

Commission Regulation (EC) No 796/2004 of 21 april 2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in of Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers (repealed)

PART II

THE INTEGRATED ADMINISTRATION AND CONTROL SYSTEM

TITLE I

GENERAL

Article 5

Identification of farmers

Without prejudice to Article 22(3) of Regulation (EC) No 1782/2003, the single system to record the identity of each farmer provided for by Article 18(1)(f) of that Regulation shall guarantee a unique identification with regard to all aid applications submitted by the same farmer.

Article 6

Identification of agricultural parcels

1 The identification system for agricultural parcels referred to in Article 20 of Regulation (EC) No 1782/2003 shall operate at reference parcel level such as cadastral parcel, or production block which shall ensure unique identification of each reference parcel.

Member States shall, moreover, ensure that agricultural parcels are reliably identified and shall in particular require the single application to be furnished with particulars or accompanied by documents specified by the competent authority that enable each agricultural parcel to be located and measured. The GIS shall operate on the basis of a national geodetic system.

2 The Member State shall ensure that with regard to at least 75 % of the reference parcels being subject to an aid application, at least 90 % of the respective area is eligible pursuant to the single payment scheme. The assessment shall be made on an annual basis using appropriate statistical methods.

F13

Textual Amendments

F1 Deleted by Commission Regulation (EC) No 263/2006 of 15 February 2006 amending Regulations (EC) No 796/2004 and (EC) No 1973/2004 as regards nuts.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

Article 7

Identification and registration of payment entitlements

1 The system for the identification and registration of payment entitlements provided for in Article 21 of Regulation (EC) No 1782/2003 shall be an electronic register at Member State level and shall, in particular with regard to the cross-checks provided for in Article 24 of this Regulation, ensure effective traceability of the payment entitlements, in particular as regards the following elements:

- a holder;
- b value;
- c date of establishment;
- d date of last activation;
- e origin, in particular with regard to its attribution, original or national reserve, purchase, lease, inheritance;
- f kind of entitlement, in particular set-aside entitlements, entitlements subject to special conditions in accordance with Article 48 of Regulation (EC) No 1782/2003, and entitlements with authorisation in accordance with Article 60 of that Regulation;
- g where applicable, regional restrictions.

2 Member States in which there is more than one Paying Agency, may decide to operate the electronic register at Paying Agency level. In that case, the Member State concerned shall ensure that the different registers are compatible with each other.

Article 8

General principles in respect of agricultural parcels

1 A parcel that contains trees shall be considered an agricultural parcel for the purposes of the area-related aid schemes provided that agricultural activities referred to in Article 51 of Regulation (EC) No 1782/2003 or, where applicable, the production envisaged can be carried out in a similar way as on parcels without trees in the same area.

[^{F2} Where an area is used in common, the competent authorities shall notionally allocate it between the individual farmers in proportion to their use or right of use of it.]

Textual Amendments

- F2** Substituted by [Commission Regulation \(EC\) No 972/2007 of 20 August 2007 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

Article 9

Control system as regards cross-compliance

Member States shall establish a system guaranteeing an effective control on the respect of cross-compliance. That system shall, in accordance with Chapter III of Title III of this Regulation, in particular provide for:

- (a) where the competent control authority is not the Paying Agency, the transfer of the necessary information concerning the farmers applying for direct payments from the Paying Agency to the specialised control bodies and/or, where applicable, via the coordinating body referred to in Article 23(3) of Regulation (EC) No 1782/2003;
- (b) the methods to be applied for the selection of control samples;
- (c) indications with regard to the nature and extent of the checks to be carried out;
- (d) control reports containing in particular any detected non-compliance and an assessment of its severity, extent, permanence and repetition;
- (e) where the competent control authority is not the Paying Agency, the transfer of the control reports from the specialised control bodies either to the Paying Agency or the coordinating body referred to in Article 23(3) of Regulation (EC) No 1782/2003 or both;
- (f) the application of the system of reductions and exclusions by the Paying Agency.

Member States may, moreover, provide for a procedure according to which the farmer indicates to the Paying Agency the elements necessary to identify the requirements and standards applicable to him.

Article 10

Payment of aid

1 Without prejudice to the time period provided for in Article 28 (2) of Regulation (EC) No 1782/2003 or any rules providing for the payment of advances in accordance with paragraph 3 of that Article, direct payments falling within the scope of this Regulation shall not be made before the checks with regard to eligibility criteria, to be carried out by the Member State pursuant to this Regulation, have been finalised.

2 With regard to checks of cross-compliance specified in chapter III of Title III of the present Regulation where such checks cannot be finalised before payment, any undue payments shall be recovered [^{X1}according to Article 73 of this Regulation.]

Editorial Information

- X1** Substituted by [Corrigendum to Commission Regulation \(EC\) No 796/2004 of 21 April 2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in of Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers \(Official Journal of the European Union L 141 of 30 April 2004\)](#).

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

TITLE II

AID APPLICATIONS

CHAPTER I

THE SINGLE APPLICATION

Article 11

Date of submission of the single application

1 A farmer applying for aid under any of the area-related aid schemes may only submit one single application per year.

[^{X1}A farmer who does not apply for aid under any of the area-related aid schemes but applies for aid under another aid scheme listed in Annex I of Regulation (EC) No 1782/2003, shall submit a single application form if he has agricultural area as defined in Article 2(a) of Regulation (EC) No 795/2004 at his disposal in which he shall list these areas in accordance with Article 14 of this Regulation.] However, Member States may exempt farmers from this obligation where the information concerned is made available to the competent authorities in the framework of other administration and control systems that guarantee compatibility with the integrated system in accordance with Article 26 of Regulation (EC) No 1782/2003.

2 [^{F3}The single application shall be submitted by a date to be fixed by the Member States which shall not be later than 15 May. However, Estonia, Latvia, Lithuania, Finland and Sweden may fix a later date which shall not be later than 15 June.]

In accordance with the procedure referred to in Article 144 (2) of Regulation (EC) No 1782/2003, it may be allowed to postpone the dates referred to in the first subparagraph of this paragraph in certain zones where exceptional climatic conditions render the normal dates inapplicable.

When fixing that date, Member States shall take into account the period required for all relevant data to be available for the proper administrative and financial management of the aid and shall ensure that effective controls may be scheduled, in particular considering the date to be fixed in accordance with Article 44 (3) of Regulation (EC) No 1782/2003.

3 Where more than one Paying Agency is responsible with regard to the same farmer for the management of aid schemes subjected to the submission of a single application, the Member State concerned shall take the appropriate measures to ensure that the information requested in this Article is being made available to all Paying Agencies involved.

Editorial Information

- X1** Substituted by Corrigendum to Commission Regulation (EC) No 796/2004 of 21 April 2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in of Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers (Official Journal of the European Union L 141 of 30 April 2004).

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

Textual Amendments

- F3** Substituted by Commission Regulation (EC) No 239/2005 of 11 February 2005 amending and correcting Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

Article 12

Contents of the single application

1 The single application shall contain all information necessary to establish eligibility for the aid, in particular:

- a the identity of the farmer;
- b the aid scheme or schemes concerned;
- c the identification of the payment entitlements in accordance with the identification and registration system provided for in Article 7 for the purposes of the single payment scheme, broken down by set-aside entitlements and other entitlements;
- d particulars permitting identification of all agricultural parcels on the holding, their area expressed in hectares to two decimal places, their location and, where applicable, their use and whether the agricultural parcel is irrigated;
- [^{F4}e where appropriate, the olive area expressed in olive GIS-ha, in accordance with points 2 and 3 of Annex XXIV to Regulation (EC) No 1973/2004;
- f a statement by the farmer that he is aware of the conditions pertaining to the aid schemes in question.]

2 For the purpose of the identification of the payment entitlements referred to in paragraph 1(c), the pre-printed forms distributed to the farmer in accordance with Article 22 (2) of Regulation (EC) No 1782/2003 shall mention the identification of the payment entitlements in accordance with the identification and registration system provided for in Article 7 broken down by set-aside entitlements and other entitlements.

[^{F5}]

The farmer shall declare separately the area supporting set-aside entitlements and the area supporting other entitlements. In accordance with Article 54 (6) of Regulation (EC) No 1782/2003, the farmer shall claim his set-aside entitlements before any other entitlements. Consequently, the farmer shall declare the area for set-aside corresponding to his number of set-aside entitlements provided he has a sufficient amount of eligible area at his disposal. In case the amount of eligible area is less than the number of set-aside entitlements, the farmer may claim the number of set-aside entitlements corresponding to the amount of area at his disposal.

[^{F43} For the purpose of the identification of all agricultural parcels on the holding referred to in paragraph 1(d), the pre-printed forms distributed to the farmer in accordance with Article 22(2) of Regulation (EC) No 1782/2003 shall mention the maximum eligible area per reference parcel for the purposes of the single payment scheme. Moreover, the graphical material supplied to the farmer in accordance with that provision shall indicate the boundaries of the reference parcels and their unique identification and the farmer shall indicate the location of each agricultural parcel.

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Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

[^{F6}In the Member States which include the geographical information system for olive cultivation in the identification system for the agricultural parcels referred to in Article 20 of Regulation (EC) No 1782/2003, the graphic material supplied to the farmer as regards olive parcels shall include for each olive parcel the number of eligible olive trees and their positioning in the parcel as well as the olive area expressed in olive GIS-ha in accordance with point 3 of Annex XXIV of Regulation (EC) No 1973/2004.]

In the case of an application for aid for olive groves provided for in Chapter 10b of Title IV of Regulation (EC) No 1782/2003, the graphical material supplied to the farmer shall include for each olive parcel:

- a the number of non eligible olive trees and their positioning in the parcel;
- b the olive area expressed in olive GIS-ha, in accordance with point 2 of Annex XXIV to Regulation (EC) No 1973/2004;
- c the category under which aid is claimed, as established in accordance with Article 110i(2) of Regulation (EC) No 1782/2003;
- d where appropriate, an indication that the parcel is covered by a programme approved by the Commission as referred to in Article 4 of Council Regulation (EC) No 1638/98⁽¹⁾, and the number of olive trees concerned and their positioning in the parcel.

4 When submitting the application form, the farmer shall correct the pre-printed form referred to in paragraphs 2 and 3 if any amendments, in particular transfers of payment entitlements in accordance with Article 46 of Regulation (EC) No 1782/2003, have occurred or if any of the information contained in the pre-printed forms is incorrect.

[^{F2}If the correction relates to the reference parcel area, the farmer shall declare the up-to-date area of each agricultural parcel concerned and where necessary indicate the new boundaries of the reference parcel.] However, where the positioning of olive trees indicated in the graphical material is incorrect, the farmer shall not be obliged to indicate the resulting correct size of the area expressed in olive GIS-ha but shall only indicate the actual position of the trees.]

Textual Amendments

- F2** Substituted by Commission Regulation (EC) No 972/2007 of 20 August 2007 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F4** Substituted by Commission Regulation (EC) No 2184/2005 of 23 December 2005 amending Regulations (EC) No 796/2004 and (EC) No 1973/2004 laying down detailed rules for the application of Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F5** Deleted by Commission Regulation (EC) No 2184/2005 of 23 December 2005 amending Regulations (EC) No 796/2004 and (EC) No 1973/2004 laying down detailed rules for the application of Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F6** Substituted by Commission Regulation (EC) No 381/2007 of 4 April 2007 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers and Regulation (EC) No 1973/2004 laying down detailed rules for the application of Council Regulation (EC) No 1782/2003 as regards the

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Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

support schemes provided for in Titles IV and IVa of that Regulation and the use of land set aside for the production of raw materials.

Article 13

Specific requirements pertaining to the single application

[^{F71} In the case where a farmer intends to produce hemp in accordance with Article 52 of Regulation (EC) No 1782/2003 or hemp grown for fibre as referred to in Article 106 of that Regulation, the single application shall contain:

- a all information required for the identification of the parcels sown in hemp, indicating the varieties of seed used;
- b an indication as to the quantities of the seeds used (kg per hectare);
- c the official labels used on the packaging of the seeds in accordance with Council Directive 2002/57/EC⁽²⁾, and in particular Article 12 thereof.

By way of derogation from point (c) of the first subparagraph, where sowing takes place after the deadline for submitting the single application, the labels shall be submitted by 30 June at the latest. Where the labels also have to be submitted to other national authorities, the Member States may provide for those labels to be returned to the farmer once they have been submitted in accordance with that point. The labels returned shall be marked as used for an application.

In the case where an application for aid for arable crops area payments in accordance with Chapter 10 of Title IV of Regulation (EC) No 1782/2003 contains a declaration of cultivation of flax and hemp grown for fibre as referred to in Article 106 of that Regulation, the single application shall contain a copy of the contract or commitment referred to in that Article, unless the Member State has provided that that copy may be submitted by a later date, which shall not be later than 15 September.]

2 In the case of set-aside land used in accordance with Article 55(b) of Regulation (EC) No 1782/2003 or the first indent of Article 107(3) of that Regulation, the single application shall contain the necessary proof required under the applicable sectoral rules.

3 In the case of an application for aid for the specific quality premium for durum wheat provided for in Chapter I of Title IV of Regulation (EC) No 1782/2003 and for the durum wheat supplement and special aid provided for in Article 105 of that Regulation, the single application shall contain a proof, pursuant to the rules to be established by the Member State, that the minimum quantity of certified seeds for durum wheat has been used.

4 In the case of an application for the crop specific payment for rice provided for in Chapter 3 of Title IV of Regulation (EC) No 1782/2003, the single application shall contain a specification of the variety of rice sown and an identification of the respective parcels.

[^{F85} In the case of an application for an area payment for nuts as provided for in Chapter 4 of Title IV of Regulation (EC) No 1782/2003, the single application shall contain the number of nut trees by species.]

[^{F26} In the case of an application for energy crops provided for in Chapter 5 of Title IV of Regulation (EC) No 1782/2003, the single application shall contain a copy of the contract the applicant has concluded with a collector or a first processor pursuant to Article 25 of Regulation (EC) No 1973/2004 or, in case of application of Article 33(2) of that Regulation, a written declaration in accordance with that Article.]

Status: Point in time view as at 24/12/2007.

Changes to legislation: *There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)*

7 In the case of an application for aid for starch potato provided for in Chapter 6 of Title IV of Regulation (EC) No 1782/2003, the single application shall contain a copy of the cultivation contract; however, Member States may provide that that copy may be submitted by a later date which shall not be later than 30 June.

8 In the case of an application for seed aid provided for in Chapter 9 of Title IV of Regulation (EC) No 1782/2003, the single application shall contain:

- a a copy of the growing contract or growing declaration; however, Member States may provide that that copy may be submitted by a later date which shall not be later than 15 September;
- b an indication of the species of seeds sown on each parcel;
- c an indication of the quantity of certified seed produced, expressed in quintals to one decimal point; however, Member States may provide that that information may be submitted by a later date which shall not be later than 15 June of the year following the harvest;
- d a copy of the supporting documents showing that the quantities of seed referred to have been officially certified; however, Member States may provide that that information may be submitted by a later date which shall not be later than [^{F3}15 June] of the year following the harvest.

[^{F9} In the case of an application for the additional hops aid provided for in Article 68a of Regulation (EC) No 1782/2003, the single application shall contain an indication of the respective areas.]

