welfare, amendments to CAP Strategic Plans, review of CAP Strategic Plans and exemptions from controls and penalties		
	- Outcome of the European Parliament's first reading		
	(Strasbourg, 22 to 25 April 2024)		

I. INTRODUCTION

On 26 March 2024, the <u>Special Committee on Agriculture</u> confirmed that should the European Parliament approve the abovementioned Commission's proposal with the minor amendments indicated in doc. 8088/24, the <u>Council</u> would approve the European Parliament's position.

After the plenary approved the request of the <u>Committee on Agriculture and Rural Development</u> (AGRI) to proceed according to the Rule 163 (urgent procedure) on 11 April 2024, this Committee tabled the Commission's proposal for a Regulation with the abovementioned minor amendments (amendment number 14). In addition, the <u>Greens/EFA</u> group tabled 13 amendments (amendments number 1-13), the <u>EPP</u> group tabled 5 amendments (amendments number 15-19), the <u>S&D</u> group tabled 3 amendments (amendments number 20-22), and <u>The Left</u> group tabled 15 amendments (amendments number 23-37).

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II. VOTE

When it voted on 24 April 2024, the plenary adopted the compromise amendment (amendment number 14) to the abovementioned proposal for a Regulation. No other amendments were adopted. The Commission's proposal as thus amended constitutes the Parliament's first-reading position which is contained in its legislative resolution as set out in the Annex hereto¹.

The Parliament's position reflects what had been previously agreed between the institutions. The Council should therefore be in a position to approve the Parliament's position.

The act would then be adopted in the wording which corresponds to the Parliament's position.

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The version of the Parliament's position in the legislative resolution has been marked up to indicate the changes made by the amendments to the Commission's proposal. Additions to the Commission's text are highlighted in *bold and italics*. The symbol " | " indicates deleted text.

P9 TA(2024)0344

Simplification of certain CAP rules

European Parliament legislative resolution of 24 April 2024 on the proposal for a Regulation of the European Parliament and of the Council amending Regulations (EU) 2021/2115 and (EU) 2021/2116 as regards good agricultural and environmental condition standards, schemes for climate, environment and animal welfare, amendments to CAP Strategic Plans, review of CAP Strategic Plans and exemptions from controls and penalties (COM(2024)0139 – C9-0120/2024 – 2024/0073(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2024)0139),
- having regard to Article 294(2) and 43(2) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C9-0120/2024),
- having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
- having regard to the opinion of the European Economic and Social Committee of 24 April 2024¹,
- having regard to the undertaking given by the Council representative by letter of 26
 March 2024 to approve Parliament's position, in accordance with Article 294(4) of the Treaty on the Functioning of the European Union,
- having regard to Rules 59 and 163 of its Rules of Procedure,
- 1. Adopts its position at first reading hereinafter set out;
- 2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;
- 3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

Not yet published in the Official Journal.

Position of the European Parliament adopted at first reading on 24 April 2024 with a view to the adoption of Regulation (EU) 2024/... of the European Parliament and of the Council amending Regulations (EU) 2021/2115 and (EU) 2021/2116 as regards good agricultural and environmental condition standards, schemes for climate, environment and animal welfare, amendment of the CAP Strategic Plans, review of the CAP Strategic Plans and exemptions from controls and penalties

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 Article 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 Committee³,

Acting in accordance with the ordinary legislative procedure⁴,

Not yet published in the Official Journal.

Position of the European Parliament of 24 April 2024.

Whereas:

- Regulation (EU) 2021/2115 of the European Parliament and of the Council⁵ establishes **(1)** rules on support for strategic plans to be drawn up by Member States under the common agricultural policy ('CAP Strategic Plans') and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD). Regulation (EU) 2021/2116 of the European Parliament and of the Council⁶ establishes rules on the financing, management and monitoring of the common agricultural policy (CAP).
- Despite the fact that Regulations (EU) 2021/2115 and (EU) 2021/2116 give substantial (2) flexibility to Member States and have the potential to reduce farmers' administrative burdens, the first year of concrete application of those Regulations, through CAP Strategic Plans, has made it clear that certain limited adjustments to the Union legal framework for the CAP are necessary to ensure an effective implementation of the CAP Strategic Plans and to reduce administrative burden linked to the implementation of the CAP Strategic Plans and to the control of certain requirements.

