Regulation (EU) No 1307/2013 of the European Parliament and of the Council of 17 December 2013 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

TITLE III

BASIC PAYMENT SCHEME, SINGLE AREA PAYMENT SCHEME AND RELATED PAYMENTS

CHAPTER 1

Basic payment scheme and single area payment scheme

Section 1

Setting up of the basic payment scheme

F¹Article 21

Payment entitlements

Support under the basic payment scheme shall be available to farmers who:

- a obtain payment entitlements under this Regulation through first allocation pursuant to Article 24 as it had effect immediately before exit day, through allocation from the national reserve or regional reserves pursuant to Article 30 or through transfer pursuant to Article 34, or
- b comply with Article 9 and hold unexpired owned or leased-in payment entitlements established under the single payment scheme in accordance with Regulation (EC) No 1782/2003 and with Regulation (EC) No 73/2009.]

Textual Amendments

F1 Art. 21 substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(1)**



Basic payment scheme ceiling

1 The basic payment scheme ceiling for any given year is calculated by deducting from the annual national ceiling set out in Annex II all the ceilings calculated in respect of that year in accordance with Articles 42, 47, 51 and 53.

2 The relevant authority's share of the basic payment ceiling is the amount which remains for the basic payment scheme in the constituent nation after deducting from the relevant

authority's share of the national ceiling the ceilings set under Articles 42, 47 and 51 and the amount allocated in the constituent nation under Article 53. The relevant authority may increase the amount which represents its share of the basic payment scheme ceiling. That increase may not exceed 3% of the amount which represents its share of the annual national ceiling after deduction of the amount resulting from the application of Article 47(1) for the relevant year.

3 The relevant authority may review the decision under paragraph 2 on an annual basis.

4 The total value of all payment entitlements and the national reserve or regional reserves in the constituent nation must equal its share of the basic payment scheme ceiling. The total value of payment entitlements and national reserves and regional reserves in the United Kingdom must equal the basic payment scheme ceiling calculated in accordance with paragraph 1.]

[^{F3}5 If the ceiling [^{F4}calculated] pursuant to paragraph 1 of this Article is different from that of the previous year as a result of any decision taken by [^{F5}the relevant authority] in accordance with paragraph 3 of this Article, [^{F6}Article 7A,][^{F7}Article 14], Article 42(1), ^{F8}... the second subparagraph of Article 51(1), or Article 53, [^{F5}the relevant authority] shall linearly reduce or increase the value of all payment entitlements in order to ensure compliance with paragraph 4 of this Article.]

Extent Information

E1 This version of this provision extends to England, Scotland and Northern Ireland only; a separate version has been created for Wales only

Textual Amendments

- F2 Art. 22(1)-(4) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(2)(a)**
- **F3** Substituted by Regulation (EU) 2019/288 of the European Parliament and of the Council of 13 February 2019 amending Regulations (EU) No 1305/2013 and (EU) No 1307/2013 as regards certain rules on direct payments and support for rural development in respect of the years 2019 and 2020.
- F4 Word in Art. 22(5) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(2)(b)(i)**
- **F5** Words in Art. 22(5) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(2)(b)(ii)**
- **F6** Words in Art. 22(5) inserted (31.1.2020) by Direct Payments to Farmers (Legislative Continuity) Act 2020 (c. 2), ss. 5(5), 9(2)
- **F7** Words in Art. 22(5) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(2)(b)(iii)**
- **F8** Words in Art. 22(5) omitted (31.1.2020) by virtue of The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(2)(b)(iv)**

[^{F78}Article 22] W

Basic payment scheme ceiling

^{F79}1

 $[^{F80}2$ The basic payment scheme ceiling in Wales for any given year is the amount which remains for the basic payment scheme after deducting, from the total ceiling, the ceilings set in accordance with Articles 42 and 51 for that year, and the amount allocated under Article 53.]

F81 3

[^{F82}4 The total value of all claimed payment entitlements in the constituent nation must equal the basic payment scheme ceiling in Wales.]]

[^{F83}5 If the ceiling calculated pursuant to paragraph 2 of this Article is different from the relevant authority's share of the basic payment scheme ceiling in claim year 2020 as a result of any decision taken by the relevant authority, or the total value of all claimed payment entitlements (including those allocated and claimed from the national reserve or regional reserve) is different from the total value of claimed payment entitlements in claim year 2020, the relevant authority shall linearly reduce or increase the value of all claimed payment entitlements in order to ensure compliance with paragraph 4 of this Article.]

Extent Information

E4 This version of this provision extends to Wales only; a separate version has been created for England, Scotland and Northern Ireland only

Textual Amendments

- **F78** Art. 22(1)-(4) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(2)(a)**
- F79 Art. 22(1) omitted (W.) (31.12.2020) by virtue of The Direct Payments to Farmers and Rural Affairs (Miscellaneous Amendments etc.) (Wales) (EU Exit) Regulations 2020 (S.I. 2020/1556), regs. 1(2)(a), 7(10)(a)
- F80 Art. 22(2) substituted (W.) (31.12.2020) by The Direct Payments to Farmers and Rural Affairs (Miscellaneous Amendments etc.) (Wales) (EU Exit) Regulations 2020 (S.I. 2020/1556), regs. 1(2)(a), 7(10)(b)
- F81 Art. 22(3) omitted (W.) (31.12.2020) by virtue of The Direct Payments to Farmers and Rural Affairs (Miscellaneous Amendments etc.) (Wales) (EU Exit) Regulations 2020 (S.I. 2020/1556), regs. 1(2)(a), 7(10)(c)
- F82 Art. 22(4) substituted (W.) (31.12.2020) by The Direct Payments to Farmers and Rural Affairs (Miscellaneous Amendments etc.) (Wales) (EU Exit) Regulations 2020 (S.I. 2020/1556), regs. 1(2)(a), 7(10)(d)
- F83 Art. 22(5) substituted (W.) (31.12.2020) by The Direct Payments to Farmers and Rural Affairs (Miscellaneous Amendments etc.) (Wales) (EU Exit) Regulations 2020 (S.I. 2020/1556), regs. 1(2)(a), 7(10)(e)

Article 23

Regional allocation of the national ceilings

1 [^{F9}The relevant authority may apply the basic payment scheme at regional level, provided that it took a decision to do so by 1 August 2014.] In such cases, [^{F10}the relevant authority] shall define the regions in accordance with objective and non-discriminatory criteria such as their agronomic and socio-economic characteristics, their regional agricultural potential, or their institutional or administrative structure.

F11

2 $[^{F12}$ The relevant authority] shall divide $[^{F13}$ its share of] the annual national ceiling for the basic payment scheme referred to in Article 22(1) between the regions in accordance with objective and non-discriminatory criteria.

F14 ...

3 [^{F15}The relevant authority] may decide that the regional ceilings shall be subject to annual progressive modifications in accordance with pre-established annual steps and objective and non-discriminatory criteria such as agricultural potential or environmental criteria.

4 To the extent necessary to respect the applicable regional ceilings determined in accordance with paragraph 2 or 3, [F16 the relevant authority] shall make a linear reduction or increase in the value of the payment entitlements in each of the relevant regions.

5 [^{F17}The relevant authority] may decide to cease the application of the basic payment scheme at regional level from a date to be set by [^{F18}the relevant authority].