[^{F10} In the case of an application for the specific payment for cotton provided for in Chapter 10a of Title IV of Regulation (EC) No 1782/2003, the single application shall contain:

- a the name of the variety of cotton seed used;
- b where appropriate, the name and address of the approved inter-branch organisation of which the farmer is a member.

11 In the case of an application for the aid for olive groves provided for in Chapter 10b of Title IV of Regulation (EC) No 1782/2003, the single application shall, for each olive parcel, contain the number and the positioning in the parcel:

- a of the olive trees grubbed and replaced;
- b of the olive trees grubbed and not replaced;
- c of supplementary olive trees planted.

12 In the case of an application for the tobacco aid provided for in Chapter 10c of Title IV of Regulation (EC) No 1782/2003, the single application shall contain:

- a a copy of the cultivation contract referred to in Article 110k(c) of Regulation (EC) No 1782/2003 or a reference to its registration number;
- b an indication of the tobacco variety grown on each agricultural parcel;
- c a copy of the supporting control certificate issued by the competent authority indicating the quantity of dried tobacco leafs which has been delivered to the first processor, expressed in kilogram.

Member States may provide that the information referred to in point (c) may be submitted separately by a later date which shall not be later than 15 May of the year following the harvest.]

[^{F11}13

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Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

[^{F12}13a In case of application for transitional fruit and vegetables payments provided for in Chapter 10g of Title IV of Regulation (EC) No 1782/2003 or application for transitional soft fruit payments provided for in Chapter 10h of that Title, the single application shall contain a copy of the contract for processing or the commitment to supply pursuant to Article 171db of Regulation (EC) No 1973/2004.

Member States may provide that the information in the first subparagraph may be submitted separately by a later date which shall not be later than 1 December the year of the application.]

[^{F13}14 The information required in the supporting documents set out in this Article may, when possible, be requested directly from the source of the information by the competent authority.]

Textual Amendments

- F2** Substituted by Commission Regulation (EC) No 972/2007 of 20 August 2007 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F3** Substituted by Commission Regulation (EC) No 239/2005 of 11 February 2005 amending and correcting Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F7** Substituted by Commission Regulation (EC) No 2025/2006 of 22 December 2006 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F8** Substituted by Commission Regulation (EC) No 263/2006 of 15 February 2006 amending Regulations (EC) No 796/2004 and (EC) No 1973/2004 as regards nuts.
- F9** Inserted by Commission Regulation (EC) No 239/2005 of 11 February 2005 amending and correcting Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F10** Inserted by Commission Regulation (EC) No 2184/2005 of 23 December 2005 amending Regulations (EC) No 796/2004 and (EC) No 1973/2004 laying down detailed rules for the application of Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F11** Deleted by Commission Regulation (EC) No 2025/2006 of 22 December 2006 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F12** Inserted by Commission Regulation (EC) No 1550/2007 of 20 December 2007 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F13** Inserted by Commission Regulation (EC) No 972/2007 of 20 August 2007 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation

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Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

Article 14

General rules pertaining to the single application and declarations in relation to particular uses of area

1 Uses of area referred to in Articles 5(2) and 51 of Regulation (EC) No 1782/2003 and those listed in Annex V to that Regulation, as well as areas used for the production of flax grown for fibre where those areas do not have to be declared in accordance with Article 13 of this Regulation, shall be declared under a separate heading in the single application form.

[^{F9}Moreover, in the case where a Member State makes use of the option under Article 68a of Regulation (EC) No 1782/2003 to make a payment to recognised producer groups referred to in the second paragraph of that Article the farmer shall declare his agricultural parcels used for the cultivation of hops also under a separate heading in the single application form. In that case the farmer shall also indicate in the single application form his membership in the producer group concerned.]

[^{F14}Uses of area neither for the purposes of the aid schemes provided for in Titles III, IV and IVa of Regulation (EC) No 1782/2003 nor listed in Annex V to that Regulation shall be declared under one or more 'other uses' headings.]

Member States may provide that the first and second subparagraphs shall not apply where the information concerned is made available to the competent authorities in the framework of other administration and control systems that guarantee compatibility with the integrated system in accordance with Article 26 of Regulation (EC) No 1782/2003.

[^{F9}1a If, for a given year, a farmer does not declare all the areas referred to in paragraph 1 and the difference between the overall area declared in the single application on the one hand and the area declared plus the overall area of the parcels not declared, on the other, is more than 3 % of the area declared, the overall amount of direct payments payable to that farmer for that year shall be reduced by up to 3 % depending on the severity of the omission.]

2 For the first year of application of the single payment scheme the Member States may derogate from the provisions of Articles 12 and 13 if the payment entitlements are not yet definitively established at the latest date fixed for the submission of the single application.

[^{F14}Member States may, under the same conditions, also allow changes regarding the use or aid scheme in respect of individual agricultural parcels already declared in the single application.

The derogations provided for in the first and second subparagraphs shall also apply with regard to the first year when new sectors are introduced into the single payment scheme and the payment entitlements are not yet definitively established for the farmers concerned by this introduction.]

3 Member States may decide that all applications for aid under Title IV of Regulation (EC) No 1782/2003 shall be covered by the single application. In that case, Chapters II and III of this Title shall apply *mutatis mutandis* in respect of the particular requirements established in view of the application for aid under those schemes.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

4 Each Member State shall determine the minimum size of agricultural parcels in respect of which an application may be made. However, the minimum size may not exceed 0,3 ha.

Textual Amendments

- F9** Inserted by Commission Regulation (EC) No 239/2005 of 11 February 2005 amending and correcting Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F14** Substituted by Commission Regulation (EC) No 659/2006 of 27 April 2006 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

Article 15

Amendments to the single applications

1 After the expiry of the time limit for the submission of the single application, individual agricultural parcels, as the case may be, accompanied by the corresponding payment entitlements, not yet declared in the single application for the purposes of any of the area-related aid schemes, may be added in the single application provided that the requirements under the aid schemes concerned are respected.

[^{F14}Changes regarding the use or aid scheme in respect of individual agricultural parcels or in respect of payment entitlements already declared in the single application may be made under the same conditions.

[^{F2}Where the amendments referred to in the first and second subparagraphs have a bearing on any supporting documents or contracts to be submitted, the related amendments to such documents or contracts shall also be allowed.]]

[^{F32} Without prejudice to the dates fixed by Estonia, Latvia, Lithuania, Finland or Sweden for the submission of the single application in accordance with the first subparagraph of Article 11(2), amendments made in accordance with paragraph 1 of this Article shall be notified to the competent authority in writing by 31 May of the calendar year concerned at the latest, except in the case of Estonia, Latvia, Lithuania, Finland and Sweden where they shall be notified by 15 June of the calendar year concerned at the latest.

[^{F2}However, in respect of the year 2007, the amendments made in accordance with paragraph 1 of this Article shall be notified to the competent authority by 15 June at the latest in those Member States which apply Article 48c(8) of Regulation (EC) No 795/2004. In duly justified cases, notifications of such amendments shall be accepted until 20 days following the publication of Regulation (EC) No 972/2007⁽³⁾ in the *Official Journal of the European Union*.]]

3 Where the competent authority has already informed the farmer of irregularities in the single application or where it has given notice to the farmer of its intention to carry out an on-the-spot check and where that on-the-spot check reveals irregularities, [^{X1}amendments in accordance with paragraph 1 shall not be authorised] in respect of the agricultural parcels affected by the irregularities.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

Editorial Information

- X1** Substituted by [Corrigendum to Commission Regulation \(EC\) No 796/2004 of 21 April 2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in of Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers \(Official Journal of the European Union L 141 of 30 April 2004\)](#).

Textual Amendments

- F2** Substituted by [Commission Regulation \(EC\) No 972/2007 of 20 August 2007 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers](#).
- F3** Substituted by [Commission Regulation \(EC\) No 239/2005 of 11 February 2005 amending and correcting Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers](#).
- F14** Substituted by [Commission Regulation \(EC\) No 659/2006 of 27 April 2006 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers](#).

[^{F9}CHAPTER Ia

AID APPLICATIONS FOR HOPS PAYMENTS BY RECOGNISED PRODUCER GROUPS

Article 15a

Aid application

An aid application of producer groups applying for aid in accordance with Article 171 of Commission Regulation (EC) No 1973/2004⁽⁴⁾ shall contain all information necessary to establish eligibility for the aid, and in particular:

- (a) the identity of the producer group;
- (b) particulars permitting identification of the agricultural parcels concerned;
- (c) a statement by the producer group that it is aware of the conditions pertaining to the aid in question.

The producer group may only declare agricultural parcels used for the cultivation of hops and which were declared, in the same calendar year, by the members of the producer group in accordance with the second subparagraph of Article 14(1) of this Regulation.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

The Member States may simplify the application procedure by sending to the producer group a pre-printed application form listing all the parcels declared for that purpose by their respective members in accordance with the second subparagraph of Article 14(1) of this Regulation.]

CHAPTER II

LIVESTOCK AID APPLICATIONS

Article 16

Requirements pertaining to livestock aid applications

1 A livestock aid application shall contain all information necessary to establish eligibility for the aid, and in particular:

- a the identity of the farmer;
- b a reference to the single application if it has already been submitted;
- c the number of animals of each type in respect of which any aid is applied for and, for bovines, the identification code of the animals;
- d where applicable, an undertaking by the farmer to keep the animals referred to in point (c) on his holding during the retention period and information on the location or locations where the animals will be held including the period or periods concerned;
- e where applicable, the individual limit or individual ceiling for the animals concerned;
- [^{F14}f where applicable, the individual milk reference quantity available to the farmer on 31 March or, if the Member State concerned decides to make use of the derogation provided for in Article 130 of Regulation (EC) No 1973/2004, on 1 April of the calendar year concerned; where this quantity is unknown on the date on which the application is submitted, it shall be notified to the competent authority at the earliest opportunity;]
- g a statement by the farmer that he is aware of the conditions pertaining to the aid in question.

If the animal is moved to another location during the retention period the farmer shall inform the competent authority in writing in advance.

2 Member States shall guarantee every animal keeper the right to obtain from the competent authority without constraint, at reasonable intervals and without excessive delay, information on the data relating to him and his animals kept in the computerised database for bovine animals. When submitting his aid application, the farmer shall declare that that data is correct and complete or he shall rectify incorrect data or add missing data.

3 Member States may decide that some of the information referred to in paragraph 1 need not be included in the aid application, where it has already been communicated to the competent authority.

Member States may in particular introduce procedures by which data contained in the computerised database for bovine animals may be used for the purposes of the aid application, provided that the computerised database for bovine animals offers the level of assurance and implementation necessary for the proper management of the aid schemes involved. Such procedures may consist of a system according to which a farmer may apply for aid in respect of all animals which, at a date to be determined by the Member State, qualify for aid on the basis of the data contained in the computerised

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

database for bovine animals. In that case, Member States shall take the necessary measures to guarantee that:

- a in accordance with the provisions applicable to the aid scheme in question, the starting and end dates of the relevant retention periods are clearly identified and known to the farmer;
- b the farmer is aware that any animals found not to be correctly identified or registered in the system for the identification and registration for bovine animals shall count as animals found with irregularities as referred to in Article 59.

As regards the suckler cow premium in accordance with Article 125 of Regulation (EC) No 1782/2003, irregularities found with regard to the system for the identification and registration of bovine animals shall be allocated proportionately between the number of animals needed to receive the premium and the animals needed for the supply of milk or milk products pursuant to Article 125(2)(b) of that Regulation. However, such irregularities shall first be allocated to the number of animals not needed within the individual limits or ceilings referred to in Article 125(2)(b) and Article 126.

4 Member States may provide that some of the information referred to in paragraph 1 can or shall be forwarded via a body or bodies approved by them. However, the farmer shall remain responsible for the data transmitted.

Textual Amendments

- F14** Substituted by [Commission Regulation \(EC\) No 659/2006 of 27 April 2006 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)

CHAPTER III

AID APPLICATION FOR THE DAIRY PREMIUM AND THE ADDITIONAL PAYMENTS

Article 17

Requirements pertaining to aid applications for the dairy premium and additional payments

Each milk producer applying for the dairy premium and additional payments provided for in Chapter 7 of Title IV of Regulation (EC) No 1782/2003 shall submit an aid application containing all information necessary to establish eligibility for the aid, and in particular:

- (a) the identity of the farmer;
- (b) a statement by the farmer that he is aware of the conditions pertaining to the aid in question.

The aid application shall be submitted by a date to be determined by the Member States which shall not be later than 15 May and, in the case of Finland and Sweden, 15 June.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

[^{F7}CHAPTER IIIa

[^{F15}AID FOR SUGAR BEET AND CANE PRODUCERS, SEPARATE SUGAR PAYMENT AND SEPARATE FRUIT AND VEGETABLES PAYMENT]

Article 17a

[^{F15}Requirements pertaining to aid applications for the aid for sugar beet and cane producers, the separate sugar payment and the separate fruit and vegetables payment]

1 [^{F15}Farmers applying for the aid for sugar beet and cane producers provided for in Chapter 10f of Title IV of Regulation (EC) No 1782/2003, farmers applying for the separate sugar payment provided for in Article 143ba of that Regulation and farmers applying for the separate fruit and vegetables payment provided for in Article 143bb of that Regulation shall submit an aid application containing all information necessary to establish eligibility for the aid, and in particular:]

- a the identity of the farmer;
- b a statement by the farmer that he is aware of the conditions pertaining to the aid in question.

The application for the aid to sugar beet and cane producers shall also contain a copy of the delivery contract referred to in Article 110r of Regulation (EC) No 1782/2003.

[^{F15}2 The aid application for the aid for sugar beet and cane producers, the separate sugar payment or the separate fruit and vegetables payment respectively shall be submitted by a date to be determined by the Member States which shall not be later than 15 May and, in the case of Estonia, Latvia and Lithuania, not later than 15 June.]]

Textual Amendments

F15 Substituted by [Commission Regulation \(EC\) No 1550/2007 of 20 December 2007 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)

CHAPTER IV

COMMON PROVISIONS

Article 18

Simplification of procedures

1 Without prejudice to any specific provisions of this Regulation and of Regulation (EC) No 1782/2003, Member States may permit or require that any kind of communications under this Regulation both from the farmer to the authorities and vice versa be made by electronic means. In that case, appropriate measures shall be taken to ensure in particular that:

- a the farmer is unambiguously identified;
- b the farmer complies with all requirements under the aid scheme concerned;

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

- c the transmitted data is reliable in view of the proper management of the aid scheme concerned; where use is made of the data contained in the computerised database for bovine animals, that database shall offer the level of assurance and implementation necessary for the proper management of the aid schemes involved;
 - d where accompanying documents cannot be transmitted electronically, such documents are received by the competent authorities within the same time limits as in the case of transmission by non-electronic means;
 - e there is no discrimination between farmers using non-electronic means of submission and those opting for electronic transmission;
- 2 With regard to the submission of aid applications, Member States may, under the conditions provided in paragraph 1(a) to (e), provide for simplified procedures where data is already available to the authorities, in particular where the situation has not changed since the latest submission of an aid application under the aid scheme concerned.

Article 19

Adjustments of obvious errors

Without prejudice to Articles 11 to 18, an aid application may be adjusted at any time after its submission, in cases of obvious errors recognised by the competent authority.