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

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Regulation (EU) 2021/2115 of the European Parliament and of the Council of 2 December

²⁰²¹ establishing rules on support for strategic plans to be drawn up by Member States under the common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and (EU) No 1307/2013 (OJ L 435, 6.12.2021, p. 1, ELI: http://data.europa.eu/eli/reg/2021/2115/oj). 6 Regulation (EU) 2021/2116 of the European Parliament and of the Council of 2 December

- In addition, farmers are facing an exceptional range of difficulties and uncertainties. In particular, recent years have been characterised by a substantial number of extreme meteorological events, including droughts and flooding in various parts of the Union. Those events affect output and revenue, and also have a significant impact on the execution and calendar of normal agronomic practices. The high energy and input prices and uncertainties resulting from Russia's war of aggression against Ukraine, the cost of living, inflation, the 2023 drop in cereal production value and the change in international trade flows have led to further uncertainties and pressures on farmers. The concurrence of those events exerts a heavy pressure on farmers to adapt the management of their holdings and the execution of agronomic practices, as managers of natural resources and as economic actors.
- (4) As a consequence, there is a need to review and simplify certain provisions of Regulations (EU) 2021/2115 and (EU) 2021/2116 to ensure that Member States can better adapt their CAP Strategic Plans to farmers' needs and provide farmers with more flexibility to carry out their agricultural activities taking into account the increasing challenges, the unpredictability of the weather and economic uncertainties.

(5) Article 13 of Regulation (EU) 2021/2115 requires Member States to ensure that all agricultural areas, including land which is no longer used for production purposes, are maintained in good agricultural and environmental condition. Member States are to set, at national or regional level, minimum standards for farmers and other beneficiaries for each good agricultural and environmental condition (GAEC) standard listed in Annex III to that Regulation, in line with the main objective of each of those standards as referred to in that Annex. The overall objectives of soil protection and soil quality pursued by GAEC standards 5, 6 and 7 are affected by many factors, such as soil type, choice of crops, climatic and weather conditions, and past and present land use and farming systems, such as organic farming which requires a different approach to certain operations. Experience shows that there could be situations where imposing certain requirements without due consideration for those factors, such as restrictions on tillage or obligations to sow during a specific period, may have a negative impact on certain soils or certain crops, and even risk going against the objective of soil protection. GAEC standard 9 imposes a ban on converting or ploughing permanent grasslands designated as environmentally sensitive in Natura 2000 sites. Experience has, however, shown that there may be exceptional situations where such environmentally sensitive permanent grassland is damaged, for instance by wild animals or invasive species, and appropriate measures to address such situations, including exceptions to the ban on ploughing of the areas concerned in order to restore such permanent grassland, may be necessary to ensure that the GAEC standard 9 requirements contribute to the protection of habitats and species.

(6) The increasing number of extreme meteorological events and instances of damage to permanent grasslands designated as environmentally sensitive, due to factors such as wild animals or invasive species, increases the incidence of specific problems encountered by farmers in the application of the requirements of GAEC standards 5, 6, 7 and 9 which the Member States need to address. There is also a risk that such requirements would be disproportionate in view of their actual contribution to achieving the protection objective for GAEC standards 5, 6 and 7 and the objective of protection of habitats and species for GAEC standard 9. To avoid such situations, Member States should be allowed to establish specific exemptions from the requirements of GAEC standards 5, 6, 7 and 9 in order to address specific problems in the application of those GAEC standards based on objective and non-discriminatory criteria, such as soil types, crops or farming systems or damage to permanent grasslands due, inter alia, to wild animals or invasive species. Those exemptions should be limited in their area coverage and should not hamper the contribution of those standards to achieving their main objectives, as listed in Annex III to Regulation (EU) 2021/2115.