^{F19}6

Textual Amendments		
F9	Words in Art. 23(1) substituted (31.1.2020) by The Rules for Direct Payments to Farmers	
	(Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(3)(a)(i)	
F10	Words in Art. 23(1) substituted (31.1.2020) by The Rules for Direct Payments to Farmers	
	(Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(3)(a)(ii)	
F11	Words in Art. 23(1) omitted (31.1.2020) by virtue of The Rules for Direct Payments to Farmers	
	(Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(3)(a)(iii)	
F12	Words in Art. 23(2) substituted (31.1.2020) by The Rules for Direct Payments to Farmers	
	(Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(3)(b)(i)	
F13	Words in Art. 23(2) inserted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment)	
	Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(3)(b)(ii)	
F14	Words in Art. 23(2) omitted (31.1.2020) by virtue of The Rules for Direct Payments to Farmers	
	(Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(3)(b)(iii)	
F15	Words in Art. 23(3) substituted (31.1.2020) by The Rules for Direct Payments to Farmers	
	(Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(3)(c)	
F16	Words in Art. 23(4) substituted (31.1.2020) by The Rules for Direct Payments to Farmers	
	(Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(3)(d)	
F17	Words in Art. 23(5) substituted (31.1.2020) by The Rules for Direct Payments to Farmers	
	(Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(3)(e)(i)	
F18	Words in Art. 23(5) substituted (31.1.2020) by The Rules for Direct Payments to Farmers	
	(Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(3)(e)(ii)	
F19	Art. 23(6) omitted (31.1.2020) by virtue of The Rules for Direct Payments to Farmers (Amendment)	
	Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(3)(f)	

Article 24

First allocation of payment entitlements

1 Payment entitlements shall be allocated to farmers who are entitled to be granted direct payments in accordance with Article 9 of this Regulation provided that:

- a they apply for allocation of payment entitlements under the basic payment scheme by the final date for submission of applications in 2015 to be set in accordance with point (b) of the first subparagraph of Article 78 of Regulation (EU) No 1306/2013, except in case of force majeure or exceptional circumstances; and
- b they were entitled to receive payments, before any reduction or exclusion provided for in Chapter 4 of Title II of Regulation (EC) No 73/2009, in respect of an aid application

for direct payments, for transitional national aid or for complementary national direct payments in accordance with Regulation (EC) No 73/2009 for 2013.

The first subparagraph shall not apply in Member States applying Article 21(3) of this Regulation.

Member States may allocate payment entitlements to farmers who are entitled to be granted direct payments in accordance with Article 9 of this Regulation, who fulfil the condition provided for in point (a) of the first subparagraph and who:

- a did not receive payments for 2013 in respect of an aid application as referred to in the first subparagraph of this paragraph and who, on the date fixed by the Member State concerned in accordance with Article 11(2) of Commission Regulation (EC) No 1122/2009⁽¹⁾ for the claim year 2013:
 - (i) in Member States applying the single payment scheme:
 - were producing fruits, vegetables, ware potatoes, seed potatoes or ornamental plants, and did so on a minimum area expressed in hectares if the Member State concerned decides to adopt such a requirement, or
 - were cultivating vineyards; or
 - (ii) in Member States applying the single area payment scheme, had only agricultural land that was not in good agricultural condition on 30 June 2003 as provided for in Article 124(1) of Regulation (EC) No 73/2009;
- b in 2014, are allocated payment entitlements from the national reserve under the single payment scheme pursuant to Article 41 or 57 of Regulation (EC) No 73/2009; or
- c never held owned or leased-in payment entitlements established under Regulation (EC) No 73/2009 or Regulation (EC) No 1782/2003 and who submit verifiable evidence that, on the date fixed by the Member State in accordance with Article 11(2) of Regulation (EC) No 1122/2009 for the claim year 2013, they produced, reared or grew agricultural products, including through harvesting, milking, breeding animals and keeping animals for farming purposes. Member States may establish their own additional objective and non-discriminatory eligibility criteria for this category of farmers as regards appropriate skills, experience or education.

2 Except in the case of force majeure or exceptional circumstances, the number of payment entitlements allocated per farmer in 2015 shall be equal to the number of eligible hectares, which the farmer declares in his aid application in accordance with point (a) of the first subparagraph of Article 72(1) of Regulation (EU) No 1306/2013 for 2015 and which are at his disposal on a date fixed by the Member State. That date shall be no later than the date fixed in that Member State for amending such an aid application.

3 Member States may apply one or more of the limitations, as set out in paragraphs 4 to 7, on the number of payment entitlements to be allocated under paragraph 2.

4 Member States may decide that the number of payment entitlements to be allocated shall be equal to either the number of eligible hectares which the farmer declared in accordance with Article 34(2) of Regulation (EC) No 73/2009 in 2013, or the number of eligible hectares referred to in paragraph 2 of this Article, whichever is the lowest. For Croatia, the use of this option shall be without prejudice to the allocation of payment entitlements for de–mined hectares in accordance with Article 20(4) of this Regulation.

5 Where the total number of eligible hectares referred to in paragraph 2 of this Article declared in a Member State would result in an increase of more than 35 % of the total number of eligible hectares declared in accordance with Article 35 of Regulation (EC) No 73/2009 in 2009,

or in the case of Croatia in 2013, Member States may limit the number of payment entitlements to be allocated in 2015 to a minimum of either 135 % or 145 % of the total number of eligible hectares declared in 2009, or, in the case of Croatia, of the total number of eligible hectares declared in 2013, in accordance with Article 35 of Regulation (EC) No 73/2009.

When using this option, Member States shall allocate a reduced number of payment entitlements to farmers. That number shall be calculated by applying a proportional reduction to the additional number of eligible hectares declared by each farmer in 2015 compared to the number of eligible hectares within the meaning of Article 34(2) of Regulation (EC) No 73/2009 that that farmer declared in his aid application in 2011 or, in the case of Croatia, in 2013, without prejudice to the de-mined hectares for which payment entitlements are to be allocated in accordance with Article 20(4) of this Regulation.

6 Member States may decide to apply, for the purposes of establishing the number of payment entitlements to be allocated to a farmer, a reduction coefficient to those eligible hectares referred to in paragraph 2 which consist of permanent grassland located in areas with difficult climate conditions, especially due to their altitude and other natural constraints such as poor soil quality, steepness and water supply.

7 Member States may decide that the number of payment entitlements to be allocated to a farmer shall be equal to the number of eligible hectares referred to in paragraph 2 of this Article which were not hectares of vineyards on the date fixed by the Member State in accordance with Article 11(2) of Regulation (EC) No 1122/2009 for the claim year 2013 or hectares of arable land under permanent greenhouses.

8 In the case of the sale or lease of their holding or part of it, natural or legal persons complying with paragraph 1 of this Article may, by contract signed before the final date for submitting applications in 2015 to be set in accordance with point (b) of the first subparagraph of Article 78 of Regulation (EU) No 1306/2013, transfer the right to receive payment entitlements in accordance with paragraph 1 of this Article to one or more farmers provided that the latter comply with the conditions laid down in Article 9 of this Regulation.

9 A Member State may decide to fix a minimum size per holding, expressed in eligible hectares, in respect of which the farmer may apply for an allocation of payment entitlements. That minimum size shall not exceed the threshold set out in point (b) of Article 10(1) in conjunction with paragraph 2 of that Article.

10 Member States shall, where relevant, notify the Commission of the decisions referred to in this Article by 1 August 2014.