Article 20

Derogation from the final date for the submission of aid applications, supporting documents, contracts and declarations

By way of derogation from Article 5(1) of Council Regulation (EEC, Euratom) No 1182/71⁽⁶⁾, where the latest date for the submission of an aid application or any supporting documents, contracts or declarations under this Title is a public holiday, a Saturday or a Sunday, it shall be deemed to fall on the first following working day.

[^{F9}The first paragraph shall also apply with regard to applications by farmers to the single payment scheme in accordance with Article 34(2) of Regulation (EC) No 1782/2003.]

Textual Amendments

- F9** Inserted by [Commission Regulation \(EC\) No 239/2005 of 11 February 2005 amending and correcting Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)

Article 21

Late submission

1 Except in cases of *force majeure* and exceptional circumstances as referred to in Article 72, the submission of an aid application pursuant to this Regulation after the relevant time limit shall lead to a 1 % reduction per working day in the amounts to which the farmer would have been entitled if the application had been lodged within the time limit.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

Without prejudice to any particular measures to be taken by the Member States with regard to the need for the submission of any supporting documents in due time to allow effective controls to be scheduled and carried out, the first subparagraph shall also apply with regard to documents, contracts or declarations to be submitted to the competent authority in accordance with Articles 12 and 13 where such documents, contracts or declarations are constitutive for the eligibility for the aid in question. In that case, the reduction shall be applied on the amount payable for the aid concerned.

If the delay amounts to more than 25 calendar days the application shall be considered inadmissible.

2 The submission of an amendment to a single application after the latest date as provided for in Article 15(2) shall lead to a 1 % reduction per working day in the amounts relating to the actual use of the agricultural parcels concerned.

Amendments to a single application shall only be admissible until the latest date for a late submission of a single application as specified in the third subparagraph of paragraph 1. However, where that date is earlier than, or the same as, the latest date provided for in Article 15(2), amendments to a single application shall be considered inadmissible after the date provided for in [F³Article 15(2)].

F¹⁶3

Textual Amendments

- F3** Substituted by Commission Regulation (EC) No 239/2005 of 11 February 2005 amending and correcting Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F16** Deleted by Commission Regulation (EC) No 972/2007 of 20 August 2007 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

F⁹Article 21a

Late submission of an application to the single payment scheme

1 Without prejudice to cases of *force majeure* and exceptional circumstances referred to in the first subparagraph of Article 34(3) of Regulation (EC) No 1782/2003 and by way of derogation from Article 21 of this Regulation, in the first year of the application of the single payment scheme in accordance with Title III of Regulation (EC) No 1782/2003, where, in the Member State concerned, an application for the allocation of entitlements in accordance with Article 34(3) of that Regulation and the single application for that year have to be submitted together by the farmer and where the farmer submits those applications after the relevant time limit, a 4 % reduction per working day shall be applied to the amounts to be paid in that year in respect of the payment entitlements to be allocated to the farmer.

If such delay exceeds 25 calendar days, the application shall be considered inadmissible and no payment entitlements shall be allocated to the farmer.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

2 Where, in the Member State concerned, the application to the single payment scheme and the single application have to be submitted independently from each other, Article 21 shall apply with regard to the submission of the single application.

In that case, without prejudice to cases of *force majeure* and exceptional circumstances referred to in the first subparagraph of Article 34(3) of Regulation (EC) No 1782/2003, the submission of an application to the single payment scheme in accordance with that Article after the relevant time limit shall lead to a 3 % reduction per working day in the amounts to be paid in the first year of the application of the single payment scheme in respect of the payment entitlements to be allocated to the farmer.

If the delay exceeds 25 calendar days, the application shall be considered inadmissible and no payment entitlements shall be allocated to the farmer.

[Paragraphs 1 and 2 shall also apply in the first year of the inclusion of new sectors into the single payment scheme in respect of applications of farmers concerning their participation in such sectors.]]

Textual Amendments

- F9** Inserted by [Commission Regulation \(EC\) No 239/2005 of 11 February 2005 amending and correcting Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)
- F17** Inserted by [Commission Regulation \(EC\) No 659/2006 of 27 April 2006 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)

Article 22

Withdrawal of aid applications

1 An aid application may be totally or partially withdrawn at any time in writing.

In the case where a Member State makes use of the possibilities provided for in the second subparagraph of Article 16(3), that Member State may provide that the notifications to the computerised database for bovine animals of an animal that has left the holding may substitute a withdrawal in writing.

However, where the competent authority has already informed the farmer of irregularities in the aid application or where the competent authority has given notice to the farmer of its intention to carry out an on-the-spot check and where that on-the-spot check reveals irregularities, withdrawals shall not be authorised in respect of the parts of the aid application affected by the irregularities.

2 Withdrawals in accordance with paragraph 1 shall put the claimant into the position he was in before he submitted the aid application or part of the aid application in question.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

TITLE III

CONTROLS

CHAPTER I

COMMON RULES

Article 23

General principles

- 1 Administrative and on-the-spot checks provided for in this Regulation shall be made in such a way as to ensure effective verification of compliance with the terms under which aids are granted and of the requirements and standards relevant for cross-compliance.
- 2 The applications for aid concerned shall be rejected if the farmer or his representative prevents an on-the-spot check from being carried out.

f^{F12} Article 23a

- 1 Provided that the purpose of the control is not jeopardised, on-the-spot checks may be announced. The announcement shall be strictly limited to the minimum time period necessary and shall not exceed 14 days.

However, for on-the-spot checks concerning livestock aid applications, the notice mentioned in the first subparagraph shall, except in duly justified cases, not exceed 48 hours. Furthermore, where the legislation applicable to the acts and standards relevant to cross-compliance requires the on-the-spot check to be unannounced, those rules shall also apply in the case of on-the-spot checks related to cross-compliance.

- 2 Where appropriate, on-the-spot checks provided for in this Regulation and any other checks provided for in Community rules shall be carried out at the same time.]

Textual Amendments

- F12** Inserted by [Commission Regulation \(EC\) No 1550/2007 of 20 December 2007 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

CHAPTER II

CONTROLS WITH REGARD TO ELIGIBILITY CRITERIA

Section I

Administrative checks

Article 24

Cross-checks

1 The administrative checks referred to in Article 23 of Regulation (EC) No 1782/2003 shall permit the detection of irregularities, in particular the automated detection using computerised means, including cross-checks:

- a on declared payment entitlements and on declared parcels, respectively, in order to avoid undue multiple granting of the same aid in respect of the same calendar or marketing year and to prevent any undue cumulating of aid granted under area-related aid schemes listed in Annexes I and V to Regulation (EC) No 1782/2003;
- b on the payment entitlements to verify their existence and the eligibility for aid;
- c between the agricultural parcels as declared in the single application and the reference parcels as contained in the identification system for agricultural parcels to verify the eligibility for aid of the areas as such;
- d between the payment entitlements and the area determined in order to verify that the entitlements are accompanied by an equal number of eligible hectares as defined in Article 44(2) and Article 54(2), respectively, of Regulation (EC) No 1782/2003;
- e by means of the computerised database for bovine animals, to verify eligibility for the aid and to avoid undue multiple granting of the same aid in respect of the same calendar year;

[^{F2}f where supporting documents, contracts, growing declarations or written declarations in accordance with Article 33(2) of Regulation (EC) No 1973/2004 have to be submitted and where applicable, between the agricultural parcels as declared in the single application and in the supporting documents, contracts, growing declarations or written declarations in accordance with Article 33(2) of Regulation (EC) No 1973/2004 to verify the eligibility for aid of the area;]

- g between the agricultural parcels as declared in the single application and plots subjected to official examination that have been found to comply with the requirements of the Directives referred to in Article 1(1) of Council Regulation (EEC) No 1674/72 of 2 August 1972 laying down general rules for granting and financing aid for seed⁽⁶⁾;

[^{F9}h between the agricultural parcels declared by producer groups in accordance with Article 15a, the corresponding parcels declared by the members of the producer group in accordance with the second subparagraph of Article 14(1), and the reference parcels as contained in the identification system for agricultural parcels to verify the eligibility for the aid;]

[^{F10}i between the agricultural parcels as declared in the single application and the parcels authorised for cotton production by the Member State in accordance with Article 110b of Regulation (EC) No 1782/2003;

- j between the declarations of the farmers in the single application to be a member of an approved inter-branch organisation, the information under Article 13(10)(b) of this Regulation and the information transmitted by the approved inter-branch organisations

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Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

concerned, to verify eligibility for the increase of the aid provided for in Article 110f(2) of Regulation (EC) No 1782/2003^[F14;]
^[F17k] between the information provided in the delivery contract referred to in Article 110r of Regulation (EC) No 1782/2003 and the information on deliveries provided by the sugar manufacturer.]

2 Indications of irregularities resulting from cross-checks shall be followed-up by any other appropriate administrative procedure, and where necessary, by an on-the-spot check.

^[F10]Where a reference parcel is subject to an aid application of two or more farmers under the same aid scheme and where the overall area declared exceeds the agricultural area with a difference which falls within the measurement tolerance defined in accordance with Article 30(1), Member States may provide for a proportional reduction of the areas concerned. In that case, farmers concerned may appeal against the decision of reduction on the grounds that any of the other farmers concerned over-declared their areas beyond that tolerance to his detriment.]

Textual Amendments

- F2** Substituted by [Commission Regulation \(EC\) No 972/2007 of 20 August 2007 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)
- F9** Inserted by [Commission Regulation \(EC\) No 239/2005 of 11 February 2005 amending and correcting Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)
- F10** Inserted by [Commission Regulation \(EC\) No 2184/2005 of 23 December 2005 amending Regulations \(EC\) No 796/2004 and \(EC\) No 1973/2004 laying down detailed rules for the application of Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)
- F14** Substituted by [Commission Regulation \(EC\) No 659/2006 of 27 April 2006 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)
- F17** Inserted by [Commission Regulation \(EC\) No 659/2006 of 27 April 2006 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

Section II

On-the-spot checks

Sub-section I

Common provisions

^{F18}Article 25

[^{F18}General principles]

Textual Amendments

F18 Deleted by [Commission Regulation \(EC\) No 1550/2007 of 20 December 2007 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)

Article 26

Control rate

[^{F21} The total number of on-the-spot checks carried out each year shall cover at least 5 % of all farmers applying for the single payment scheme or the single area payment scheme.

The Member States shall assure that on-the-spot checks cover at least 3 % of the farmers applying for aid under each of other area related aid schemes provided for under Titles III, IV and IVa of Regulation (EC) No 1782/2003.]

2 The total number of on-the-spot checks carried out each year shall, moreover, cover at least:

- a the minimum control rate of 30 % or 20 % of the areas declared for the production of hemp as referred to in Article 52 of Regulation (EC) No 1782/2003.

Where a Member State has already introduced a system of prior approval for such cultivation and has already notified the Commission of its detailed rules and conditions linked to that system prior to the entry into force of this Regulation, any amendments to those detailed rules or conditions shall be notified to the Commission without undue delay;

- b 5 % of all farmers applying for aid under the bovine aid schemes. However, where the computerised database for bovine animals does not offer the level of assurance and implementation necessary for the proper management of the aid schemes involved the percentage shall be increased to 10 %. Those on-the-spot checks shall also cover at least 5 % of all animals per aid scheme for which aid is applied for;

[^{F2c} 5 % of all farmers applying for aid under the ovine/caprines aid scheme irrespective of whether the aid applications are being submitted as part of the single application or

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

- independently; those on-the-spot checks shall also cover at least 5 % of all animals for which aid is applied for; however, where the computerised database for ovine/caprine animals provided for in Article 8 of Regulation (EC) No 21/2004 does not offer the level of assurance and implementation necessary for the proper management of the aid schemes involved, the percentage shall be increased to 10 % of the farmers;]
- d 2 % of all milk producers applying for the dairy premium and/or additional payments^[F3];
- [^{F2}e 3 % of all farmers whose agricultural parcels are being declared by a producer group applying for hops payments in accordance with Article 15a;]
- [^{F10}f as regards aid applications for the crop specific payment for cotton in accordance with Chapter 10a of Title IV of Regulation (EC) No 1782/2003, 20 % of the inter-branch organisations approved in accordance with Article 110d of that Regulation and of which farmers declare to be a member in their single applications;
- g as regards applications for the tobacco aid in accordance with Chapter 10c of Title IV of Regulation (EC) No 1782/2003, 5 % of first processors as regards checks during first processing and market preparation^[F14]];]
- [^{F17}h as regards applications for the aid for sugar beet and cane producers provided for in Chapter 10f of Title IV of Regulation (EC) No 1782/2003, concerning controls at the sugar manufacturers on the quantity quota sugar obtained from sugar beets and cane delivered in accordance with Article 110r of that Regulation, at least 5 % of the applicants delivering to the manufacturer concerned.]
- 3 Should on-the-spot checks reveal significant irregularities in the context of a given aid scheme or in a region or part of a region, the competent authority shall appropriately increase the number of on-the-spot checks during the current year and shall appropriately increase the percentage of farmers to be checked on-the-spot in the following year.
- 4 Where it is provided that particular elements of an on-the-spot check may be carried out on the basis of a sample, that sample shall guarantee a reliable and representative level of control. Member States shall establish the criteria for the selection of the sample. If the checks on that sample reveal irregularities, the extent and scope of the sample shall be extended appropriately.

Textual Amendments

- F2** Substituted by Commission Regulation (EC) No 972/2007 of 20 August 2007 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F3** Substituted by Commission Regulation (EC) No 239/2005 of 11 February 2005 amending and correcting Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F10** Inserted by Commission Regulation (EC) No 2184/2005 of 23 December 2005 amending Regulations (EC) No 796/2004 and (EC) No 1973/2004 laying down detailed rules for the application of Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F14** Substituted by Commission Regulation (EC) No 659/2006 of 27 April 2006 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

- F17** Inserted by Commission Regulation (EC) No 659/2006 of 27 April 2006 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

Article 27

Selection of the control sample

1 ^[F2]Control samples for on-the-spot checks under this Regulation shall be selected by the competent authority on the basis of a risk analysis and representativeness of the aid applications submitted. The effectiveness of risk analysis shall be assessed and updated on an annual basis:

- a by establishing the relevance of each risk factor;
- b by comparing the results of the risk based and randomly selected sample referred to in the second subparagraph;
- c by taking into account the specific situation in the Member State.]

To provide the element of representativeness, the Member States shall select randomly between 20 % and 25 % of the minimum number of farmers to be subjected to on-the-spot checks as provided for in Article 26(1) and (2).

^[F17]However, if the number of farmers to be subjected to on-the-spot checks exceeds the minimum number of farmers to be subjected to on-the-spot checks as provided for in Article 26(1) and (2), the percentage of randomly selected farmers in the additional sample should not exceed 25 %.]

^{F16}2

3 The competent authority shall keep records of the reasons for the selection of each farmer for an on-the-spot check. The inspector carrying out the on-the-spot check shall be informed accordingly prior to the commencement of the on-the-spot check.

^[F13]4 A partial selection of the control sample may, where appropriate, be made before the end of the application period in question, on the basis of available information. The provisional sample shall be completed when all relevant applications are available.]