(7) Weather conditions and the resulting impact on conditions in agricultural areas may prevent farmers and other beneficiaries from complying with the requirements of the GAEC standards, such as time limits and periods for operations, in a given year. To avoid a situation where farmers faced with such requirements are obliged, for example, to sow crops by a certain date when the weather conditions in a given year do not permit the necessary operations to be performed, or only with a serious negative impact on the soil, such as soil compaction, Member States should, when implementing minimum standards concerning good agricultural and environmental condition pursuant to Regulation (EU) 2021/2115, be able to provide for temporary derogations from those requirements. Such temporary derogations should be limited in their scope to farmers and other beneficiaries or to areas affected by the weather conditions concerned and should be applied by Member States only for as long as they are strictly necessary.

(8) Regulation (EU) 2021/2115 provides for a number of elements and tools for Member States to address the specific objective of contributing to halting and reversing biodiversity loss, enhancing ecosystem services and preserving the habitats and landscapes referred to in Article 6(1), point (f), of that Regulation. One of those elements is the system of conditionality. In particular, GAEC standard 8, as listed in Annex III to that Regulation, comprises several requirements, including an obligation to devote a certain share of arable land to non-productive areas and features. The main objective of GAEC standard 8 is the maintenance of non-productive features and areas to improve on-farm biodiversity. Member States are also able to design interventions supporting that objective, such as ecoschemes to cover actions pursuant to Article 31 of Regulation (EU) 2021/2115. In the context of the challenges and uncertainties arising from the concurrence of adverse events and economic uncertainties, experience has shown a need to adjust the balance between the different policy tools contributing to the protection and enhancement of biodiversity to give more flexibility to farmers to contribute to achieving that objective depending on the specific situation of their holdings and to provide enhanced financial compensation for such contribution

(9) More specifically, as the obligation to devote a share of arable land to non-productive areas and features is currently provided for under the first requirement of GAEC standard 8, as listed in Annex III to Regulation (EU) 2021/2115, farmers applying for direct payments and interventions referred to in Articles 70, 71 and 72 of that Regulation need to respect that requirement without any compensation of the costs incurred or income foregone. This may in certain cases entail a substantial financial burden for the farmers and beneficiaries concerned, in particular considering that no crop or animal production is possible on the arable land dedicated to non-productive areas or features under GAEC standard 8. Considering the burden and consequences for certain farmers and the exceptional range of difficulties and uncertainties they are facing, the need to have non-productive areas and features on arable land would be better addressed through a tool providing for more flexibility and, more importantly, offering an incentive compensating for at least part of the costs incurred and income foregone linked to such non-productive areas and features. Accordingly, Article 31 of Regulation (EU) 2021/2115 should be amended to ensure that Member States provide support for eco-schemes covering, on arable land, practices for the maintenance of non-productive areas, such as land lying fallow, and for the establishment of new landscape features

- (10) At the same time, the conditionality system established by Regulation (EU) 2021/2115 should be adjusted by removing the obligation to devote a share of arable land to non-productive areas and features from GAEC standard 8 as listed in Annex III to that Regulation. The obligation to retain landscape features and the ban on cutting hedges and trees during the bird breeding and rearing season, which are currently part of the requirements of GAEC standard 8, should be maintained as part of the conditionality system to ensure that existing landscape features of agricultural areas are protected.
- while ensuring their stability and manageability, as well as the administrative efficiency of the amendment process. Experience has shown that addressing the specific requirements of both the EAGF and the EAFRD in one request for amendment can be challenging. At the same time, the number of amendments per calendar year should be limited to ensure that farmers and other beneficiaries have sufficient time to take those amendments into account, as well as to limit the administrative burden on the Member States and to enable the Commission to assess the compatibility of those amendments with the Union legal framework laid down in Regulations (EU) 2021/2115 and (EU) 2021/2116 within the time limits set out in that legal framework. For those reasons, the maximum number of requests for amendments of CAP Strategic Plans should be increased to two requests for amendment per calendar year, in addition to the three further requests for amendment of the CAP Strategic Plan that may be submitted in accordance with Article 119(7) of Regulation (EU) 2021/2115.