11 The Commission shall adopt implementing acts laying down rules on applications for the allocation of payment entitlements submitted in the year of allocation of payment entitlements where those payment entitlements may not yet be definitively established and where that allocation is affected by specific circumstances. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 71(2).

Article 25 E+S+N.I.

Value of payment entitlements and convergence

 $[^{F20}1$ Subject to paragraphs 2 and 3, for the purposes of this Article the unit value of payment entitlements is calculated by dividing a fixed percentage of the relevant authority's share of the national ceiling for each relevant year by the number of payment entitlements in 2015 in the

constituent nation or, where applicable, at regional level, excluding those allocated from the national reserve or regional reserves in 2015.

The fixed percentage referred to in the first subparagraph is calculated by dividing the relevant authority's share of the basic payment scheme ceiling or, where applicable, the regional ceiling for the basic payment scheme set in accordance with Article 23(2), as it had effect immediately before exit day for 2015, after applying the linear reduction provided for in paragraph 1 or, where applicable, paragraph 2 of Article 30 by the relevant authority's share of the national ceiling for 2015.

2 The value of payment entitlements, other than those allocated from the national reserve or regional reserves in 2015, may be differentiated for each relevant year on the basis of their initial unit value calculated in accordance with Article 26 as it had effect immediately before exit day, provided that the decision to differentiate was taken and notified to the Commission by 1 August 2014.

3 All payment entitlements in a constituent nation or, where Article 23 is applied, in a region shall have a uniform unit value unless the relevant authority has applied the derogation in paragraph 4 of this Article, as it had effect immediately before exit day. Where a relevant authority has applied this derogation, the unit value will be calculated in accordance with paragraphs 4 to 7 of this Article as it had effect immediately before exit day.]

8 When applying paragraph 2 of this Article, the transition from the initial unit value of payment entitlements as calculated in accordance with Article 26 [^{F21}as it had effect immediately before exit day] to their final unit value in 2019 as established in accordance with paragraph 3 or paragraphs 4 to 7 of this Article shall be made in equal steps starting from 2015.

In order to ensure compliance with the fixed percentage referred to in paragraph 1 of this Article for each year, the value of the payment entitlements with an initial unit value that is higher than the national or regional unit value in 2019 shall be adjusted.

^{F22}9

10 In 2015, Member States shall inform farmers of the value of their payment entitlements as calculated in accordance with this Article and Articles 26 and 27 for each year of the period covered by this Regulation.

Extent Information

E2 This version of this provision extends to England, Scotland and Northern Ireland only; a separate version has been created for Wales only

Textual Amendments

- **F20** Art. 25(1)-(3) substituted for Art. 25(1)-(7) (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(4)(a)**
- **F21** Words in Art. 25(8) inserted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(4)(b)**
- **F22** Art. 25(9) omitted (31.1.2020) by virtue of The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(4)(c)**



Value of payment entitlements and convergence

^{F84}1

^{F84}2

[^{F85}3 All payment entitlements in a constituent nation or, where Article 23 is applied, in a region shall have a uniform unit value unless the relevant authority has applied the derogation in paragraph 4 of this Article, as it had effect immediately before exit day. Where a relevant authority has applied this derogation, the unit value will be calculated in accordance with paragraphs 4 to 7 of this Article as it had effect immediately before exit day.]

10 In 2015, Member States shall inform farmers of the value of their payment entitlements as calculated in accordance with this Article and Articles 26 and 27 for each year of the period covered by this Regulation.

Extent Information

E5 This version of this provision extends to Wales only; a separate version has been created for England, Scotland and Northern Ireland only

Textual Amendments

- F84 Art. 25(1)(2) omitted (W.) (31.12.2020) by virtue of The Direct Payments to Farmers and Rural Affairs (Miscellaneous Amendments etc.) (Wales) (EU Exit) Regulations 2020 (S.I. 2020/1556), regs. 1(2)(a), 7(11)(a)
- **F85** Art. 25(1)-(3) substituted for Art. 25(1)-(7) (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(4)(a)**
- F86 Art. 25(8) omitted (W.) (31.12.2020) by virtue of The Direct Payments to Farmers and Rural Affairs (Miscellaneous Amendments etc.) (Wales) (EU Exit) Regulations 2020 (S.I. 2020/1556), regs. 1(2)(a), 7(11)(b)
- **F87** Art. 25(9) omitted (31.1.2020) by virtue of The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(4)(c)**

F23Article 26

Calculation of the initial unit value

Textual Amendments

F23 Arts. 26-28 omitted (31.1.2020) by virtue of The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(5)**

F23 Article 27

Inclusion of the special national de-mining reserve

Textual Amendments

F23 Arts. 26-28 omitted (31.1.2020) by virtue of The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(5)**

F23Article 28

Windfall profit

Textual Amendments

F23 Arts. 26-28 omitted (31.1.2020) by virtue of The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(5)

Article 29

Notifications concerning the value of payment entitlements and convergence

Member States shall notify the Commission of any decision referred to in Articles 25, 26 and 28 by 1 August 2014.

Section 2

National reserve and regional reserves

Article 30 E+S+N.I.

Establishment and use of the national reserve or regional reserves

 $[^{F24}1$ The relevant authority shall maintain the national reserve or regional reserves established prior to exit day.]

^{F25}2

^{F25}3

4 [^{F26}The relevant authority] shall allocate payment entitlements from their national or regional reserves in accordance with objective criteria and in such a way as to ensure the equal treatment of farmers and to avoid distortions of the market and of competition.

5 Payment entitlements referred to in paragraph 4 shall only be allocated to farmers entitled to be granted direct payments in accordance with Article 9.

6 [^{F27}The relevant authority] shall use their national or regional reserves to allocate payment entitlements, as a matter of priority, to young farmers and to farmers commencing their agricultural activity.

- 7 [^{F28}The relevant authority] may use their national or regional reserves to:
 - a allocate payment entitlements to farmers in order to prevent land from being abandoned, including in areas subject to restructuring or development programmes relating to a form of public intervention;
 - b allocate payment entitlements to farmers in order to compensate them for specific disadvantages;
 - c allocate payment entitlements to farmers who were prevented from being allocated payment entitlements under this Chapter as a result of force majeure or exceptional circumstances;
 - d allocate, in cases where they apply Article 21(3) of this Regulation, payment entitlements to farmers whose number of eligible hectares that they declared in 2015 in accordance with point (a) of the first subparagraph of Article 72(1) of Regulation (EU) No 1306/2013 and that are at their disposal on a date fixed by the Member State, which shall be no later than the date fixed in that Member State for amending such an aid application, is higher than the number of owned or leased-in payment entitlements established in accordance with Regulation (EC) No 1782/2003 and with Regulation (EC) No 73/2009 that they hold on the final date for submission of applications to be set in accordance with point (b) of the first subparagraph of Article 78 of Regulation (EU) No 1306/2013;
 - e linearly increase, on a permanent basis, the value of all payment entitlements under the basic payment scheme at national or regional level if the relevant national or regional reserve exceeds 0,5 % of the [^{F29}relevant authority's share of the basic payment scheme ceiling or, where applicable, the] regional ceiling for the basic payment scheme, provided that sufficient amounts remain available for allocations under paragraph 6, under points (a) and (b) of this paragraph and under paragraph 9 of this Article;
 - f cover the yearly needs for payments to be granted in accordance with Article 51(2) and Article 65(1), (2) and (3) of this Regulation.