Textual Amendments

- F2** Substituted by Commission Regulation (EC) No 972/2007 of 20 August 2007 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F13** Inserted by Commission Regulation (EC) No 972/2007 of 20 August 2007 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

- F16** Deleted by Commission Regulation (EC) No 972/2007 of 20 August 2007 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F17** Inserted by Commission Regulation (EC) No 659/2006 of 27 April 2006 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

Article 28

Control report

1 Every on-the-spot check under this Section shall be the subject of a control report which makes it possible to review the details of the checks carried out. The report shall indicate in particular:

- a the aid schemes and applications checked;
- b the persons present;
- [^{F4}c the agricultural parcels checked, the agricultural parcels measured including, where applicable, the number of olive trees and their positioning in the parcel, the result of the measurements per measured agricultural parcel and the measuring methods used;]
- [^{F2}d the number and type of animals found and, where applicable, the ear tag numbers, entries in the register and in the computerised databases for bovine and/or ovine/caprine animals and any supporting documents checked, the results of the checks and, where applicable, particular observations in respect of individual animals and/or their identification code;]
- e whether notice was given to the farmer of the visit and, if so, the period of advance notification;
- f indications of any specific control measures to be carried out in the context of individual aid schemes;
- g indication of any further control measures carried out.

2 The farmer shall be given the opportunity to sign the report to attest his presence at the check and to add observations. Where irregularities are found the farmer shall receive a copy of the control report.

Where the on-the-spot check is carried out by means of remote sensing in accordance with Article 32, the Member States may decide not to give the farmer or his representative the opportunity to sign the control report if no irregularities are revealed during the check by remote-sensing. If irregularities are revealed as a consequence of such checks the opportunity to sign the report shall be given before the competent authority draws its conclusions from the findings with regard to any resulting reductions or exclusions.

Textual Amendments

- F2** Substituted by Commission Regulation (EC) No 972/2007 of 20 August 2007 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

- F4** Substituted by Commission Regulation (EC) No 2184/2005 of 23 December 2005 amending Regulations (EC) No 796/2004 and (EC) No 1973/2004 laying down detailed rules for the application of Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

Sub-section II

On-the-spot checks of the Single applications with regard to area-related aid schemes

^[F2] Article 29

Elements of on-the-spot checks

On-the-spot checks shall cover all the agricultural parcels for which aid is requested under aid schemes listed in Annex I to Regulation (EC) No 1782/2003, except those related to applications for seed aid in accordance with Article 99 of that Regulation. Nevertheless, the actual determination of the areas as part of an on-the-spot check may be limited to a sample of at least 50 % of the agricultural parcels for which an application has been submitted under the aid schemes established in Titles III, IV and IVa of Regulation (EC) No 1782/2003 provided that the sample guarantees a reliable and representative level of control both in respect of area checked and aid claimed. When this sample check reveals anomalies the sample of agricultural parcels actually inspected shall be increased.

Member States may make use of remote sensing and Global Navigation Satellite Systems techniques.]

Textual Amendments

- F2** Substituted by Commission Regulation (EC) No 972/2007 of 20 August 2007 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

Article 30

Determination of areas

^[F21] Agricultural parcel areas shall be determined by any means proven to assure measurement of quality at least equivalent to that required by applicable technical standard, as drawn up at Community level.

A measurement tolerance shall be defined by a buffer of maximum 1,5 m applied to the perimeter of the agricultural parcel. The maximum tolerance with regard to each agricultural parcel shall not, in absolute terms, exceed 1,0 ha.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

The tolerance provided for in the second subparagraph shall not apply to olive parcels for which the area is expressed in olive GIS-ha in accordance with points 2 and 3 of Annex XXIV to Regulation (EC) No 1973/2004.]

2 The total area of an agricultural parcel may be taken into account provided that it is fully utilized in accordance with the customary standards of the Member State or region concerned. In other cases the area actually utilized shall be taken into account.

In respect of the regions where certain features, in particular hedges, ditches and walls, are traditionally part of good agriculture cropping or utilisation practices, the Member States may decide that the corresponding area is to be considered part of the fully utilised area on condition that it does not exceed a total width to be determined by the Member States. That width must correspond to a traditional width in the region in question and shall not exceed 2 metres.

Member States may, after prior notification to the Commission, allow a width greater than 2 metres if the arable crop areas concerned were taken into account for the fixing of the yields of the regions concerned.

[^{F73} Further to paragraph 2, any features referred to in the acts listed in Annex III to Regulation (EC) No 1782/2003 or which may form part of the good agricultural and environmental condition as referred to in Article 5 of that Regulation and Annex IV thereto shall form part of the total area of an agricultural parcel.]

4 The eligibility of agricultural parcels shall be verified by any appropriate means. To that end, additional proof shall be requested where necessary.

Textual Amendments

- F2** Substituted by Commission Regulation (EC) No 972/2007 of 20 August 2007 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F7** Substituted by Commission Regulation (EC) No 2025/2006 of 22 December 2006 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

Article 31

Elements of the on-the-spot checks related to applications for seed aid

On-the-spot checks related to applications for seed aid in accordance with Article 99 of Regulation (EC) No 1782/2003 shall cover in particular:

- (a) checks at the level of the farmer applying for the aid:
- (i) on all parcels to verify the species or variety group of seeds sown on each parcel declared;
 - (ii) on documents to verify at least the first destination of seed for which aid has been claimed;

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

- (iii) any checks deemed necessary by the Member States to ensure that aid is not paid with regard to uncertified seed or seed from third countries;
- (b) if the first destination of the seed is a breeder or a seed establishment, additional checks at their premises to ensure that:
 - (i) the seed has actually been bought and paid by the breeder or seed establishment in accordance with the growing contract;
 - (ii) the payment of the seed is reflected in the financial accounts of the breeder or seed establishment;
 - (iii) the seed has actually been marketed for sowing. Marketed shall mean holding available or in stock, displaying for sale, offering for sale, sale or delivery to another person. For that purpose, physical and documentary checks of the stock and financial accounts of the breeder or seed establishment shall be carried out;
- (c) where appropriate, checks at the level of the end users.

[^{F10}Article 31a

On-the-spot checks on approved inter-branch organisations

On-the-spot checks on approved inter-branch organisations in the framework of applications for aid under the crop specific payment for cotton provided for in Chapter 10a of Title IV of Regulation (EC) No 1782/2003 shall verify the respect of the criteria for approval of those organisations, the list of their members and the scale referred to in Article 110e of that Regulation.]

Textual Amendments

F10 Inserted by [Commission Regulation \(EC\) No 2184/2005 of 23 December 2005 amending Regulations \(EC\) No 796/2004 and \(EC\) No 1973/2004 laying down detailed rules for the application of Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)

[^{F17}Article 31b

On-the-spot checks on sugar manufacturers

On-the-spot checks on sugar manufacturers in the framework of applications for sugar beet aid for sugar beet and cane producers provided for in Chapter 10f of Title IV of Regulation (EC) No 1782/2003 shall verify:

- (a) the information in the delivery contracts provided by the farmer;
- (b) the correctness of the information on deliveries provided to the competent authority;
- (c) the certification of the weighting scales used for deliveries;
- (d) the results of the official laboratory analyses performed to determine the percentage of sucrose of the sugar beets and cane delivered.]

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

Textual Amendments

- F17** Inserted by [Commission Regulation \(EC\) No 659/2006 of 27 April 2006 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)

[^{F2}Article 32

Remote sensing

1 Where a Member State applies the possibility, provided for in the second paragraph of Article 29, to carry out on-the-spot checks by remote sensing, it shall:

- a perform photo interpretation of satellite images or aerial photographs of all agricultural parcels per application to be checked with a view to recognising the ground cover and measuring the area;
- b carry out physical inspections in the field of all agricultural parcels for which photo interpretation does not make it possible to verify the accuracy of the declaration to the satisfaction of the competent authority.

2 The additional checks referred to in Article 26(3) shall be carried out by means of traditional on-the-spot checks if it is no longer possible to carry them out by means of remote sensing within the current year.]

Textual Amendments

- F2** Substituted by [Commission Regulation \(EC\) No 972/2007 of 20 August 2007 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)

Article 33

Verification of the tetrahydrocannabinol content in hemp growth

1 The system to be used by the Member States in accordance with Article 52(1) of Regulation (EC) No 1782/2003 in order to determine the tetrahydrocannabinol (hereinafter referred to as 'THC') content of the crops grown shall be as set out in Annex I to this Regulation.

2 Member States shall send the Commission, by 15 November of the marketing year in question at the latest, a report on the THC content findings. The report shall indicate, for each variety:

- a for procedure A as provided for in Annex I, an indication of the point at which the sample was taken;
- b the number of tests carried out;
- c the results in terms of THC content, shown separately for each 0,1 %;
- d measures taken at national level.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

3 Where the checks show, for a significant number of samples of a given variety, THC contents exceeding that laid down in Article 52(1) of Regulation (EC) No 1782/2003, it may be decided, without prejudice to any other measures the Commission might take and in accordance with the procedure referred to in Article 144(2) of that Regulation, to use procedure B as provided for in Annex I to this Regulation for the variety concerned in the course of the following calendar year.

4 Varieties of hemp [^{F19}grown for fibre]eligible for direct payments are listed in Annex II. Requests by a Member State to include a variety of hemp in that Annex shall be accompanied by a report giving the findings of analyses carried out in accordance with procedure B provided for in Annex I and a description of the variety in question.

[^{F95} Crops of hemp [^{F19}grown for fibre]must continue to be cultivated under normal growing conditions in accordance with local practice for at least 10 days from the date of the end of flowering so that the checks provided for in paragraphs 1, 2 and 3 can be made.

However, the Member States may authorise hemp [^{F19}grown for fibre]to be harvested after flowering has begun but before the end of the 10-day period after the end of flowering, provided the inspectors indicate which representative parts of each plot concerned must continue to be cultivated for at least 10 days following the end of flowering for inspection purposes, in accordance with the method laid down in Annex I.]

Textual Amendments

- F9** Inserted by [Commission Regulation \(EC\) No 239/2005 of 11 February 2005 amending and correcting Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)
- F19** Deleted by [Commission Regulation \(EC\) No 381/2007 of 4 April 2007 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers and Regulation \(EC\) No 1973/2004 laying down detailed rules for the application of Council Regulation \(EC\) No 1782/2003 as regards the support schemes provided for in Titles IV and IVa of that Regulation and the use of land set aside for the production of raw materials.](#)

[^{F9}Sub-section IIa

On-the-spot checks of aid applications for hops payments by recognised producer groups

Article 33a

Elements of the on-the-spot-checks

[^{F2}The on-the-spot checks referred to in Article 26(2)(e) shall be carried out by way of application of the provisions of Article 29, Article 30(1), the first and second subparagraphs of Article 30(2), Article 30(3), Article 30(4) and Article 32 *mutatis mutandis*.]

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

Those on-the-spot checks shall verify whether the conditions, as provided for in Article 171 of Regulation (EC) No 1973/2004, are respected.]

Textual Amendments

- F2** Substituted by [Commission Regulation \(EC\) No 972/2007 of 20 August 2007 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)

[^{F10}Subsection IIb

On-the-spot checks related to the applications for tobacco aid

Article 33b

Checks of deliveries

1 With regard to applications for the aid for tobacco provided for in Chapter 10c of Title IV of Regulation (EC) No 1782/2003, all deliveries shall be checked. Each delivery shall be authorised by the competent authority which shall be informed in advance so that it can determine the date of delivery. During a check, the competent authority shall verify that it has authorised the delivery in advance.

2 If delivery is made to an approved purchasing centre as provided for in Article 171ck(2) of Regulation (EC) No 1973/2004, unprocessed tobacco, once checked, may leave the purchasing centre solely for the purpose of being transferred to the processing plant. After the checks have been made, the tobacco shall be assembled in distinct quantities.

The transfer of those quantities to the processing plant shall be authorised in writing by the competent authority which shall be informed in advance so that it can accurately identify the means of transport used, the route, the time of departure and arrival and the quantities of tobacco transported in each separate instance.

3 When the tobacco reaches the processing plant, the competent control body shall verify that the separate quantities checked in the purchasing centres are those actually delivered, in particular by weighing them.

The competent authority may lay down any special conditions it deems necessary for checking the operations.

Article 33c

Placing under supervision and checks during first processing and market preparation

1 Member States shall take the appropriate measures to ensure that raw tobacco is placed under supervision at the moment when it is delivered from the farmer to the first-processing undertaking.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

Placing under supervision shall ensure that raw tobacco cannot be released before the first processing and market preparation operations are completed and that no raw tobacco is submitted more than once for checking.

2 Checks during first processing and market preparation of the tobacco shall verify compliance with Article 171cb of Regulation (EC) No 1973/2004, in particular relating to the quantities of raw tobacco in each undertaking being checked, distinguishing between raw tobacco produced in the Community and raw tobacco originating in or coming from third countries. To that end, those checks shall include:

- a checks of the processing undertaking's stocks;
- b checks when the tobacco leaves the place in which it was under supervision, having undergone first processing and market preparation;
- c all additional control measures that Member States deem necessary, in particular to ensure that no premium is paid for raw tobacco originating in or coming from third countries.

3 Checks pursuant to this Article shall be undertaken in the place where the raw tobacco is processed. Within a time-limit to be determined by the Member State, the undertakings involved shall notify their competent bodies, in writing, of the places where processing will take place. To that end, Member States may specify the information to be provided by the first-processing undertakings to the competent bodies.

4 Checks pursuant to this Article shall in all cases be unannounced.]

Sub-section III

On-the-spot checks of livestock aid applications

Article 34

Timing of on-the-spot checks

1 For aid schemes other than those provided for in Articles 123(6) and 130 of Regulation (EC) No 1782/2003, at least 60 % of the minimum rate of on-the-spot checks provided for in the last sentence of Article 26(2)(b) of this Regulation shall be conducted throughout the retention period of the aid scheme concerned. The remaining percentage of on-the-spot checks shall be conducted throughout the retention period of at least one of those aid schemes.

However, where a Member State makes use of the possibilities provided for in Article 68 of Regulation (EC) No 1782/2003, the minimum rate of on-the-spot checks provided for in the last sentence of Article 26(2)(b) shall be fully conducted throughout the retention period of the aid scheme concerned.

2 At least 50 % of the minimum rate of on-the-spot checks provided for in Article 26(2)(c) shall be conducted throughout the retention period. However, the minimum rate of on-the-spot checks shall be fully conducted throughout the retention period in Member States where the system established by Regulation (EC) No 21/2004 as concerns ovines and caprines, in particular in relation to the identification of animals and the proper keeping of registers, is not fully implemented and applied.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

Article 35

Elements of the on-the-spot checks

1 On-the-spot checks shall cover all livestock for which aid applications have been submitted under the aid schemes to be checked and, in the case of checks of the bovine aid schemes, also the unclaimed bovine animals.