- (12) In accordance with Article 120 of Regulation (EU) 2021/2115, Member States are obliged to assess whether their CAP Strategic Plans need to be amended in the event of amendment of legislative acts listed in Annex XIII to that Regulation and to notify the Commission of such assessments within a certain deadline. Since that obligation has proved to be burdensome for Member States and the efforts that Member States would otherwise need to invest in the assessment for the remainder of the current CAP Strategic Plans' programming period should be limited, that obligation should not apply to amendments, entering into force after 31 December 2025, to legislative acts listed in Annex XIII.
- (13) Experience shows that the concurrence of numerous adverse events brings about challenges for farmers, requiring increased flexibility and a simplification of the implementation of the CAP Strategic Plans, with regard to certain GAEC standards listed in Annex III to Regulation (EU) 2021/2115.

(14) GAEC standard 6, as listed in Annex III to Regulation (EU) 2021/2115, has as its main objective the protection of soil in periods that are most sensitive by means of a minimum soil cover requirement to avoid bare soils in such sensitive periods. To a greater extent than is the case for other GAEC standards, the design and implementation of the requirements under GAEC standard 6 are affected by a broad range of factors. In particular, the minimum soil cover may be ensured by different means which depend not only on the soil and climatic conditions, but also on factors such as the choice of crops and duration of the growing season in a given year. Besides, there may be different sensitive periods depending in particular on specific soil and climatic conditions. Moreover, when making production choices and in particular sowing decisions, farmers and other beneficiaries need to be able to reconcile the requirements of GAEC standard 6 with unpredictable weather conditions. In view of those factors, Member States should be able to manage the requirements of GAEC standard 6 more flexibly than those of other GAEC standards and in a way that ensures the contribution of such requirements to achieving the main objective of that standard, taking into account a range of factors, such as soil and climatic conditions.

- (15) Member States should therefore be allowed to determine the main elements of GAEC standard 6 and to summarise them in their CAP Strategic Plans in accordance with Article 109(2), point (a), of Regulation (EU) 2021/2115. Therefore, the Commission should ensure, in accordance with Article 13(1), Article 109(2) and Articles 118 and 119 of that Regulation, that the main elements of GAEC standard 6, as determined by the Member States, are, overall, in line with the main objective of that GAEC standard.
- The main objective of GAEC standard 7, as listed in Annex III to Regulation (EU) 2021/2115, is to preserve soil potential. Given that crop diversification may also contribute to preserving soil potential while being simpler for certain farmers to implement in the context of the multiple pressures and challenges they currently face, Member States should be able to allow farmers to comply with GAEC standard 7 also through crop diversification. Therefore, minimum requirements concerning crop diversification should be established.

(17)It is important for the CAP to continue to contribute to the environmental objectives set out in Article 6(1), points (d), (e) and (f), of Regulation (EU) 2021/2115 through conditionality requirements. It is also important that the stability of those requirements as the common baseline for Member States and farmers is ensured. Therefore, the conditionality requirements of Regulation (EU) 2021/2115 should continue to apply to all farmers. However, the administrative burden linked to the controls for those conditionality requirements provided for in Regulation (EU) 2021/2116 can be disproportionately high for small farmers and national administrations. Therefore, in addition to the flexibilities as regards GAEC standards 6, 7 and 8, the burden for small farmers and national administrations linked to the controls provided for in Regulation (EU) 2021/2116 should be eased. Farmers with a maximum size of holding not exceeding 10 ha of agricultural area should therefore be exempted from conditionality controls as regards statutory management requirements under Union law and good agricultural and environmental conditions. As such small farmers represent 65 % of CAP beneficiaries but account only for approximately 10 % of the total agricultural area, that exemption would simplify the work of many farmers and national administrations without hampering significantly the contribution of the conditionality requirements to achieving their objectives.