For the purpose of this paragraph, [^{F30}the relevant authority] shall decide on the priorities between the different uses referred to herein.

8 When applying paragraph 6 and points $[^{F31}(a)$ and (b)] of paragraph 7, $[^{F32}$ the relevant authority] shall fix the value of payment entitlements allocated to farmers at the national or regional average value of payment entitlements in the year of allocation.

[^{F33}The national or regional average value shall be calculated by dividing the relevant authority's share of the basic payment scheme ceiling or, where applicable, the regional ceiling for the basic payment scheme set in accordance with Article 23(2), for the year of allocation, excluding the amount of the national reserve or regional reserves, by the number of allocated payment entitlements.]

[^{F34}The relevant authority] shall fix the steps for annual progressive modifications of the value of payment entitlements allocated from the national reserve or regional reserves, taking account of the modifications of the [^{F35}relevant authority's share of the basic payment ceiling or, where applicable, the regional ceiling for the basic payment scheme set in accordance with] Article 23(2) that result from the variations in the level of the national ceilings set out in Annex II.

⁹ Where a farmer is entitled to receive payment entitlements or to increase the value of the existing ones by virtue of a definitive court ruling or by virtue of a definitive administrative act of the competent authority of a [^{F36}relevant authority], the farmer shall receive the number and value of payment entitlements established in that ruling or act at a date to be fixed by the [^{F36}relevant authority]. However, that date shall not be later than the latest date for lodging an application under the basic payment scheme following the date of the court ruling or the administrative act, taking into account the application of Articles 32 and 33.

10 When applying paragraph 6, points (a) and (b) of paragraph 7 and paragraph 9, [^{F37}the relevant authority] may either allocate new entitlements or increase the unit value of all of the existing entitlements of a farmer up to the national or regional average value.

- 11 For the purposes of this Article, the following definitions shall apply:
 - a 'young farmers' means farmers fulfilling the conditions laid down in Article 50(2) and, where relevant, the conditions referred to in Article 50(3) and (11);
 - b 'farmers commencing their agricultural activity' means natural or legal persons who, in the five years preceding the start of the agricultural activity, did not have any agricultural activity in their own name and at their own risk or did not have the control of a legal person exercising an agricultural activity. In the case of a legal person, the natural person or persons in control of the legal person must not have had any agricultural activity in their own name and at their own risk or must not have had any agricultural activity in their own name and at their own risk or must not have had the control of a legal person exercising an agricultural activity in the five years preceding the start of the agricultural activity by the legal person; [^{F38}this category of farmers must also meet any additional objective and non-discriminatory eligibility criteria established by the relevant authority prior to exit day as regards appropriate skills, experience or education].

Extent Information

E3 This version of this provision extends to England, Scotland and Northern Ireland only; a separate version has been created for Wales only

Textual Amendments

- F24 Art. 30(1) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(6)(a)**
- F25 Art. 30(2)(3) omitted (31.1.2020) by virtue of The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(6)(b)
- **F26** Words in Art. 30(4) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(6)(c)**
- **F27** Words in Art. 30(6) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(6)(c)**
- **F28** Words in Art. 30(7) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(6)(d)(i)**
- **F29** Words in Art. 30(7)(e) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(6)(d)(ii)**
- **F30** Words in Art. 30(7) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(6)(d)(iii)**
- **F31** Words in Art. 30(8) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(6)(e)(i)(aa)**
- **F32** Words in Art. 30(8) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(6)(e)(i)(bb)**
- **F33** Words in Art. 30(8) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(6)(e)(ii)**

- **F34** Words in Art. 30(8) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(6)(e)(iii)(aa)**
- **F35** Words in Art. 30(8) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(6)(e)(iii)(bb)**
- **F36** Words in Art. 30(9) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(6)(f)**
- **F37** Words in Art. 30(10) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(6)(g)**

Article 30 W

Establishment and use of the national reserve or regional reserves

[^{F88}1 The relevant authority shall maintain the national reserve or regional reserves established prior to exit day.]

^{F89}2

^{F89}3

4 [^{F90}The relevant authority] shall allocate payment entitlements from their national or regional reserves in accordance with objective criteria and in such a way as to ensure the equal treatment of farmers and to avoid distortions of the market and of competition.

5 Payment entitlements referred to in paragraph 4 shall only be allocated to farmers entitled to be granted direct payments in accordance with Article 9.

6 [^{F91}The relevant authority] shall use their national or regional reserves to allocate payment entitlements, as a matter of priority, to young farmers and to farmers commencing their agricultural activity.

7 [^{F92}The relevant authority] may use their national or regional reserves to:

^{F93}a ^{F93}b

- c allocate payment entitlements to farmers who were prevented from being allocated payment entitlements under this Chapter as a result of force majeure or exceptional circumstances;
- d allocate, in cases where they apply Article 21(3) of this Regulation, payment entitlements to farmers whose number of eligible hectares that they declared in 2015 in accordance with point (a) of the first subparagraph of Article 72(1) of Regulation (EU) No 1306/2013 and that are at their disposal on a date fixed by the Member State, which shall be no later than the date fixed in that Member State for amending such an aid application, is higher than the number of owned or leased-in payment entitlements established in accordance with Regulation (EC) No 1782/2003 and with Regulation (EC) No 73/2009 that they hold on the final date for submission of applications to be set in accordance with point (b) of the first subparagraph of Article 78 of Regulation (EU) No 1306/2013;
- e linearly increase, on a permanent basis, the value of all payment entitlements under the basic payment scheme at national or regional level if the relevant national or regional reserve exceeds 0,5 % of the [^{F94}[^{F95}basic payment scheme ceiling in Wales] or, where applicable, the] regional ceiling for the basic payment scheme, provided that sufficient

F38 Words in Art. 30(11) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(6)(h)**

amounts remain available for allocations under paragraph 6, under points (a) and (b) of this paragraph and under paragraph 9 of this Article;

f cover the yearly needs for payments to be granted in accordance with Article $51(2)^{F96}$... of this Regulation.

For the purpose of this paragraph, [^{F97}the relevant authority] shall decide on the priorities between the different uses referred to herein.

8 When applying paragraph 6 and points $[^{F98}(a)$ and (b)] of paragraph 7, $[^{F99}$ the relevant authority] shall fix the value of payment entitlements allocated to farmers at the national or regional average value of payment entitlements in the year of allocation.

[^{F100}The national or regional average value shall be calculated by dividing the [^{F101}basic payment scheme ceiling in Wales] or, where applicable, the regional ceiling for the basic payment scheme set in accordance with Article 23(2), for the year of allocation, excluding the amount of the national reserve or regional reserves, by the number of allocated payment entitlements.]

F102

9 Where a farmer is entitled to receive payment entitlements or to increase the value of the existing ones by virtue of a definitive court ruling or by virtue of a definitive administrative act of the competent authority of a [F103 relevant authority], the farmer shall receive the number and value of payment entitlements established in that ruling or act at a date to be fixed by the [F103 relevant authority]. However, that date shall not be later than the latest date for lodging an application under the basic payment scheme following the date of the court ruling or the administrative act, taking into account the application of Articles 32 and 33.

10 When applying paragraph 6, points (a) and (b) of paragraph 7 and paragraph 9, [^{F104}the relevant authority] may either allocate new entitlements or increase the unit value of all of the existing entitlements of a farmer up to the national or regional average value.