2 On-the-spot checks shall include in particular:

- a a check that the number of animals present on the holding for which aid applications have been submitted and the number of unclaimed bovine animals corresponds to the number of animals entered in the registers and, in the case of bovine animals, to the number of animals notified to the computerised database for bovine animals;
- b in relation to the bovine aid schemes, checks
 - ^[F2]of the correctness of entries in the register and the notifications to the computerised database for bovine animals on the basis of a sample of supporting documents such as purchase and sales invoices, slaughter certificates, veterinary certificates and, where applicable, animal passports, in relation to animals for which aid applications were submitted in the six months prior to the on-the-spot check; however if anomalies are found, the check shall be extended to 12 months prior to the on-the-spot check,
 - that information held in the computerised database for bovine animals corresponds to the information given in the register on the basis of a sample in relation to animals for which aid applications were submitted in the six months prior to the on-the-spot check; however if anomalies are found the check shall be extended to 12 months prior to the on-the-spot check,]
 - that all animals present on the holding and still kept under the retention obligation are eligible for the aid claimed,
 - that all bovine animals present on the holding are identified by ear tags and accompanied, where applicable, by animal passports and that they are recorded in the register and have been duly notified to the computerised database for bovine animals.

^[X1]The checks referred to in the fourth indent shall be made individually for each individual male bovine still kept under the retention obligation, for which an application has been submitted for the special beef premium with the exception of those submitted in accordance with Article 123(6) of Regulation (EC) No 1782/2003.] In all other cases, the check on correct recording in the animal passports, the register and notification to the database may be made on the basis of a sample;

^[F2]c in relation to the ovine/caprine aid scheme:

- a check on the basis of the register that all the animals for which aid application were submitted have been kept on the holding throughout the retention period,
- a check of the correctness of entries in the register in the six months prior to the on-the-spot check, based on a sample of supporting documents such as purchase and sales invoices and veterinary certificates covering the six months prior to the on-the-spot check; however if anomalies are found the check shall be extended to 12 months prior to the on-the-spot check.]

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

Editorial Information

- X1** Substituted by [Corrigendum to Commission Regulation \(EC\) No 796/2004 of 21 April 2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in of Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers \(Official Journal of the European Union L 141 of 30 April 2004\)](#).

Textual Amendments

- F2** Substituted by [Commission Regulation \(EC\) No 972/2007 of 20 August 2007 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers](#).

Article 36

Control measures as regards on-the-spot checks in slaughterhouses

1 As regards the special beef premium provided for in Article 123(6) of Regulation (EC) No 1782/2003 and the slaughter premium provided for in Article 130 of that Regulation and in cases where a Member State makes use of the possibilities provided for in Article 68 of that Regulation, on-the-spot checks shall be carried out in the slaughterhouses. In that case, Member States shall carry out on-the-spot checks either:

- a in at least 30 % of all slaughterhouses, selected on the basis of a risk analysis, in which case the controls shall cover a sample of 5 % of the total number of bovine animals which have been slaughtered in the slaughterhouse concerned during the 12 months prior to the on-the-spot check, or
- b in at least 20 % of the slaughterhouses which have been approved beforehand in accordance with particular criteria of reliability to be determined by the Member States and which are selected on the basis of a risk analysis, in which case the controls shall cover a sample of 2 % of the total number of bovine animals which have been slaughtered in the slaughterhouse concerned during the 12 months prior to the on-the-spot check.

[^{F14}The on-the-spot checks in slaughterhouses shall comprise a posteriori scrutiny of documents, a comparison with the entries in the computerised database for bovine animals and checks of summaries relating to the slaughter certificates or information in place thereof, which were sent to other Member States in accordance with Article 121(3) of Regulation (EC) No 1973/2004.]

2 On-the-spot checks in slaughterhouses shall comprise physical checks of slaughtering procedures carried out on the day of the on-the-spot check on the basis of a sample. Where necessary, it shall be checked whether the carcasses presented for weighing are eligible for aid.

Textual Amendments

- F14** Substituted by [Commission Regulation \(EC\) No 659/2006 of 27 April 2006 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No](#)

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

Article 37

Control measures as regards the premium granted after export

1 As regards the slaughter premium granted for bovine animals exported to third countries in accordance with Article 130 of Regulation (EC) No 1782/2003 and where a Member State makes use of the possibilities provided for in Article 68 of Regulation (EC) No 1782/2003, all loading operations shall be subject to on-the-spot checks, which shall be carried out as follows:

- a at the time of loading, it shall be verified that all bovine animals are identified by ear tags. Furthermore, at least 10 % of the bovine animals so verified shall be checked individually with a view to verifying their identification;
- b at the time of the departure from the Community territory:
 - where an official customs seal has been applied to the means of transport, it shall be checked that the seal is undamaged. If the seal is undamaged a sample check shall only be carried out if there are doubts as to the regularity of the load,
 - where no official customs seal has been applied to the means of transport or where a customs seal is damaged, at least 50 % of bovine animals that were individually checked at the time of loading shall be checked again.

2 The animal passports shall be surrendered to the competent authority in accordance with Article 6(5) of Regulation (EC) No 1760/2000.

3 The Paying Agency shall scrutinize the aid applications on the basis of the payment files and other available information, paying particular attention to the documents relating to the export and the comments of the competent control authorities and shall check whether the animal passports have been surrendered in accordance with paragraph 2.

[^{F4}Article 38

Special provisions as regards additional payments

[^{F2}As regards the additional payment to be granted for specific types of farming or for quality production as provided for in Article 69 of Regulation (EC) No 1782/2003, the Member States shall, where appropriate, apply the provisions of this Title.] If this is not appropriate because of the structure of the scheme concerned, the Member States shall provide controls ensuring a control level equivalent to that laid down in this Title.]

Textual Amendments

- F2** Substituted by [Commission Regulation \(EC\) No 972/2007 of 20 August 2007 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)
- F4** Substituted by [Commission Regulation \(EC\) No 2184/2005 of 23 December 2005 amending Regulations \(EC\) No 796/2004 and \(EC\) No 1973/2004 laying down detailed rules for the application](#)

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

of Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

Article 39

Special provisions as regards the control report

1 Where Member States carry out on-the-spot checks pursuant to this Regulation in conjunction with inspections pursuant to Regulation (EC) No 1082/2003 the control report provided for in Article 28 of this Regulation shall be supplemented by reports in accordance with Article 2(5) of Regulation (EC) No 1082/2003.

2 With regard to the checks in slaughterhouses provided for in Article 36(1), the control report provided for in Article 28 may consist of an indication in the slaughterhouse accounts showing which animals have been subject to the checks.

With regard to the checks provided for in Article 36(2), the report shall include, *inter alia*, the identification numbers, the carcass weights and the dates of slaughter in relation to all animals slaughtered and checked on the day of the on-the-spot check.

3 With regard to the checks provided for in Article 37, the control report may consist only of an indication of the animals so checked.

4 Where on-the-spot checks conducted in accordance with this Regulation reveal cases of non-compliance with the provisions of Title I of Regulation (EC) No 1760/2000, copies of the control report provided for in Article 28 of this Regulation shall be sent without delay to the authorities responsible for the implementation of Regulation (EC) No 1082/2003.

Sub-section IV

On-the-spot checks with regard to aid applications for the dairy premium and additional payments

Article 40

On-the-spot checks with regard to aid applications for the dairy premium and additional payments

On-the-spot checks shall cover the eligibility conditions, in particular on the basis of the farmers accounting or other registers.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

CHAPTER III

CONTROLS RELATING TO CROSS-COMPLIANCE

Section I

Common provisions

Article 41

General principles and definitions

For the purposes of this Chapter, the following general principles and definitions shall apply:

- (a) A 'repeated' non-compliance shall mean the non-compliance with the same requirement, standard or obligation referred to in Article 4 determined more than once within a consecutive period of three years, provided the farmer has been informed of a previous non-compliance and, as the case may be, has had the possibility to take the necessary measures to terminate that previous non-compliance;
- (b) The 'extent' of a non-compliance shall be determined taking account, in particular, of whether the non-compliance has a far-reaching impact or whether it is limited to the farm itself;
- (c) The 'severity' of a non-compliance shall depend, in particular, on the importance of the consequences of the non-compliance taking account of the aims of the requirement or standard concerned;
- (d) Whether a non-compliance is of 'permanence' shall depend, in particular, on the length of time for which the effect lasts or the potential for terminating those effects by reasonable means.

Article 42

Competent control authority

1 The specialised control bodies shall bear the responsibility to carry out the controls on the respect of the requirements and standards in question.

The Paying Agencies shall bear the responsibility for the fixing of reductions or exclusions in individual cases in accordance with Chapter II of Title IV of this Regulation.

2 By way of derogation from paragraph 1, Member States may decide that controls in relation to all or certain requirements, standards, acts, or areas of cross-compliance shall be carried out by the Paying Agency provided that the Member State guarantees that the effectiveness of the controls is at least equal to the one achieved in the case where the controls are carried out by a specialised control body.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

Section II

Administrative checks

Article 43

Administrative checks

[^{X1}Depending of the requirements, standards, acts or areas] of cross-compliance in question, Member States may decide to carry out administrative checks, in particular those already provided for under the control systems applicable to the respective requirement, standard, act or area of cross-compliance.

Editorial Information

- X1** Substituted by [Corrigendum to Commission Regulation \(EC\) No 796/2004 of 21 April 2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in of Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers \(Official Journal of the European Union L 141 of 30 April 2004\)](#).

Section III

On-the-spot checks

^{F15} Article 44

Minimum control rate

1 The competent control authority shall, with regard to the requirements and standards for which it is responsible, carry out checks on at least 1 % of all farmers submitting aid applications under support schemes for direct payments within the meaning of Article 2(d) of Regulation (EC) No 1782/2003 and for which the competent control authority in question is responsible.

The minimum control rate referred to in the first subparagraph may be reached at the level of each competent control authority or at the level of each act or standard or group of acts or standards. In the cases where the controls are not carried out by the Paying Agencies as provided for in Article 42, this minimum control rate may however be reached at the level of each Paying Agency.

Where the legislation applicable to the act and standards already fix minimum control rates, that rate shall insofar be applied instead of the minimum rate mentioned in the first subparagraph. Alternatively, Member States may decide that any instances of non-compliance detected in the course of any on-the-spot checks under the legislation applicable to the acts and standards which are performed outside the sample mentioned in the first subparagraph, shall be reported to, and followed up by, the competent control authority in charge of the act or standard concerned. The provisions under this Title shall apply.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

2 Should on-the-spot checks reveal a significant degree of non-compliance with a given act or standard, the number of on-the-spot checks to be carried out for this act or standard in the following control period shall be increased.

Textual Amendments

- F15** Substituted by [Commission Regulation \(EC\) No 1550/2007 of 20 December 2007 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)

Article 45

Selection of the control sample

1 Without prejudice to checks carried out as a follow-up of non-compliances brought to the attention of the competent control authority in any other way, the selection of each of the samples of farms to be checked in accordance with Article 44 shall be based, where applicable, on a risk analysis according to the applicable legislation, or on a risk analysis appropriate to the requirements or standards. That risk analysis may be based on the level of an individual farm or on the level of categories of farms or geographical zones or, in the case of point (b) of the second subparagraph of paragraph 3 of this Article, on the level of undertakings.

The risk analysis may take into account one or both of following:

- a a farmer's participation in the farm advisory system provided for in Articles 13 and 14 of Regulation (EC) No 1782/2003;
- b a farmer's participation in a certification system if the scheme in question is relevant for the requirements and standards concerned.

1a To provide the element of representativeness, between 20 % and 25 % of the minimum number of farmers to be subject to on-the-spot checks as provided for in the first subparagraph of Article 44(1), shall be selected randomly.

However, if the number of farmers to be subject to on-the-spot checks exceeds the minimum number of farmers to be subject to on-the-spot checks as provided for in the first subparagraph of Article 44(1), the percentage of randomly selected farmers in the additional sample should not exceed 25 %.

1b A partial selection of the control sample may, where appropriate, be made before the end of the application period in question, on the basis of available information. The provisional sample shall be completed when all relevant applications are available.

2 The samples of farmers to be checked in accordance with Article 44 shall be selected from the samples of farmers which were already selected pursuant to Articles 26 and 27 and to whom the relevant requirements or standards apply.

3 By way of derogation from paragraph 2, the samples of farmers to be checked in accordance with Article 44 may be selected amongst the population of farmers submitting aid applications under support schemes for direct payments within the meaning of Article 2(d) of Regulation (EC) No 1782/2003 and who are under the obligation to respect the relevant requirements or standards.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

In that case:

- a where it is concluded, on the basis of the risk analysis applied at farm level, that non-beneficiaries of direct aid represent a higher risk than the farmers who applied for aid, farmers who applied for aid may be replaced by non-beneficiaries; in that case, the overall number of farmers checked shall, nevertheless, attain the control rate provided for in Article 44(1); the reasons for such replacements shall be properly justified and documented;
- b if more effective, the risk analysis may be performed at the level of undertakings, in particular slaughterhouses, traders or suppliers rather than at farm level; in that case, the farmers thus checked may be counted towards the control rate provided for in Article 44(1).

4 It may be decided to proceed by a combination of the procedures set out in paragraphs 2 and 3 in the case where such a combination increases the effectiveness of the control system.]

Textual Amendments

- F15** Substituted by [Commission Regulation \(EC\) No 1550/2007 of 20 December 2007 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)

Article 46

Determination of the compliance with the requirements and standards

- 1 Where applicable, the respect of the requirements and standards shall be determined by the use of means as stipulated in the legislation applicable to the requirement or standard in question.
- 2 In other cases and where appropriate, the determination shall be carried out by the use of any appropriate means defined by the competent control authority which ensure precision at least equivalent to that required for official determinations under the national rules.
- 3 Where appropriate, the on-the-spot checks may be conducted by the application of remote-sensing techniques.

Article 47

Elements of the on-the-spot checks

- 1 In performing the checks on the sample provided for in Article 44, the competent control authority shall ensure that all farmers thus selected are checked with regard to their compliance with the requirements and standards for which it is responsible.

[^{F12}Notwithstanding the first subparagraph, where the minimum control rate is reached at the level of each act or standard or group of acts or standards as provided for in the second subparagraph of Article 44(1), the farmers selected shall be checked with regard to their compliance with the act or standard or group of acts and standards in question.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

In general, each farmer selected for an on-the-spot check shall be controlled at a time when most requirements and standards for which he was selected may be checked. However, Member States shall ensure that an appropriate level of control for all requirements and standards is achieved during the year.]

[^{F12}1a On-the-spot checks shall, where applicable, cover all the agricultural land of the holding. Nevertheless, the actual inspection in the field as part of an on-the-spot check may be limited to a sample of at least half of the agricultural parcels concerned by the requirement or standard on the holding provided that such sample guarantees a reliable and representative level of control in respect of requirements and standards. When this sample check reveals non-compliances, the sample of agricultural parcels actually inspected shall be increased.

Furthermore, where the legislation applicable to the act or standards provides so, the actual inspection of the compliance with the requirements and standards as part of an on-the-spot check may be limited to a representative sample of the objects to check. However, the Member States shall assure that the checks are carried out on all requirements and standards for which the compliance may be checked at the time of the visit.]

2 The checks referred to in paragraph 1 shall, as a general rule, be carried out as part of one control visit and shall consist of a verification of the requirements and standards the compliance with which may be checked at the time of that visit, aiming to detect any possible non-compliance with those requirements and standards and, in addition, to identify cases to be submitted for further checks.

[^{F12}3 Provided that the Member State ensures that the effectiveness of the controls is at least equal to the one achieved in the case where the controls are carried out by on-the-spot checks, controls at farm level may be replaced by administrative checks or checks at the level of undertakings as referred to in point (b) of the second subparagraph of Article 45(3).