- (18) Since the agricultural area managed by small farmers is limited and penalties are in general low for small farmers, the application of penalties could lead to disproportionate burden for Member States' administrations. Therefore, small farmers exempted from conditionality controls should also be exempted from the application of administrative penalties for non-compliance with conditionality requirements.
- (19) In order to avoid excessive administrative costs and burdens related to controls concerning conditionality and cross-compliance, beneficiaries who receive area-based payments under both a CAP Strategic Plan pursuant to Regulation (EU) 2021/2115 and a rural development programme implemented under Regulation (EU) No 1305/2013 of the European Parliament and Council⁷ until 31 December 2025, and are therefore subject to conditionality controls pursuant to Regulation (EU) 2021/2116, should be exempted from cross-compliance controls and the application of penalties pursuant to Regulation (EU) No 1306/2013 of the European Parliament and of the Council⁸.
- Since the objective of this Regulation, namely to address the exceptional range of difficulties and uncertainties faced by farmers by reviewing and simplifying certain provisions of Regulations (EU) 2021/2115 and (EU) 2021/2116, cannot be sufficiently achieved by the Member States, but can rather be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union (TEU). In accordance with the principle of proportionality as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective.

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

Regulation (EU) No 1306/2013 of the European Parliament and of the Council of 17 December 2013 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 347, 20.12.2013, p. 549).

- (21) Regulations (EU) 2021/2115 and (EU) 2021/2116 should therefore be amended accordingly.
- In order to ensure a smooth implementation of the measures laid down in this Regulation with respect to GAEC standards 6, 7 and 8, as listed in Annex III to Regulation (EU) 2021/2115, transitional provisions need to be laid down as regards amendments of CAP Strategic Plans submitted by Member States for Commission approval pursuant to Article 119 of Regulation (EU) 2021/2115 in 2024 and as regards the effects of those amendments in 2024 prior to the approval of those amendments by the Commission.
- In view of the need to provide farmers with more flexibility to carry out their agricultural activities, taking into account the increasing challenges, unpredictability of weather and economic uncertainties they are facing, and the urgency of addressing the impact of that exceptional range of difficulties and uncertainties, it is considered to be appropriate to invoke the exception to the eight-week period provided for in Article 4 of Protocol No 1 on the role of national Parliaments in the European Union, annexed to the TEU, to the Treaty on the Functioning of the European Union and to the Treaty establishing the European Atomic Energy Community.
- In order to ensure a smooth implementation of the measures envisaged and as a matter of urgency in view of the pressing need to address the exceptional range of difficulties and uncertainties faced by farmers, this Regulation should enter into force on the day following that of its publication in the *Official Journal of the European Union*.

- (25) In order to avoid disproportionate administrative burdens for small farmers and for national authorities, the exemption from penalties related to non-compliance with conditionality requirements and the exemption from penalties related to non-compliance with cross-compliance requirements should apply retroactively as regards claim year 2024.
- Given that the claim year 2024 started on 1 January 2024, the measures laid down in this Regulation regarding GAEC standards 6, 7 and 8, as listed in Annex III to Regulation (EU) 2021/2115, should apply already for claim year 2024 to give Member States the possibility to apply those measures *as from* that claim year,

HAVE ADOPTED THIS REGULATION:

Article 1 Amendments to Regulation (EU) 2021/2115

Regulation (EU) 2021/2115 is amended as follows:

- (1) Article 4 is amended as follows:
 - (a) in paragraph 3, point (a) is replaced by the following:
 - '(a) 'arable land' shall be land cultivated for crop production or areas available for crop production but lying fallow; in addition, it shall, for the duration of the commitment, be land cultivated for crop production or areas available for crop production but lying fallow that have been set aside in accordance with Article 31 or Article 70 of this Regulation, or with Articles 22, 23 or 24 of Council Regulation (EC) No 1257/1999*, or with Article 39 of Council Regulation (EC) No 1698/2005**, or with Article 28 of Regulation (EU) No 1305/2013 of the European Parliament and of the Council***;

^{*} 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, ELI: http://data.europa.eu/eli/reg/1999/1257/oj).

^{**} 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, ELI: http://data.europa.eu/eli/reg/2005/1698/oj).

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

- (b) in paragraph 4, first subparagraph, point (b) is replaced by the following:
 - '(b) any area of the holding which is:
 - (i) covered by landscape features subject to the retention obligation under GAEC standard 8 listed in Annex III; or
 - (ii) for the duration of the relevant commitment by the farmer, established or maintained as a result of an eco-scheme referred to in Article 31.