11 For the purposes of this Article, the following definitions shall apply:

- a 'young farmers' means farmers fulfilling the conditions laid down in Article 50(2) and, where relevant, the conditions referred to in Article 50^{F105} ... (11);
- b 'farmers commencing their agricultural activity' means natural or legal persons who, in the five years preceding the start of the agricultural activity, did not have any agricultural activity in their own name and at their own risk or did not have the control of a legal person exercising an agricultural activity. In the case of a legal person, the natural person or persons in control of the legal person must not have had any agricultural activity in their own name and at their own risk or must not have had the control of a legal person exercising an agricultural activity in the five years preceding the start of the agricultural activity by the legal person; [^{F106}this category of farmers must also meet any additional objective and non-discriminatory eligibility criteria established by the relevant authority prior to exit day as regards appropriate skills, experience or education].

Extent Information

E6 This version of this provision extends to Wales only; a separate version has been created for England, Scotland and Northern Ireland only

Textual Amendments

F88 Art. 30(1) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(6)(a)**

- **F89** Art. 30(2)(3) omitted (31.1.2020) by virtue of The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(6)(b)**
- **F90** Words in Art. 30(4) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(6)(c)**
- **F91** Words in Art. 30(6) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(6)(c)**
- **F92** Words in Art. 30(7) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(6)(d)(i)**
- **F93** Art. 30(7)(a)(b) omitted (W.) (31.12.2020) by virtue of The Direct Payments to Farmers and Rural Affairs (Miscellaneous Amendments etc.) (Wales) (EU Exit) Regulations 2020 (S.I. 2020/1556), regs. 1(2)(a), **7(12)(a)(i)**
- **F94** Words in Art. 30(7)(e) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(6)(d)(ii)**
- **F95** Words in Art. 30(7)(e) substituted (W.) (31.12.2020) by The Direct Payments to Farmers and Rural Affairs (Miscellaneous Amendments etc.) (Wales) (EU Exit) Regulations 2020 (S.I. 2020/1556), regs. 1(2)(a), **7(12)(a)(ii)**
- **F96** Words in Art. 30(7)(f) omitted (W.) (31.12.2020) by virtue of The Direct Payments to Farmers and Rural Affairs (Miscellaneous Amendments etc.) (Wales) (EU Exit) Regulations 2020 (S.I. 2020/1556), regs. 1(2)(a), 7(12)(a)(iii)
- **F97** Words in Art. 30(7) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(6)(d)(iii)**
- **F98** Words in Art. 30(8) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(6)(e)(i)(aa)**
- **F99** Words in Art. 30(8) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(6)(e)(i)(bb)**
- **F100** Words in Art. 30(8) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(6)(e)(ii)**
- F101 Words in Art. 30(8) substituted (W.) (31.12.2020) by The Direct Payments to Farmers and Rural Affairs (Miscellaneous Amendments etc.) (Wales) (EU Exit) Regulations 2020 (S.I. 2020/1556), regs. 1(2)(a), 7(12)(b)(i)
- F102 Words in Art. 30(8) omitted (W.) (31.12.2020) by virtue of The Direct Payments to Farmers and Rural Affairs (Miscellaneous Amendments etc.) (Wales) (EU Exit) Regulations 2020 (S.I. 2020/1556), regs. 1(2)(a), 7(12)(b)(ii)
- **F103** Words in Art. 30(9) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(6)(f)**
- F104 Words in Art. 30(10) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(6)(g)
- F105 Words in Art. 30(11)(a) omitted (W.) (31.12.2020) by virtue of The Direct Payments to Farmers and Rural Affairs (Miscellaneous Amendments etc.) (Wales) (EU Exit) Regulations 2020 (S.I. 2020/1556), regs. 1(2)(a), 7(12)(c)
- **F106** Words in Art. 30(11) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(6)(h)**

Article 31

Replenishment of the national reserve or regional reserves

1 The national reserve or regional reserves shall be replenished by amounts resulting from:

a payment entitlements not giving right to payments during two consecutive years due to the application of:

- (i) Article 9,
- (ii) Article 10(1), or
- (iii) Article 11(4) of this Regulation;
- b a number of payment entitlements equivalent to the total number of payment entitlements which have not been activated by farmers in accordance with Article 32 of this Regulation for a period of two consecutive years, except where their activation has been prevented by force majeure or exceptional circumstances; when establishing the owned or leased-in payment entitlements held by a farmer that shall revert to the national reserve or regional reserves, priority shall be given to those entitlements which have the lowest value;
- c payment entitlements voluntarily returned by farmers;
- ^{F39}d
- e unduly allocated payment entitlements in accordance with Article 63 of Regulation (EU) No 1306/2013;
- f a linear reduction of the value of payment entitlements under the basic payment scheme at national or regional level where the national reserve or regional reserves are not sufficient to cover the cases referred to in Article 30(9) of this Regulation;
- [^{F40}g where [^{F41}the relevant authority considers] it necessary, a linear reduction of the value of payment entitlements under the basic payment scheme at national or regional level to cover cases referred to in Article 30(6) of this Regulation. In addition, [^{F42}a relevant authority] already making use of that linear reduction may in the same year also apply a linear reduction of the value of payment entitlements under the basic payment scheme at national or regional level to cover cases referred to in points (a) and (b) of the first subparagraph of Article 30(7) of this Regulation;]
- [^{F43}h the application of Article 34(4) of this Regulation.]

2 The [F44 appropriate authority may make regulations] laying down necessary measures regarding the reversion of non-activated payment entitlements to the national reserve or regional reserves. F45 ...

Textual Amendments

- **F39** Art. 31(1)(d) omitted (31.1.2020) by virtue of The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(7)(a)(i)**
- F40 Substituted by Regulation (EU) 2017/2393 of the European Parliament and of the Council of 13 December 2017 amending Regulations (EU) No 1305/2013 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD), (EU) No 1306/2013 on the financing, management and monitoring of the common agricultural policy, (EU) No 1307/2013 establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy, (EU) No 1308/2013 establishing a common organisation of the markets in agricultural products and (EU) No 652/2014 laying down provisions for the management of expenditure relating to the food chain, animal health and animal welfare, and relating to plant health and plant reproductive material.
- **F41** Words in Art. 31(1)(g) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(7)(a)(ii)(aa)**
- **F42** Words in Art. 31(1)(g) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(7)(a)(ii)(bb)**
- F43 Art. 31(1)(h) omitted (W.) (31.12.2020) by virtue of The Direct Payments to Farmers and Rural Affairs (Miscellaneous Amendments etc.) (Wales) (EU Exit) Regulations 2020 (S.I. 2020/1556), regs. 1(2)(a), 7(13)

- F44 Words in Art. 31(2) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5**(7)(**b**)(**i**)
- F45 Words in Art. 31(2) omitted (31.1.2020) by virtue of The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(7)(b)(ii)

Section 3

Implementation of the basic payment scheme

Article 32

Activation of payment entitlements

Support under the basic payment scheme shall be granted to farmers, by means of declaration in accordance with Article 33(1), upon activation of a payment entitlement per eligible hectare in the [^{F46}constituent nation] where it has been allocated. Activated payment entitlements shall give a right to the annual payment of the amounts fixed therein, without prejudice to the application [^{F47}of financial discipline,] of reduction of payments in accordance with Article 11 and of linear reductions in accordance with [^{F48}[^{F49}Article 7 and]] Article 51(2) ^{F50}... of this Regulation, and to the application of Article 63 of Regulation (EU) No 1306/2013.