4 In performing the on-the-spot checks, Member States may make use of objective control indicators specific to certain requirements and standards provided they ensure that the effectiveness of the control of the requirements and standards concerned is at least equal to on-the-spot checks performed without the use of indicators.

The indicators shall have a direct link to the requirements or standards they represent and cover all elements to be checked when controlling that or those requirements or standards.

5 On-the-spot checks related to the sample provided for in Article 44(1) shall be carried out within the same calendar year where the aid applications are submitted.]

Textual Amendments

F12 Inserted by [Commission Regulation \(EC\) No 1550/2007 of 20 December 2007 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

Article 48

Control report

1 Every on-the-spot check under this Chapter, regardless whether the farmer in question was selected for the on-the-spot check in accordance with Article 45 or as a follow-up of non-compliances brought to the attention of the competent control authority in any other way, shall be the subject of a control report to be established by the competent control authority.

The report shall be divided into the following parts:

- a a general part containing, in particular, the following information:
 - (i) the farmer selected for the on-the-spot check;
 - (ii) the persons present;
 - (iii) whether notice of the visit was given to the farmer and, if so, the period of advance notification;
- b a part reflecting separately the checks carried out in respect of each of the acts and standards and containing, in particular, the following information:
 - (i) the requirements and standards subject to the on-the-spot check;
 - (ii) the nature and extent of checks carried out;
 - (iii) the findings;
 - (iv) the acts and standards in relation to which non-compliances are found;
- c an evaluation part giving an assessment of the importance of the non-compliance in respect of each act and/or standard on the basis of the criteria 'severity', 'extent', 'permanence' and 'repetition' in accordance with Article 7(1) of Regulation (EC) No 1782/2003 with an indication of any factors that should lead to an increase or decrease of the reduction to be applied.

Where provisions relating to the requirement or standard in question leave a margin not to further pursue the non-compliance found, the report shall make a corresponding indication. The same shall apply in the case where a Member State grants a period for the compliance with a new standard as referred to in Article 5(3) of Council Regulation (EC) No 1257/1999 of 17 May 1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF)⁽⁷⁾ or a period for the compliance of young farmers with the minimum standards referred to in Article 4(2) of Commission Regulation (EC) No 445/2002 of 26 February 2002 laying down detailed rules for the application of Council Regulation (EC) No 1257/1999⁽⁸⁾.

[^{F152} The farmer shall be informed of any determined non-compliance within three months after the date of the on-the-spot check.]

3 Without prejudice to any particular provisions contained in the legislation applicable to the requirements and standards, the control report shall be finalised within one month of the on-the-spot check. However, that period may be extended to three months under duly justified circumstances, in particular if chemical or physical analysis so require.

Where the competent control authority is not the Paying Agency, the report shall be sent to the Paying Agency within a month of its finalisation.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

Textual Amendments

- F15** Substituted by Commission Regulation (EC) No 1550/2007 of 20 December 2007 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

TITLE IV

BASIS FOR THE CALCULATION OF THE AID, REDUCTIONS AND EXCLUSIONS

CHAPTER I

FINDINGS IN RELATION TO ELIGIBILITY CRITERIA

Section I

single payment scheme and other area-related aid schemes

Article 49

General principles

1 For the purposes of this Section, the following crop groups shall be distinguished as appropriate:

- a areas for the purposes of the single payment scheme, as the case may be, each fulfilling the conditions particular to them;
- b areas for which a different rate of aid is applicable;
- c set-aside areas declared under aid schemes established in Title IV of Regulation (EC) No 1782/2003 and, where applicable, set-aside areas for which a different rate of aid is applicable;
- [^{F16}d forage areas declared for the purposes of Article 131 of Regulation (EC) No 1782/2003;
- e forage areas other than pasture land and other than areas used for the production of arable crops, within the meaning of Article 132(3) (b) of Regulation (EC) No 1782/2003 declared for the purposes of that Article;
- f pasture land within the meaning of Article 132(3) (c) of Regulation (EC) No 1782/2003 declared for the purposes of that Article;]
- [^{F9}g areas for the purposes of the Single Area Payment scheme in accordance with Article 143b of Regulation (EC) No 1782/2003;
- h areas declared by producer groups in accordance with Article 15a of this Regulation.]

By way of derogation from point (b), for the purposes of point (a), the average of the values of different payment entitlements in relation to the respective area declared shall be taken into account.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

2 Where the area determined for the purposes of the single payment scheme is lower than the area declared, the following shall apply to determine which of the payment entitlements have to be returned to the national reserve in accordance with Article 45(1) and the second subparagraph of Article 42(8) of Regulation (EC) No 1782/2003:

- a the area determined shall be taken into account starting with the payment entitlements having the highest value;
- b the payment entitlements with the highest value shall be attributed to that area first, followed by those with the next lower value.

For the purposes of this paragraph, set-aside entitlements and other payment entitlements shall be treated separately.

3 Where the same area serves as the basis for an aid application under more than one area-related aid scheme, that area shall be taken into account separately for each of those aid schemes.

Textual Amendments

- F9** Inserted by Commission Regulation (EC) No 239/2005 of 11 February 2005 amending and correcting Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F16** Deleted by Commission Regulation (EC) No 972/2007 of 20 August 2007 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

Article 50

Basis of calculation in respect of areas declared

[^{F41} In the case of applications for aid under area-related aid schemes, except for starch potato, seed and tobacco as provided for in Chapters 6, 9 and 10c respectively of Title IV of Regulation (EC) No 1782/2003, if the area of a crop group determined is found to be greater than that declared in the aid application, the area declared shall be used for calculation of the aid.]

[^{F142} With regard to an application for aid under the single payment scheme, if there is a discrepancy between the payment entitlements declared and the area declared, the calculation of the payment shall be based on the lower size.]

[^{F43} Without prejudice to reductions and exclusions in accordance with Articles 51 and 53, in the case of applications for aid under area-related aid schemes, except for starch potato, seed and tobacco as provided for in Chapters 6, 9 and 10c respectively of Title IV of Regulation (EC) No 1782/2003, if the area declared in a single application exceeds the area determined for that crop group, the aid shall be calculated on the basis of the area determined for that crop group.]

[^{F13} However, without prejudice to Article 29 of Regulation (EC) No 1782/2003, if the difference between the total area determined and the total area declared for payment under aid schemes established in Titles III, IV and IVa of Regulation (EC) No 1782/2003 is less than or equal to 0,1 hectare, the area determined shall be set equal to the area

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

declared. For this calculation only over-declarations of areas at crop group level shall be taken into account.

The provision referred to in the second subparagraph shall not apply where that difference represents more than 20 % of the total area declared for payments.]]

4 Without prejudice to reductions and exclusions in accordance with Articles 51 and 53, with regard to applications for aid under the single payment scheme the following shall apply in respect of set-aside entitlements for the purpose of the definition of ‘area determined’ in Article 2 point (22):

- [^{F7}a if a farmer does not declare all area required for the purpose of activating the set-aside entitlements at his disposal but declares, at the same time, an area for the activation of other entitlements, an area corresponding to the non-declared set-aside entitlements shall be considered as declared as set-aside area;
- b if area declared as set-aside is not found or is found not to be set-aside, that area shall be considered as not being determined.]

5 With regard to areas declared for the special quality premium for durum wheat in accordance with Article 72 of Regulation (EC) No 1782/2003 and for the durum wheat supplement and special aid in accordance with Article 105 of that Regulation and in case a difference is established between the minimum quantity of certified seeds fixed by the Member State and the quantity effectively used, the area shall be determined by dividing the total quantity of certified seeds for which proof of use was given by the farmer, by the minimum quantity of certified seeds per hectare fixed by the Member State in the production zone concerned.

^{F16}6

7 If a farmer has been unable to comply with his obligations as a result of *force majeure* or exceptional circumstances as referred to in Article 72, he shall retain his right to aid in respect of the area eligible at the time when the case of *force majeure* or the exceptional circumstance occurred.

Textual Amendments

- F4** Substituted by Commission Regulation (EC) No 2184/2005 of 23 December 2005 amending Regulations (EC) No 796/2004 and (EC) No 1973/2004 laying down detailed rules for the application of Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F7** Substituted by Commission Regulation (EC) No 2025/2006 of 22 December 2006 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F13** Inserted by Commission Regulation (EC) No 972/2007 of 20 August 2007 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F14** Substituted by Commission Regulation (EC) No 659/2006 of 27 April 2006 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

F16 Deleted by Commission Regulation (EC) No 972/2007 of 20 August 2007 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

Article 51

Reductions and exclusions in cases of overdeclaration

1 ^{F4}If, in respect of a crop group, the area declared for the purposes of any area-related aid schemes, except those for starch potato, seed and tobacco as provided for in Chapters 6, 9 and 10c respectively of Title IV of Regulation (EC) No 1782/2003, exceeds the area determined in accordance with Article 50(3), (4) and (5) of this Regulation, the aid shall be calculated on the basis of the area determined reduced by twice the difference found if that difference is more than either 3 % or two hectares, but no more than 20 % of the area determined.]

If the difference is more than 20 % of the area determined, no area-linked aid shall be granted for the crop group concerned.

2 ^{F4}If, in respect of the overall area determined covered by the single application, except for starch potato, seed and tobacco as provided for in Chapters 6, 9 and 10c respectively of Title IV of Regulation (EC) No 1782/2003, the area declared exceeds the area determined in accordance with Article 50(3), (4) and (5) of this Regulation by more than 30 %, the aid to which the farmer would have been entitled pursuant to Article 50(3), (4) and (5) of this Regulation shall be refused for the calendar year in question under those aid schemes.]

If the difference is more than 50 %, the farmer shall be excluded once again from receiving aid up to an amount equal to the amount which corresponds to the difference between the area declared and the area determined in accordance with Article 50(3) to (5). ^{F7}That amount shall be off-set against aid payments under any of the aid schemes referred to in Titles III, IV and IVa of Regulation (EC) No 1782/2003 or under the additional amount provided for in Article 12 of that Regulation to which the farmer is entitled in the context of applications he lodges in the course of the three calendar years following the calendar year of the finding.] If the amount cannot be fully off-set against those aid payments, the outstanding balance shall be cancelled.

^{F17}2a If a farmer declares more area than payment entitlements and the area declared fulfils all other eligibility requirements, the reductions or exclusions provided for in paragraphs 1 and 2 shall not apply.

If a farmer declares more area than payment entitlements and the area declared does not fulfil all other eligibility requirements, the difference referred to in paragraphs 1 and 2 shall be the difference between the area fulfilling all other eligibility requirements and the amount of payment entitlements declared.]

3 For the purposes of this Article, where a farmer applying for aid for energy crops in accordance with Article 88 of Regulation (EC) No 1782/2003 or declaring parcels as set-aside ^{X1}in accordance with Article 55(b)] or Article 107(3) first indent of that Regulation fails to deliver the requisite quantity of any given raw material, he shall be deemed to have failed to fulfil his obligation as regards parcels intended for energy purposes or set-aside, respectively, in respect of an area calculated by multiplying the area of land cultivated and used by him for the production of the raw materials by the percentage shortfall in deliveries of that raw material.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

Editorial Information

- X1** Substituted by [Corrigendum to Commission Regulation \(EC\) No 796/2004 of 21 April 2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in of Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers \(Official Journal of the European Union L 141 of 30 April 2004\)](#).

Textual Amendments

- F4** Substituted by [Commission Regulation \(EC\) No 2184/2005 of 23 December 2005 amending Regulations \(EC\) No 796/2004 and \(EC\) No 1973/2004 laying down detailed rules for the application of Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers](#).
- F7** Substituted by [Commission Regulation \(EC\) No 2025/2006 of 22 December 2006 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers](#).
- F17** Inserted by [Commission Regulation \(EC\) No 659/2006 of 27 April 2006 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers](#).

[^{F4}Article 52]

Reductions in cases of irregularities concerning the size of the areas declared for the payment of aid for starch potato, seed and tobacco

^{F41} If it is found that the area actually cultivated with potatoes or tobacco is more than 10 % lower than the area declared for the payment of aid for starch potato or tobacco as provided for in Chapters 6 and 10c respectively of Title IV of Regulation (EC) No 1782/2003, the aid to be paid shall be reduced by twice the difference found.

2 If it is found that the area actually cultivated with seeds is more than 10 % higher than the area declared for the payment of seed aid as provided for in Chapter 9 of Title IV of Regulation (EC) No 1782/2003, the aid to be paid shall be reduced by twice the difference found.]

3 Where it is found that the irregularities referred to in paragraphs 1 and 2 result from intention of the farmer, the total amount of aid referred to in paragraphs 1 and 2 shall be refused.

In that case, the farmer shall be excluded once again from receiving aid equal to that amount. [^{F7}That amount shall be off-set against aid payments under any of the aid schemes referred to in Titles III and IV of Regulation (EC) No 1782/2003 or under the additional amount provided for in Article 12 of that Regulation to which the farmer is entitled in the context of applications he lodges in the course of the three calendar years following the calendar year of the finding.] If the amount cannot be fully off-set against those aid payments, the outstanding balance shall be cancelled.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

Textual Amendments

- F4** Substituted by Commission Regulation (EC) No 2184/2005 of 23 December 2005 amending Regulations (EC) No 796/2004 and (EC) No 1973/2004 laying down detailed rules for the application of Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F7** Substituted by Commission Regulation (EC) No 2025/2006 of 22 December 2006 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

Article 53

Intentional overdeclaration

[^{F2}Where differences between the area declared and the area determined in accordance with Article 50(3), (4)(b) and (5) result from irregularities committed intentionally, the aid to which the farmer would have been entitled pursuant to Article 50(3), (4)(b) and (5) shall not be granted for the calendar year in question under the aid scheme concerned if that difference is more than 0,5 % of the area determined or more than one hectare.]

Moreover, where that difference is more than 20 % of the area determined, the farmer shall be excluded once again from receiving aid up to an amount equal to the amount which corresponds to the difference between the area declared and the area determined in accordance with Article 50(3), (4)(b) and (5). [^{F7}That amount shall be off-set against aid payments under any of the aid schemes referred to in Titles III, IV and IVa of Regulation (EC) No 1782/2003 or under the additional amount provided for in Article 12 of that Regulation to which the farmer is entitled in the context of applications he lodges in the course of the three calendar years following the calendar year of the finding.] If the amount cannot be fully off-set against those aid payments, the outstanding balance shall be cancelled.

[^{F17}If a farmer declares more area than payment entitlements and the area declared fulfils all other eligibility requirements, the reductions or exclusions provided for in the first and second paragraphs shall not apply.

If a farmer declares more area than payment entitlements and the area declared does not fulfil all other eligibility requirements, the difference referred to in the first and second paragraphs shall be the difference between the area fulfilling all other eligibility requirements and the amount of payment entitlements declared.]

Textual Amendments

- F2** Substituted by Commission Regulation (EC) No 972/2007 of 20 August 2007 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F7** Substituted by Commission Regulation (EC) No 2025/2006 of 22 December 2006 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

(EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

- F17** Inserted by Commission Regulation (EC) No 659/2006 of 27 April 2006 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

Article 54

Reductions and exclusions concerning seed aid applications

1 Where it is found that seed subject to an aid application was not actually marketed [^{X1}within the meaning of Article 31(b)(iii)] for sowing by the farmer, the aid to be paid for the species concerned, after application of any reductions to be applied in accordance with Article 52, shall be reduced by 50 % if the quantity not marketed amounts to more than 2 % but no more than 5 % of the quantity covered by the aid application. If the quantity not marketed exceeds 5 %, no seed aid shall be granted for the marketing year concerned.