If Member States so decide, 'eligible hectare' may contain other landscape features, provided they are not predominant and do not significantly hamper the performance of the agricultural activity due to the area they occupy on the agricultural parcel. In implementing that principle, Member States may set a maximum share of the agricultural parcel covered by those other landscape features.

As regards permanent grassland with scattered ineligible features, Member States may decide to apply fixed reduction coefficients to determine the area considered eligible;';

- (2) Article 13 is amended as follows:
 - (a) in paragraph 1, the following subparagraph is added:

'In setting the GAEC standards 5, 6, 7 or 9 listed in Annex III, Member States may establish specific exemptions from the requirements of those standards. Those exemptions shall be based on objective and non-discriminatory criteria, such as crops, soil types and farming systems or damage to permanent grasslands due, inter alia, to *wild animals* or invasive species, and shall be limited in terms of their area coverage. Specific exemptions shall be established only in the event, and to the extent, that they are necessary to address specific problems in the application of those standards and shall not significantly hamper the contribution of each of those standards to their main objectives, as listed in Annex III.';

- (b) the following paragraph is inserted:
 - '2a. When implementing the minimum standards set in accordance with paragraphs 1 and 2, Member States may grant temporary derogations from requirements such as time limits and periods set in those standards where weather conditions prevent farmers and other beneficiaries from complying with those requirements in a given year. Such temporary derogations shall be limited in their scope to farmers and other beneficiaries or areas affected by such weather conditions and shall be applied only for as long as they are strictly necessary.';
- in Article 31, the following paragraph is inserted:
 - '1a. As a part of the eco-schemes referred to in paragraph 1, Member States shall establish and provide support for one or more schemes covering, on arable land, practices for the maintenance of non-productive areas, such as land lying fallow, and for the establishment of new landscape features. Those schemes shall be voluntary for active farmers and groups of active farmers.';

- in Article 119, paragraph 7, *the first subparagraph* is replaced by the following:
 - 'A request for amendment of the CAP Strategic Plan may be submitted twice per calendar year, subject to possible exceptions provided for in this Regulation or to be determined by the Commission in accordance with Article 122. In addition, three further requests for amendment of the CAP Strategic Plan may be submitted during the duration of the CAP Strategic Plan period. This paragraph shall not apply to requests for amendments to submit the missing elements in accordance with Article 118(5).';
- (5) in Article 120, the following paragraph is added:
 - 'The first paragraph of this Article shall not apply to amendments, entering into force after 31 December 2025, to legislative acts listed in Annex XIII.';

(6) Annex III is amended in accordance with the Annex to this Regulation.

Article 2

Amendments to Regulation (EU) 2021/2116

Regulation (EU) 2021/2116 is amended as follows:

- (1) Article 83 is amended as follows:
 - (a) paragraph 2 is replaced by the following:
 - '2. Farmers with a maximum size of holding not exceeding 10 ha of agricultural area declared in accordance with Article 69(1) shall be exempted from controls under a system set up in accordance with paragraph 1 of this Article.';
 - (b) in paragraph 6, point (f) is deleted;
- (2) in Article 84, the following paragraph is added:
 - '4. Farmers with a maximum size of holding not exceeding 10 ha of agricultural area declared in accordance with Article 69(1) shall be exempted from the penalties referred to in paragraphs 1, 2 and 3 of this Article and in Article 85;';

- in Article 104(1), second subparagraph, point (a), point (iv) is replaced by the following:
 - '(iv) as regards the EAFRD, in relation to expenditure incurred by the beneficiaries and payments made by the paying agency in the framework of the implementation of rural development programmes pursuant to Regulation (EU) No 1305/2013, with the exception of Articles 96 and 97 of Regulation (EU) No 1306/2013 as regards beneficiaries who are subject to the system of control referred to in Article 83 of this Regulation;'.