- 2 For the purposes of this Title, 'eligible hectare' means:
 - a any agricultural area of the holding^{F51}... that is used for an agricultural activity or, where the area is also used for non-agricultural activities, is predominantly used for agricultural activities; or
 - b [^{F52}any area which gave a right to payments in 2008 under the single payment scheme laid down in Title III] of Regulation (EC) No 1782/2003, and which:
 - (i) no longer complies with the definition of 'eligible hectare' under point (a) as a result of the implementation of Directive 92/43/EEC, Directive 2000/60/EC and Directive 2009/147/EC;
 - (ii) for the duration of the relevant commitment by the individual farmer, is afforested pursuant to Article 31 of Regulation (EC) No 1257/1999 or to Article 43 of Regulation (EC) No 1698/2005 or to Article 22 of Regulation (EU) No 1305/2013 or under a national scheme the conditions of which comply with Article 43(1), (2) and (3) of Regulation (EC) No 1698/2005 or Article 22 of Regulation (EU) No 1305/2013; or
 - (iii) for the duration of the relevant commitment of the individual farmer, is set aside pursuant to Articles 22, 23 and 24 of Regulation (EC) No 1257/1999, to Article 39 of Regulation (EC) No 1698/2005 or to Article 28 of Regulation (EU) No 1305/2013.
 - For the purposes of point (a) of paragraph 2:

3

- a where an agricultural area of a holding is also used for non-agricultural activities, that area shall be considered to be used predominantly for agricultural activities provided that those agricultural activities can be exercised without being significantly hampered by the intensity, nature, duration and timing of the non-agricultural activities;
- b [^{F53}the relevant authority] may draw up a list of areas which are predominantly used for non-agricultural activities.

[^{F54}The relevant authority must apply the criteria it has established for the implementation of this paragraph in the constituent nation.]

4 Areas shall be considered to be eligible hectares only if they comply with the definition of eligible hectare throughout the calendar year, except in the case of force majeure or exceptional circumstances.

[^{F55}5 For the purposes of determining 'eligible hectare', [^{F56}the relevant authority] having taken the decision referred to in the second subparagraph of Article 4(2) may apply a reduction coefficient to convert the hectares concerned into 'eligible hectares'.]

6 Areas used for the production of hemp shall only be eligible hectares if the varieties used have a tetrahydrocannabinol content not exceeding 0,2 %.

Textual Amendments F46 Words in Art. 32(1) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(8)(a)(i) Words in Art. 32(1) omitted (W.) (31.12.2020) by virtue of The Direct Payments to Farmers and Rural F47 Affairs (Miscellaneous Amendments etc.) (Wales) (EU Exit) Regulations 2020 (S.I. 2020/1556), regs. 1(2)(a), 7(14)(a)(i) F48 Words in Art. 32(1) substituted (8.6.2020) by The Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/576), regs. 1, 3(2) Words in Art. 32(1) omitted (W.) (31.12.2020) by virtue of The Direct Payments to Farmers and Rural F49 Affairs (Miscellaneous Amendments etc.) (Wales) (EU Exit) Regulations 2020 (S.I. 2020/1556), regs. 1(2)(a), 7(14)(a)(ii) F50 Words in Art. 32(1) omitted (31.1.2020) by virtue of The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(8)(a)(ii) Words in Art. 32(2)(a) omitted (31.1.2020) by virtue of The Rules for Direct Payments to Farmers F51 (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(8)(b)(i) F52 Words in Art. 32(2)(b) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(8)(b)(ii) F53 Words in Art. 32(3)(b) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(8)(c)(i) F54 Words in Art. 32(3) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(8)(c)(ii) F55 Art. 32(5) omitted (W.) (31.12.2020) by virtue of The Direct Payments to Farmers and Rural Affairs (Miscellaneous Amendments etc.) (Wales) (EU Exit) Regulations 2020 (S.I. 2020/1556), regs. 1(2)(a), 7(14)(b) F56 Words in Art. 32(5) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(8)(d)

Article 33

Declaration of eligible hectares

For the purposes of the activation of payment entitlements provided for in Article 32(1), the farmer shall declare the parcels corresponding to the eligible hectares accompanying any payment entitlement. Except in the case of force majeure or exceptional circumstances, the parcels declared shall be at the farmer's disposal on a date fixed by the [^{F57}relevant authority], which shall be no later than the date fixed in that [^{F58}constituent nation] for amending the aid application as referred to in Article 72(1) of Regulation (EU) No 1306/2013.

2 [^{F59}The relevant authority] may, in duly justified circumstances, authorise the farmer to modify his declaration provided that he maintains at least the number of hectares corresponding to his payment entitlements and respects the conditions for granting the payment under the basic payment scheme for the area concerned.

Textual Amendments		
F57	Words in Art. 33(1) substituted (31.1.2020) by The Rules for Direct Payments to Farmers	
	(Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(9)(a)(i)	
F58	Words in Art. 33(1) substituted (31.1.2020) by The Rules for Direct Payments to Farmers	
	(Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(9)(a)(ii)	
F59	Words in Art. 33(2) substituted (31.1.2020) by The Rules for Direct Payments to Farmers	
	(Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(9)(b)	

Article 34

Transfer of payment entitlements

1 Payment entitlements may be transferred only to a farmer entitled to be granted direct payments in accordance with Article 9 established in the same [F60 constituent nation], except in the case of transfer by actual or anticipated inheritance.

Payment entitlements, including in the case of actual or anticipated inheritance, may be activated only in the [^{F60}constituent nation] where they were allocated.

2 Where [F61 the relevant authority exercises] the option in Article 23(1), payment entitlements may be transferred or activated only within the same region, except in the case of actual or anticipated inheritance.

Payment entitlements, including in the case of actual or anticipated inheritance, may be activated only in the region where they were allocated.

3 [F62 A relevant authority] not exercising the option in Article 23(1) may decide that payment entitlements may be transferred or activated only within the same region, except in the case of actual or anticipated inheritance.

Such regions shall be defined at the appropriate territorial level in accordance with objective criteria and in a way that ensures the equal treatment of farmers and avoids distortions of the market and of competition.

[^{F63}4 Where payment entitlements are transferred without land, [^{F64}the relevant authority] may, acting in compliance with [^{F65}retained EU law relating to the common agricultural policy and the objectives of the common agricultural policy set out in Article 39 of the Treaty on the Functioning of the European Union], decide that a part of the payment entitlements transferred are to revert to the national reserve or regional reserves or that their unit value is to be reduced in favour of the national reserve or regional reserves. Such reduction may be applied to one or more types of transfer.]

5 The [F66 appropriate authority may make regulations] laying down detailed rules governing the notification by farmers of transfer of payment entitlements to the [F67 relevant authority] and the deadlines within which such notification is to take place. F68 ...