2 Where it is found that aid has been claimed for seed not officially certified or harvested within the Member State in question during the calendar year in which the marketing year for which the aid has been set begins, no aid shall be granted for that marketing year nor for the following one.

Editorial Information

- X1** Substituted by Corrigendum to Commission Regulation (EC) No 796/2004 of 21 April 2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in of Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers (Official Journal of the European Union L 141 of 30 April 2004).

[^{F10}Article 54a

Reductions and exclusions concerning tobacco aid applications

[^{F2}Where it is found that tobacco was not replanted on the parcel indicated in the cultivation contract by 20 June of the year of harvest:]

- (a) 50 % of the aid for the current harvest shall be refused, if replanting is carried out by 30 June at the latest;
- (b) entitlement to the aid for the current harvest shall be refused, if replanting is carried out after 30 June.

However, the reductions or exclusions referred to under points (a) and (b) of the first subparagraph shall not apply in cases where, in accordance with Article 171cd(4) of Regulation (EC) No 1973/2004, the farmer can give a justification for the delay to the satisfaction of the competent authority.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

Where it is found that the parcel on which the tobacco is grown is different from the parcel indicated in the cultivation contract, the aid to be paid to the farmer concerned for the current harvest shall be reduced by 5 %.

Textual Amendments

- F2** Substituted by Commission Regulation (EC) No 972/2007 of 20 August 2007 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F10** Inserted by Commission Regulation (EC) No 2184/2005 of 23 December 2005 amending Regulations (EC) No 796/2004 and (EC) No 1973/2004 laying down detailed rules for the application of Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

Article 54b

Reductions and exclusions concerning the crop specific payment for cotton

Without prejudice to any reductions and exclusions to be applied in accordance with Article 51 or 53, where it is found that the farmer does not respect the obligations resulting from Article 171af(1) and (2) of Regulation (EC) No 1973/2004, the farmer shall lose the right to the increase of the aid provided for in Article 110f(2) of Regulation (EC) No 1782/2003. Moreover, the aid for cotton per eligible hectare pursuant to Article 110c shall be reduced by the amount of the increase provided for in Article 110f(2) of Regulation (EC) No 1782/2003 for that farmer.]

Textual Amendments

- F10** Inserted by Commission Regulation (EC) No 2184/2005 of 23 December 2005 amending Regulations (EC) No 796/2004 and (EC) No 1973/2004 laying down detailed rules for the application of Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

^{F16}Article 55

[^{F16}Calculation of forage area for premiums referred to in Article 131 of Regulation (EC) No 1782/2003

Textual Amendments

- F16** Deleted by Commission Regulation (EC) No 972/2007 of 20 August 2007 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

^{F16}Article 56

Calculation of forage area for the extensification payment in accordance with Article 132 of Regulation (EC) No 1782/2003]

Textual Amendments

- F16** Deleted by [Commission Regulation \(EC\) No 972/2007 of 20 August 2007 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)

Section II

Livestock premia

Article 57

Basis of calculation

- 1 Where an individual limit or individual ceiling is applicable, the number of animals shown in the aid applications shall be reduced to the limit or ceiling set for the farmer concerned.
- 2 In no case may aid be granted for a number of animals greater than that shown in the aid application.
- 3 Without prejudice to Article 59 and 60, if the number of animals declared in an aid application exceeds that determined as a result of administrative or on-the-spot checks, the aid shall be calculated on the basis of the animals determined.

However, if a farmer has been unable to comply with his retention obligation as a result of *force majeure* or exceptional circumstances as referred to in Article 72, he shall retain his right to aid in respect of the number of animals eligible at the time when the case of *force majeure* or the exceptional circumstance occurred.

- 4 Where cases of irregularities with regard to the system for the identification and registration for bovine animals are found, the following shall apply:
 - a a bovine animal which has lost one of the two ear tags shall be regarded as determined provided that it is clearly and individually identified by the other elements of the system for the identification and registration of bovine animals;
 - b where the irregularities found relate to incorrect entries in the register or the animal passports, the animal concerned shall only be deemed as not determined if such errors are found on at least two checks within a period of 24 months. In all other cases the animals concerned shall be deemed as not determined after the first finding.

Article 19 shall apply in relation to entries in, and notifications to, the system for the identification and registration of bovine animals.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

Article 58

Replacement

1 Bovine animals present on the holding shall only be regarded as determined if they are identified in the aid application. [^{F2}However, suckler cows or heifers in respect of which aid is claimed in accordance with Article 125 or Article 129 of Regulation (EC) No 1782/2003 may be replaced during the retention period within the limits provided for in those Articles without the loss of the right to the payment of the aid applied for.]

2 Replacements pursuant to paragraph 1 shall occur within 20 days following the event necessitating the replacement and shall be entered in the register not later than three days after the day of replacement. The competent authority to which the aid application was submitted shall be informed within seven days after the replacement.

However, in the case a Member State makes use of the possibilities provided for in the second subparagraph of Article 16(3), that Member State may provide that the notifications to the computerised database for bovine animals of an animal having left the holding and another animal having arrived on the holding within the time limits provided for in the first subparagraph may substitute that information to be sent to the competent authority.

3 Where a farmer applies for aid in respect of both ewes and goats and where there is no difference in the level of aid paid, a ewe may be replaced by a goat and a goat by a ewe. Ewes and goats in respect of which aid is claimed in accordance with Article 113 of Regulation (EC) No 1782/2003 may be replaced during the retention period within the limits provided for in that Article without the loss of the right to the payment of the aid applied for.

4 Replacements pursuant to paragraph 3 shall occur within 10 days following the event necessitating the replacement and shall be entered in the register not later than three days after the day of replacement. The competent authority to which the application was submitted shall be informed within five working days after the replacement.

Textual Amendments

- F2** Substituted by [Commission Regulation \(EC\) No 972/2007 of 20 August 2007 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)

Article 59

Reductions and exclusions in respect of bovine animals claimed for aid

1 Where, in respect of an application for aid under the bovine aid schemes, a difference is found between the number of animals declared and that determined in accordance with Article 57(3), the total amount of aid to which the farmer is entitled under those schemes for the premium period concerned shall be reduced by the percentage to be established in accordance with paragraph 3 of this Article, if no more than three animals are found with irregularities.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

2 If more than three animals are found with irregularities the total amount of aid to which the farmer is entitled under the schemes referred to in paragraph 1 for the premium period concerned shall be reduced by:

- a the percentage to be established in accordance with paragraph 3, if it is not more than 10 %,
- b twice the percentage to be established in accordance with paragraph 3, if it is more than 10 % but not more than 20 %.

If the percentage established in accordance with paragraph 3 is more than 20 %, the aid to which the farmer would have been entitled pursuant to Article 57(3) shall be refused under those schemes for the premium period concerned.

If the percentage established in accordance with paragraph 3 of this Article is more than 50 %, the farmer shall, moreover, be excluded once again from receiving aid up to an amount corresponding to the difference between the number of animals declared and the number of animals determined in accordance with Article 57(3). [F7That amount shall be off-set against aid payments under any of the aid schemes referred to in Titles III, IV and IVa of Regulation (EC) No 1782/2003 or under the additional amount provided for in Article 12 of that Regulation to which the farmer is entitled in the context of applications he lodges in the course of the three calendar years following the calendar year of the finding.] If the amount cannot be fully off-set against those aid payments, the outstanding balance shall be cancelled.

3 In order to establish the percentages referred to in paragraphs 1 and 2, the bovine animals claimed under all bovine aid schemes during the premium period concerned and found with irregularities shall be divided by all bovine animals determined for the premium period concerned.

4 Where differences between the number of animals declared and that determined in accordance with Article 57(3) result from irregularities committed intentionally the aid to which the farmer would have been entitled pursuant to Article 57(3) shall be refused under the bovine aid scheme or schemes concerned for the premium period in question.

Where the difference established in accordance with paragraph 3 of this Article is more than 20 %, the farmer shall be excluded once again from receiving aid up to an amount corresponding to the difference between the number of animals declared and the number of animals determined in accordance with Article 57(3). [F7That amount shall be off-set against aid payments under any of the aid schemes referred to in Titles III, IV and IVa of Regulation (EC) No 1782/2003 or under the additional amount provided for in Article 12 of that Regulation to which the farmer is entitled in the context of applications he lodges in the course of the three calendar years following the calendar year of the finding.] If the amount cannot be fully off-set against those aid payments, the outstanding balance shall be cancelled.

Textual Amendments

- F7** Substituted by [Commission Regulation \(EC\) No 2025/2006 of 22 December 2006 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

Article 60

Reductions and exclusions in respect of ovine or caprine animals claimed for aid

1 Where, in respect of applications for aid under the ovine/capraine aid scheme, a difference is found in accordance with Article 57(3), Article 59(2), (3) and (4) shall apply *mutatis mutandis* as from the first animal in respect of which irregularities are found.

2 If it is established that a sheep producer marketing sheep's milk and sheep's milk products failed to declare on his premium application that he was doing so, the amount of the aid to which he is entitled shall be reduced to the premium payable to sheep producers marketing sheep's milk and sheep's milk products less the difference between that amount and the full amount of the ewe premium.

3 Where, in respect of applications for the supplementary premium, it is determined that less than 50 % of the area of the holding used for agriculture is located in areas referred to in Article 114(1) of Regulation (EC) No 1782/2003, the supplementary premium shall not be paid and the ewe and goat premium shall be reduced by an amount equivalent to 50 % of the supplementary premium.

[^{F14} Where it is determined that the percentage of the area of the holding used for agriculture located in areas listed in Annex X to Regulation (EC) No 1973/2004 is below 50 %, the goat premium shall not be paid.]

5 Where it is established that a producer practising transhumance who submits an application for the supplementary premium has not grazed 90 % of his animals for at least 90 days in an area referred to in Article 114(2)(b) of Regulation (EC) No 1782/2003, the supplementary premium shall not be paid and the ewe or goat premium shall be reduced by an amount equivalent to 50 % of the supplementary premium.

6 Where it is found that the irregularity referred to in paragraphs 2, 3, 4 or 5 results from intentional non-compliance, the total amount of aid referred to in those paragraphs shall be refused.

In that case, the farmer shall be excluded once again from receiving aid equal to that amount. [^{F7} That amount shall be off-set against aid payments under any of the aid schemes referred to in Titles III, IV and IVa of Regulation (EC) No 1782/2003 or under the additional amount provided for in Article 12 of that Regulation to which the farmer is entitled in the context of applications he lodges in the course of the three calendar years following the calendar year of the finding.]

7 In respect of farmers maintaining both ewes and goats entitled to the same level of premium, where an on-the-spot check reveals a difference in the composition of the flock in terms of numbers of animals per species, the animals shall be regarded as being of the same group.

Textual Amendments

- F7** Substituted by [Commission Regulation \(EC\) No 2025/2006 of 22 December 2006 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

F14 Substituted by Commission Regulation (EC) No 659/2006 of 27 April 2006 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

Article 61

Natural circumstances

The reductions and exclusions provided for in Articles 59 and 60 shall not apply in cases where, owing to the impact of natural circumstances on the herd or flock, the farmer cannot meet his commitment to keep the animals in respect of which aid is claimed throughout the retention period, provided that he has informed the competent authority in writing within ten working days of finding any reduction in the number of animals.

Without prejudice to the actual circumstances to be taken into account in individual cases, the competent authorities may recognise, in particular, the following cases of natural circumstances of the herd or flock:

- (a) death of an animal as a consequence of a disease;
- (b) death of an animal following an accident for which the farmer cannot be held responsible.

Article 62

False certificates and declarations issued by slaughterhouses

[^{F14}As regards the declarations or certificates issued by slaughterhouses in connection with the slaughter premium provided for in Article 121 of Regulation (EC) No 1973/2004, if it is found that the slaughterhouse made a false certification or declaration as a result of serious negligence or intentionally, the Member State concerned shall apply appropriate national sanctions.] Where such irregularities are found a second time, the slaughterhouse involved shall be excluded for a period of at least one year from the right to make declarations or to issue certificates valid for premium purposes.

Textual Amendments

F14 Substituted by Commission Regulation (EC) No 659/2006 of 27 April 2006 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

[^{F2}Article 63

Findings in relation to the additional payment

As regards the additional payment to be granted for specific types of farming or for quality production as provided for in Article 69 of Regulation (EC) No 1782/2003, the

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

Member States shall provide for reductions and exclusions which shall, in substance, be equivalent to those provided for in this Title. In case area-related or livestock payments are granted the provisions of this Part shall apply *mutatis mutandis*.]

Textual Amendments

- F2** Substituted by [Commission Regulation \(EC\) No 972/2007 of 20 August 2007 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)

[^{X1}Section III]

Dairy premium and additional payments

Article 64

Dairy premium and additional payments

With regard to findings established in relation to aid applications for the dairy premium and additional payments, Articles 50, 51(1) and 53 shall apply to the extent that ‘area’ is read as ‘individual reference quantity’ and ‘area determined’ as ‘individual reference quantity determined’.

[^{F4}Where, in the case referred to in Article 22 of Regulation (EC) No 1973/2004, the person concerned does not take up production by the deadline for the application, the individual reference quantity determined shall be deemed to be zero. In that case, the aid application of the person concerned for the year in question shall be refused. [^{F7}An amount equal to the amount covered by the refused application shall be off-set against aid payments under any of the aid schemes established in Titles III, IV and IVa of Regulation (EC) No 1782/2003 or under the additional amount provided for in Article 12 of that Regulation to which the person is entitled in the context of applications he lodges in the course of the calendar year following the calendar year of the finding.]]

Textual Amendments

- F4** Substituted by [Commission Regulation \(EC\) No 2184/2005 of 23 December 2005 amending Regulations \(EC\) No 796/2004 and \(EC\) No 1973/2004 laying down detailed rules for the application of Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)
- F7** Substituted by [Commission Regulation \(EC\) No 2025/2006 of 22 December 2006 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

CHAPTER II

FINDINGS IN RELATION TO CROSS-COMPLIANCE

Article 65

General principles and definition

1 For the purposes of this Chapter, the provisions of Article 41 shall apply.

[^{F32} For the purposes of applying Article 6(1) of Regulation (EC) No 1782/2003, an action or omission shall be directly attributable to the individual farmer who committed the non-compliance and who, at the time of the determination of the non-compliance in question, is in charge of the holding, the area, the production unit or the animal concerned. Where the holding, the area, the production unit or the animal concerned was transferred to a farmer after the non-compliance had started to occur, the transferee shall equally be held liable where he maintained the non-compliance, provided he could have reasonably detected and terminated that non-compliance.]

3 Where more than one Paying Agency is responsible in the context of the management of the different direct payment schemes as defined in Article 2(d) of Regulation (EC) No 1782/2003, the Member States shall take the appropriate measures to ensure an appropriate application of the provisions under this Chapter, in particular that one rate of reduction is applied to the entirety of direct payments applied for by the farmer.