Article 3

Transitional provisions

- 1. By way of derogation from Article 119(8), third subparagraph, of Regulation (EU) 2021/2115, the date of effect of amendments of CAP Strategic Plans related to changes to GAEC standards 6, 7 or 8 laid down in the Annex to this Regulation, submitted by Member States to the Commission for approval pursuant to Article 119(2) of that Regulation with respect to claim year 2024 shall not be subject to Commission approval.
- 2. By way of derogation from Article 119(11) of Regulation (EU) 2021/2115, Member States may decide for claim year 2024 that amendments to CAP Strategic Plans related to the changes to GAEC standards 6, 7 *or* 8 laid down in the Annex to this Regulation have legal effect before their approval by the Commission. With respect to GAEC standard 8, the Member States may take that decision only if they apply for the claim year 2024 a scheme covering, on arable land, practices for the maintenance of non-productive areas, such as land lying fallow, or for the establishment of new landscape features, as referred to in Article 31 of Regulation (EU) 2021/2115.

In taking the decision referred to in the first subparagraph, Member States shall ensure that the general principles of Union law, in particular the principles of legal certainty, of non-discrimination and of the protection of the legitimate expectations of farmers and other beneficiaries, are respected and that the need for farmers and other beneficiaries to have sufficient time to comply with the amendments is taken into account.

Article 4

Entry into force and application

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

Article 2, points (2) and (3), and the Annex shall apply *as from* claim year 2024.

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

Done at ...,

For the European Parliament For the Council

The President The President

ANNEX

Annex III to Regulation (EU) 2021/2115 is amended as follows:

(1) the entry for 'GAEC 6' is replaced by the following:

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GAEC 6	Minimum soil cover to	Protection of soils in
	avoid bare soil in periods	periods that are most
	that are most sensitive, as	sensitive
	determined by Member	
	States****.	

^{****} Member States may in particular take into account the short vegetation period resulting from the length and severity of the winter period in the regions concerned.';

(2) the entry for GAEC 7 is replaced by the following:

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GAEC 7	Crop rotation in arable land, except for crops growing under water. Member States may in addition decide to allow farmers and other beneficiaries to fulfil this standard with crop diversification ******.	Preserving the soil potential
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Rotation shall consist of a change of crop at land parcel level (except in the cases of multiannual crops, grasses and other herbaceous forage, and land lying fallow), including the appropriately managed secondary crops.

On the basis of diversity of farming methods and agro-climatic conditions, Member States may authorise in the regions concerned other practices of enhanced crop rotation with leguminous crops or crop diversification which aim at improving and preserving the soil potential in line with the objectives of this GAEC standard.

When defining crop diversification requirements, Member States shall respect the following minimum requirements:

- (a) where the size of arable land of a holding is between 10 and 30 ha, crop diversification shall consist of cultivation of arable land of a holding with at least two different crops on that arable land; the main crop shall not cover more than 75 % of that arable land;
- (b) where the size of arable land of a holding is more than 30 ha, crop diversification shall consist of cultivation of arable land of a holding with at least three different crops on that arable land; the main crop shall not cover more than 75 % of that arable land and the two main crops together shall not cover more than 95 % of that arable land.

Member States may exempt from the obligations under this standard holdings:

- (a) where more than 75 % of the arable land is used for the production of grasses or other herbaceous forage, is land lying fallow, is used for cultivation of leguminous crops, or is subject to a combination of those uses;
- (b) where more than 75 % of the eligible agricultural area is permanent grassland, is used for the production of grasses or other herbaceous forage or for the cultivation of crops under water either for a significant part of the year or for a significant part of the crop cycle, or is subject to a combination of those uses; or
- (c) with a size of arable land up to 10 ha.

Member States may introduce a maximum limit of area covered with a single crop to prevent large monocultures.

Farmers certified in accordance with Regulation (EU) 2018/848 shall be deemed to comply with this GAEC standard.';

(3) the entry for 'GAEC 8' is replaced by the following:

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GAEC 8	— Retention of landscape features	Maintenance of non- productive features to
	— Ban on cutting hedges and trees during the bird breeding and rearing	improve on-farm biodiversity
	season — As an option, measures	
	for avoiding invasive plant species	