Textual Amendments		
F60	Words in Art. 34(1) substituted (31.1.2020) by The Rules for Direct Payments to Farmers	
	(Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(10)(a)	
F61	Words in Art. 34(2) substituted (31.1.2020) by The Rules for Direct Payments to Farmers	
	(Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(10)(b)	
F62	Words in Art. 34(3) substituted (31.1.2020) by The Rules for Direct Payments to Farmers	
	(Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(10)(c)	
F63	Art. 34(4) omitted (W.) (31.12.2020) by virtue of The Direct Payments to Farmers and Rural Affairs	
	(Miscellaneous Amendments etc.) (Wales) (EU Exit) Regulations 2020 (S.I. 2020/1556), regs. 1(2)(a),	
	7(15)	
F64	Words in Art. 34(4) substituted (31.1.2020) by The Rules for Direct Payments to Farmers	
	(Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(10)(d)(i)	
F65	Words in Art. 34(4) substituted (31.1.2020) by The Rules for Direct Payments to Farmers	
	(Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(10)(d)(ii)	
F66	Words in Art. 34(5) substituted (31.1.2020) by The Rules for Direct Payments to Farmers	
	(Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(10)(e)(i)	
F67	Words in Art. 34(5) substituted (31.1.2020) by The Rules for Direct Payments to Farmers	
	(Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(10)(e)(ii)	
F68	Words in Art. 34(5) omitted (31.1.2020) by virtue of The Rules for Direct Payments to Farmers	
	(Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(10)(e)(iii)	

Article 35

Delegated powers

1 In order to ensure legal certainty and to clarify the specific situations that may arise in the application of the basic payment scheme, the [^{F69}appropriate authority may make regulations] concerning:

- a rules on eligibility and access in respect of the basic payment scheme of farmers in the case of inheritance and anticipated inheritance, inheritance under a lease, change of legal status or denomination, transfer of payment entitlements, [^{F70}and] merger or scission of the holding^{F71}...;
- b rules on the calculation of the value and number or on the increase or reduction in the value of payment entitlements in relation to the allocation of payment entitlements under any provision of this Title, including rules:
 - (i) on the possibility of a provisional value and number or of a provisional increase of payment entitlements allocated on the basis of the application from the farmer,
 - (ii) on the conditions for establishing the provisional and definitive value and number of the payment entitlements,
 - (iii) on the cases where a sale or lease contract may affect the allocation of payment entitlements;
- c rules on the establishment and calculation of the value and number of payment entitlements received from the national reserve or regional reserves;
- d rules on the modification of the unit value of payment entitlements in the case of fractions of payment entitlements and in the case of transfer of payment entitlements referred to in Article 34(4);

^{F72}e ^{F72}f

g criteria for the allocation of payment entitlements pursuant to Article 30(6) [^{F73} and (7)]; [^{F74}h criteria for setting the reduction coefficient referred to in Article 32(5).]

2 In order to ensure the proper management of payment entitlements, the [^{F75}appropriate authority may make regulations] laying down rules on the content of the declaration and the requirements for the activation of payment entitlements.

3 In order to preserve public health, the [^{F76}appropriate authority may make regulations] laying down rules making the granting of payments conditional upon the use of certified seeds of certain hemp varieties and the procedure for the determination of hemp varieties and the verification of their tetrahydrocannabinol content referred to in Article 32(6).

Textual Amendments Words in Art. 35(1) substituted (31.1.2020) by The Rules for Direct Payments to Farmers F69 (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(11)(a)(i) F70 Word in Art. 35(1)(a) inserted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(11)(a)(ii)(aa) F71 Words in Art. 35(1)(a) omitted (31.1.2020) by virtue of The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(11)(a)(ii)(bb) F72 Art. 35(1)(e)(f) omitted (31.1.2020) by virtue of The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(11)(a)(iii) F73 Words in Art. 35(1)(g) omitted (W.) (31.12.2020) by virtue of The Direct Payments to Farmers and Rural Affairs (Miscellaneous Amendments etc.) (Wales) (EU Exit) Regulations 2020 (S.I. 2020/1556), regs. 1(2)(a), 7(16)(a) F74 Art. 35(1)(h) omitted (W.) (31.12.2020) by virtue of The Direct Payments to Farmers and Rural Affairs (Miscellaneous Amendments etc.) (Wales) (EU Exit) Regulations 2020 (S.I. 2020/1556), regs. 1(2)(a), 7(16)(b) F75 Words in Art. 35(2) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), 5(11)(b)

F76 Words in Art. 35(3) substituted (31.1.2020) by The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(11)(c)**

Section 4

Single area payment scheme

F77Article 36

Single area payment scheme

Textual Amendments

F77 Arts. 36-40 omitted (31.1.2020) by virtue of The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(12)**

F77Article 37

Transitional national aid

Textual Amendments

F77 Arts. 36-40 omitted (31.1.2020) by virtue of The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(12)**

Section 5

Implementation of the basic payment scheme in the member states having applied the single area payment scheme

F77Article 38

Introduction of the basic payment scheme in the Member States having applied the single area payment scheme

Textual Amendments

F77 Arts. 36-40 omitted (31.1.2020) by virtue of The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(12)**

F77 Article 39

First allocation of payment entitlements

Textual Amendments

F77 Arts. 36-40 omitted (31.1.2020) by virtue of The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(12)**

F77Article 40

Value of payment entitlements

Textual Amendments

F77 Arts. 36-40 omitted (31.1.2020) by virtue of The Rules for Direct Payments to Farmers (Amendment) Regulations 2020 (S.I. 2020/91), regs. 1(2), **5(12)**

(1) Commission Regulation (EC) No 1122/2009 of 30 November 2009 laying down detailed rules for the implementation of Council Regulation (EC) No 73/2009 as regards cross-compliance, modulation and the integrated administration and control system, under the direct support schemes for farmers provided for that Regulation, as well as for the implementation of Council Regulation (EC) No 1234/2007 as regards cross-compliance under the support scheme provided for the wine sector (OJ L 316, 2.12.2009, p. 65).

Changes to legislation:

There are outstanding changes not yet made to Regulation (EU) No 1307/2013 of the European Parliament and of the Council. Any changes that have already been made to the legislation appear in the content and are referenced with annotations.

View outstanding changes

Changes and effects yet to be applied to :

- rt. 52(9) substituted by S.R. 2021/42 reg. 19(2)(c)
- Regulation power to modify conferred by 2023 asc 4 s. 16
- Regulation power to modify conferred (temp.) by 2020 asp 17 s. 2
- Regulation power to modify conferred (temp.) by 2020 asp 17 s. 3
- Regulation power to modify conferred (temp.) by 2020 asp 17 s. 4
- Regulation revoked by S.I. 2023/1430 Sch. 3 para. 1 Table 1

Changes and effects yet to be applied to the whole legislation item and associated provisions

- Art. 1(b)(i) words omitted by S.I. 2019/207 reg. 3(1)(a) (This amendment not applied to legislation.gov.uk. S.I. 2019/207 revoked (31.12.2020 immediately before IP completion day) by The Agriculture (Payments) (Amendment, etc.) (EU Exit) Regulations 2020 (S.I. 2020/1445), regs. 1(2)(b), 24(a))
- Art. 1(b)(v) omitted by S.I. 2019/207 reg. 3(1)(b) (This amendment not applied to legislation.gov.uk. S.I. 2019/207 revoked (31.12.2020 immediately before IP completion day) by The Agriculture (Payments) (Amendment, etc.) (EU Exit) Regulations 2020 (S.I. 2020/1445), regs. 1(2)(b), 24(a))
- Art. 1(b)(x) omitted by S.I. 2019/207 reg. 3(1)(b) (This amendment not applied to legislation.gov.uk. S.I. 2019/207 revoked (31.12.2020 immediately before IP completion day) by The Agriculture (Payments) (Amendment, etc.) (EU Exit) Regulations 2020 (S.I. 2020/1445), regs. 1(2)(b), 24(a))
- Art. 1(b)(iii) omitted by S.S.I. 2020/460 reg. 2(2)
- Art. 1(b)(iii) omitted by S.I. 2020/1513 reg. 2(2)(a)
- Art. 1(b)(vii) omitted by S.I. 2020/1513 reg. 2(2)(b)
- Art. 1(b)(viii) omitted by S.I. 2019/207 reg. 3(1)(b) (This amendment not applied to legislation.gov.uk. S.I. 2019/207 revoked (31.12.2020 immediately before IP completion day) by The Agriculture (Payments) (Amendment, etc.) (EU Exit) Regulations 2020 (S.I. 2020/1445), regs. 1(2)(b), 24(a))
- Art. 1(b)(ii) omitted by S.I. 2019/207 reg. 3(1)(b) (This amendment not applied to legislation.gov.uk. S.I. 2019/207 revoked (31.12.2020 immediately before IP completion day) by The Agriculture (Payments) (Amendment, etc.) (EU Exit) Regulations 2020 (S.I. 2020/1445), regs. 1(2)(b), 24(a))
- art. 1(b)(iv) omitted by S.R. 2021/42 reg. 4(2)
- Art. 1(b)(iv) omitted by S.I. 2020/1387 reg. 5(2)
- Art. 1(b)(ix) omitted by S.I. 2019/207 reg. 3(1)(b) (This amendment not applied to legislation.gov.uk. S.I. 2019/207 revoked (31.12.2020 immediately before IP completion day) by The Agriculture (Payments) (Amendment, etc.) (EU Exit) Regulations 2020 (S.I. 2020/1445), regs. 1(2)(b), 24(a))
- art. 4(1)(a) words substituted by S.R. 2021/42 reg. 13(2)(a)
- art. 4(1)(b) words substituted by S.R. 2021/42 reg. 13(2)(b)
- art. 4(1)(c)(i) word inserted by S.R. 2021/40 reg. 2(2)(a)(i)(aa)
- Art. 4(1)(c)(i) word inserted by S.I. 2020/1513 reg. 2(3)(a)(i)(aa)
- art. 4(1)(c)(iii) omitted by S.R. 2021/40 reg. 2(2)(a)(i)(cc)
- Art. 4(1)(c)(iii) omitted by S.I. 2020/1513 reg. 2(3)(a)(i)(cc)

Art. 4(1)(c)(iii) words substituted by S.I. 2019/207 reg. 3(3)(c)(ii) (This amendment not applied to legislation.gov.uk. S.I. 2019/207 revoked (31.12.2020 immediately before IP completion day) by The Agriculture (Payments) (Amendment, etc.) (EU Exit) Regulations 2020 (S.I. 2020/1445), regs. 1(2)(b), 24(a))

art. 4(1)(c)(ii) words omitted by S.R. 2021/40 reg. 2(2)(a)(i)(bb) Art. 4(1)(c)(ii) words omitted by S.I. 2020/1513 reg. 2(3)(a)(i)(bb) Art. 4(1)(c)(ii) words substituted by S.I. 2019/207 reg. 3(3)(c)(i) (This amendment not applied to legislation.gov.uk. S.I. 2019/207 revoked (31.12.2020 immediately before IP completion day) by The Agriculture (Payments) (Amendment, etc.) (EU Exit) Regulations 2020 (S.I. 2020/1445), regs. 1(2)(b), 24(a)) art. 4(1)(t) inserted by S.R. 2021/40 reg. 2(2)(a)(ii) art. 4(2)(b) omitted by S.R. 2021/40 reg. 2(2)(b) art. 5A inserted by S.R. 2021/40 reg. 2(3) art. 5A(4) words substituted by S.R. 2021/42 reg. 21(2) art. 7A omitted by S.R. 2021/40 reg. 2(4) Art. 11(4A)(4B) inserted by S.S.I. 2020/460 reg. 2(6)(b) Art. 11A inserted by S.I. 2021/407 reg. 3(3) Art. 11A substituted by S.I. 2022/407 reg. 2 Art. 11A substituted by S.I. 2023/456 reg. 3 Art. 14(3) inserted in earlier amending provision S.I. 2019/207, reg. 4(8) by S.I. 2019/812 reg. 2(2)(b) art. 21(b) words omitted by S.R. 2021/40 reg. 2(8) Art. 24(1)(a)(i) word substituted by S.I. 2019/207 reg. 5(4)(b)(iii)(bb) (This _ amendment not applied to legislation.gov.uk. S.I. 2019/207 revoked (31.12.2020 immediately before IP completion day) by The Agriculture (Payments) (Amendment, etc.) (EU Exit) Regulations 2020 (S.I. 2020/1445), regs. 1(2)(b), 24(a)) Art. 24(1)(a)(i) words inserted by S.I. 2019/207 reg. 5(4)(b)(iii)(cc) (This amendment not applied to legislation.gov.uk. S.I. 2019/207 revoked (31.12.2020 immediately before IP completion day) by The Agriculture (Payments) (Amendment, etc.) (EU Exit) Regulations 2020 (S.I. 2020/1445), regs. 1(2)(b), 24(a)) Art. 24(1)(a)(i) words substituted by S.I. 2019/207 reg. 5(4)(b)(iii)(aa) (This amendment not applied to legislation.gov.uk. S.I. 2019/207 revoked (31.12.2020 immediately before IP completion day) by The Agriculture (Payments) (Amendment, etc.) (EU Exit) Regulations 2020 (S.I. 2020/1445), regs. 1(2)(b), 24(a)Art. 24(1)(a)(ii) omitted by S.I. 2019/207 reg. 5(4)(b)(iv) (This amendment not applied to legislation.gov.uk. S.I. 2019/207 revoked (31.12.2020 immediately before IP completion day) by The Agriculture (Payments) (Amendment, etc.) (EU Exit) Regulations 2020 (S.I. 2020/1445), regs. 1(2)(b), 24(a)) art. 30(7)(f) words omitted by S.R. 2021/40 reg. 2(12)(d) art. 30(10a) inserted by S.R. 2021/42 reg. 10(2) art. 30(10b) inserted by S.R. 2022/1 reg. 3(2) art. 30(12) inserted by S.R. 2022/1 reg. 2(2) Art. 31(1)(a) omitted by S.S.I. 2023/308 reg. 2 art. 31(1)(a)(i) omitted by S.R. 2021/40 reg. 2(13) Art. 31(1)(b) omitted by S.S.I. 2023/308 reg. 2 Art. 32(2)(b)(iia) inserted by S.I. 2023/718 reg. 2(2)(b) Art. 32(2)(b)(ii) word omitted by S.I. 2022/706 reg. 3(a)(i) Art. 32(2)(b)(ii) words omitted by S.I. 2023/718 reg. 2(2)(a) Art. 32(2)(b)(iv)(v) inserted by S.I. 2022/706 reg. 3(a)(ii) _ art. 32A inserted by S.R. 2021/42 reg. 4(4) art. 35(1)(h) omitted by S.R. 2021/40 reg. 2(16) Art. 46(2)(h) substituted by S.S.I. 2022/279 reg. 2(2)(a) art. 50(2a) inserted by S.R. 2021/42 reg. 10(3)