4 Non-compliances shall be deemed to be ‘determined’ if they are established as a consequence of any kind of checks carried out in accordance with this Regulation or after having been brought to the attention of the competent control authority in whatever other way.

Textual Amendments

- F3** Substituted by [Commission Regulation \(EC\) No 239/2005 of 11 February 2005 amending and correcting Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)

Article 66

Application of reductions in the case of negligence

1 Without prejudice to Article 71, where a non-compliance determined results from the negligence of the farmer, a reduction shall be applied on the overall amount of direct payments, as defined in Article 2(d) of Regulation (EC) No 1782/2003, that has been, or has to be, granted to the farmer concerned following aid applications he has submitted or will still submit in the course of the calendar year of the finding. That reduction shall, as a general rule, be 3 % of that overall amount.

However, the Paying Agency may, on the basis of the assessment provided by the competent control authority in the control report in accordance with Article 48(1)(c), decide either to reduce that percentage to 1 % or to increase it to 5 % of that overall

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amount or, in the cases referred to in the second subparagraph of Article 48(1)(c), not to impose any reductions at all.

2 Where more than one case of non-compliance with regard to various acts or standards of the same area of cross-compliance have been determined, those cases shall, for the purposes of the fixing of the reduction in accordance with paragraph 1, be considered as one non-compliance.

[^{F3} Where more than one non-compliance with regard to different areas of cross-compliance have been determined, the procedure for the fixing of the reduction as set out in paragraph 1 shall be applied individually to each non-compliance.

However, a non-compliance with a standard which also constitutes a requirement shall be considered to be one non-compliance.

The resulting percentages of reductions shall be added together. However, the maximum reduction shall not exceed 5 % of the overall amount referred to in paragraph 1.]

[^{F154} Without prejudice to cases of intentional non-compliance in accordance with Article 67, where repeated non-compliances have been determined, a percentage fixed in accordance with paragraph 1 with regard to the repeated non-compliance shall, in respect of the first repetition, be multiplied by the factor three. For this purpose, the Paying Agency shall, in the case where that percentage was fixed in accordance with paragraph 2, determine the percentage that would have been applied to the repeated non-compliance with the requirement or standard concerned.]

In the case of further repetitions the multiplication factor three shall be applied each time to the result of the reduction fixed in respect of the previous repeated non-compliance. The maximum reduction shall, however, not exceed 15 % of the overall amount referred to in paragraph 1.

[^{F3} Once the maximum percentage of 15 % has been reached, the Paying Agency shall inform the farmer concerned that if the same non-compliance is determined again, it shall be considered that he has acted intentionally within the meaning of Article 67. Where a further non-compliance is determined thereafter, the percentage reduction to be applied shall be fixed by multiplying the result of the previous multiplication, where applicable, before the limitation to 15 % as provided for in the last sentence of the second subparagraph has been applied, by a factor of three.]

[^{F95} In the case where a repeated non-compliance is determined together with another non-compliance or another repeated non-compliance, the resulting percentage reductions shall be added together. Without prejudice to the third subparagraph of paragraph 4, the maximum reduction shall, however, not exceed 15 % of the overall amount referred to in paragraph 1.]

Textual Amendments

- F3** Substituted by Commission Regulation (EC) No 239/2005 of 11 February 2005 amending and correcting Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F9** Inserted by Commission Regulation (EC) No 239/2005 of 11 February 2005 amending and correcting Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

(EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

- F15** Substituted by Commission Regulation (EC) No 1550/2007 of 20 December 2007 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

Article 67

Application of reductions and exclusions in cases of intentional non-compliance

1 Without prejudice to Article 71, where the non-compliance determined has been committed intentionally by the farmer, the reduction to be applied to the overall amount referred to in the first subparagraph of Article 66(1) shall, as a general rule, be 20 % of that overall amount.

However, the Paying Agency may, on the basis of the assessment provided by the competent control authority in the control report in accordance with Article 48(1)(c), decide to reduce that percentage to no less than 15 % or, where appropriate, to increase that percentage to up to 100 % of that overall amount.

2 Where the intentional non-compliance relates to a particular aid scheme, the farmer shall be excluded from that aid scheme for the calendar year in question.

In cases of extreme extent, severity or permanence or where repeated intentional non-compliances have been determined, the farmer shall, moreover, be excluded from the aid scheme concerned in the following calendar year.

CHAPTER III

COMMON PROVISIONS

Article 68

Exceptions from the application of reductions and exclusions

1 The reductions and exclusions provided for in Chapter I shall not apply where the farmer submitted factually correct information or where he can show otherwise that he is not at fault.

2 The reductions and exclusions provided for in Chapter I shall not apply with regard to the parts of the aid application as to which the farmer informs the competent authority in writing that the aid application is incorrect or has become incorrect since it was lodged, provided that the farmer has not been informed of the competent authority's intention to carry out an on-the-spot check and that the authority has not already informed the farmer of any irregularity in the application.

The information given by the farmer as referred to in the first subparagraph shall have the effect that the aid application is adjusted to the actual situation.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

Article 69

Amendments and adjustments of entries in the computerised database for bovine animals

In respect of claimed bovine animals, Article 68 shall apply from the time the aid application is submitted to errors and omissions in relation to entries in the computerised database for bovine animals.

As regards unclaimed bovine animals, the same shall apply in respect of reductions and exclusions to be applied in accordance with chapter II of this Title.

TITLE V

GENERAL PROVISIONS

Article 70

Minimum payments

Member States may decide not to grant any aid if the amount per aid application does not exceed EUR 100.

^{F20} Article 71

Accumulation of reductions

1 Where a case of non-compliance also constitutes an irregularity, therefore being relevant in view of the application of reductions or exclusions in accordance with both Chapter I and with Chapter II of Title IV:

- a the reductions or exclusions pursuant to Chapter I of Title IV shall be applied with regard to the aid schemes in question;
- b the reductions and exclusions pursuant to Chapter II of Title IV shall be applied to the total amount of payments to be granted under the single payment scheme and any aid schemes that are not subject to reductions or exclusions referred to in point (a).

The reductions or exclusions referred to in the first subparagraph shall be applied in accordance with the procedure provided for in Article 71a(2).

2 Subject to Article 6 of Council Regulation (EC) No 2988/95⁽⁹⁾, the reductions and exclusions under this Regulation shall be without prejudice to additional sanctions pursuant to other provisions under Community or national law.]

Textual Amendments

F20 Substituted by Commission Regulation (EC) No 1954/2005 of 29 November 2005 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common

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agricultural policy and establishing certain support schemes for farmers and derogating from Regulation (EC) No 1782/2003 as regards payment of the aid.

[^{F21}Article 71a

Application of reductions

1 The amount of the payment to be granted to a farmer under a support scheme listed in Annex I to Regulation (EC) No 1782/2003 shall be calculated by the Member States on the basis of the conditions established in the support scheme in question, taking into account, if necessary, the overrun of the basic area, of the maximum guaranteed area, or of the number of animals entitled to benefit from the premiums.

2 For each aid scheme, reductions or exclusions due to irregularities, late submissions, non-declarations of parcels, overshooting of the budgetary ceilings, modulation, financial discipline and non-respect of cross-compliance shall be carried out, if necessary, in the following way and sequence:

- a the reductions or exclusions provided for in Chapter I of Title IV or, as the case may be, those provided for in Article 138 of Regulation (EC) No 1973/2004, shall be applied with regard to irregularities;
- b the amount resulting from the application of point (a) shall serve as a basis for the calculation of any reductions to be applied in case of late submissions in accordance with Articles 21 and 21a of this Regulation;
- c the amount resulting from the application of point (b) shall serve as a basis for the calculation of any reductions to be applied in cases of non-declaration of agricultural parcels in accordance with Article 14(1a) of this Regulation;
- d [^{F15}with regard to aid schemes listed in Annex I to Regulation (EC) No 1782/2003 for which a budgetary ceiling is fixed in accordance with Articles 64(2), 70(2), 71(2), 110p(1), 143b(7), 143ba(2) and 143bc of that Regulation, the Member State shall sum up the amounts resulting from the application of points (a), (b) and (c).]

For each of those aid schemes, a coefficient shall be determined by dividing the amount of the budgetary ceiling in question by the sum of the amounts referred to in the first subparagraph. If the coefficient obtained is higher than 1, a coefficient equal to 1 shall be applied.

To calculate the payment to be granted to the individual farmer under an aid scheme for which a budgetary ceiling is fixed, the amount resulting from the application of points (a), (b) and (c) shall be multiplied by the coefficient determined in the second subparagraph;

- e reductions due to modulation provided for in Article 10 of Regulation (EC) No 1782/2003 and, as the case may be, in accordance with Commission Regulation (EC) No 1655/2004⁽¹⁰⁾, as well as the reduction due to the financial discipline provided for in Article 11 of Regulation (EC) No 1782/2003, shall be applied to the amount of the payment resulting from the application of points (a), (b), (c) and (d);
- f the amount of the payment resulting from the application of point (e) shall serve as the basis for the calculation of any reductions to be applied for the non-respect of cross-compliance in accordance with Chapter II of Title IV of this Regulation.]

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

Textual Amendments

- F15** Substituted by Commission Regulation (EC) No 1550/2007 of 20 December 2007 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F21** Inserted by Commission Regulation (EC) No 1954/2005 of 29 November 2005 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers and derogating from Regulation (EC) No 1782/2003 as regards payment of the aid.

Article 72

Force majeure and exceptional circumstances

Cases of *force majeure* and of exceptional circumstances within the meaning of Article 40(4) of Regulation (EC) No 1782/2003 with relevant evidence to the satisfaction of the competent authority shall be notified in writing to the authority within ten working days of the date on which the farmer is in a position to do so.

Article 73

Recovery of undue payments

1 If undue payment is made, the farmer shall repay the amount in question plus interest calculated in accordance with paragraph 3.

2 [^{F7}Member States may decide that recovery of an undue payment is to be made by deduction of the corresponding amount from any advances or payments under aid schemes referred to in Titles III, IV and IVa of Regulation (EC) No 1782/2003 or under the additional amount provided for in Article 12 of that Regulation made to the farmer concerned following the date of the decision to recover.] However, the farmer may repay the amount without waiting for the deduction.

3 Interest shall be calculated for the period elapsing between the notification of the repayment obligation to the farmer and either repayment or deduction.

The rate of interest applicable shall be calculated in accordance with national law but shall not be lower than the interest rate applicable for the recovery of amounts under national provisions.

4 The repayment obligation referred to in paragraph 1 shall not apply if the payment was made by error of the competent authority or of another authority and if the error could not reasonably have been detected by the farmer.

However, where the error relates to factual elements relevant for the calculation of the payment concerned, the first subparagraph shall only apply if the decision to recover was not communicated within 12 months of the payment.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

5 The repayment obligation referred to in paragraph 1 shall not apply if the period which elapsed between the date of the payment of the aid and that of the first notification to the beneficiary by the competent authority concerning the undue nature of the payment concerned is more than ten years.

However, the period referred to in the first subparagraph shall be limited to four years if the beneficiary acted in good faith.

6 Amounts to be recovered as a consequence of the application of reductions and exclusions pursuant to Article 21 and Title IV shall, in all cases, be subject to a prescription period of four years.

7 Paragraphs 4 and 5 shall not apply in the case of advances.

8 Member States may decide not to recover amounts of EUR 100 or less, not including interest, per farmer and per premium period, provided that their national law provides for non-recovery in such cases.

Where amounts relating to interest have to be recovered independently from amounts unduly paid, the Member States may, under the same conditions, decide not to recover amounts relating to interest of EUR 50 or less.

Textual Amendments

- F7** Substituted by [Commission Regulation \(EC\) No 2025/2006 of 22 December 2006 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.](#)

^{F9}Article 73a

Recovery of undue entitlements

1 Where, after payment entitlements have been allocated to farmers in accordance with Regulation (EC) No 795/2004, it is established that certain payment entitlements have been allocated unduly, the farmer concerned shall give up the unduly allocated entitlements to the national reserve referred to in Article 42 of Regulation (EC) No 1782/2003.

In the case that the farmer concerned, meanwhile, transferred payment entitlements to other farmers, the transferees shall also be bound by the obligation provided for in the first subparagraph in proportion to the number of payment entitlements which have been transferred to them if the farmer to whom the payment entitlements had initially been allocated does not have a sufficient number of payment entitlements at his disposal.

The entitlements allocated unduly shall be deemed not to have been allocated *ab initio*.

2 Where, after payment entitlements have been allocated to farmers in accordance with Regulation (EC) No 795/2004, it is established that the value of the payment entitlements is too high, that value shall be adjusted accordingly. That adjustment shall also be carried out in respect of payment entitlements which have, meanwhile, been transferred to other farmers. The value of the reduction shall be allocated to the national reserve referred to in Article 42 of Regulation (EC) No 1782/2003.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

The payment entitlements shall be deemed as having been allocated *ab initio* at the value resulting from the adjustment.

[Where, for the purpose of the application of paragraphs 1 and 2 it is established that the number of the entitlements allocated to a farmer in accordance with Regulation (EC) No 795/2004 is incorrect, and where the unduly allocation has no impact on the total value of the entitlements the farmer received, the Member State shall recalculate the payment entitlements and where appropriate correct the type of the entitlements allocated to the farmer. However, this shall not apply if the errors could reasonably have been detected by the farmers.]

[Member States may decide not to recover unduly allocated entitlements where the total amount unduly allocated to the farmer is EUR 50 or less. Furthermore, when the total value referred to in paragraph 2a concerns EUR 50 or less, Member States may decide not to carry out the recalculation.]

3 Where a farmer has transferred any payment entitlements without respecting the second subparagraph of Article 46(2) of Regulation (EC) No 1782/2003, the situation shall be established as if the transfer had not taken place.

4 Undue amounts paid shall be recovered in accordance with Article 73.]

Textual Amendments

- F9** Inserted by Commission Regulation (EC) No 239/2005 of 11 February 2005 amending and correcting Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F12** Inserted by Commission Regulation (EC) No 1550/2007 of 20 December 2007 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F13** Inserted by Commission Regulation (EC) No 972/2007 of 20 August 2007 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

Article 74

Transfer of holdings

- 1 For the purposes of this Article:
- a 'transfer of a holding' means the sale, lease or any similar type of transaction in respect of the production units concerned;
 - b 'transferor' means the farmer whose holding is transferred to another farmer;
 - c 'transferee' means the farmer to whom the holding is transferred.

2 Where a holding is transferred in its entirety from one farmer to another farmer after an aid application has been lodged and before all the conditions for granting the aid have been fulfilled, no aid shall be granted to the transferor in respect of the transferred holding.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

- 3 The aid applied for by the transferor shall be granted to the transferee where:
- a within a period of the transfer to be determined by the Member States the transferee informs the competent authority of the transfer and requests payment of the aid;
 - b the transferee presents any evidence required by the competent authority;
 - c all the conditions for granting the aid are fulfilled in respect of the holding transferred.
- 4 Once the transferee informs the competent authority and requests payment of the aid in accordance with paragraph 3(a):
- a all rights and obligations of the transferor resulting from the legal relationship between the transferor and the competent authority generated by the aid application shall be conferred on the transferee;
 - b all actions necessary for the granting of the aid and all declarations made by the transferor prior to the transfer shall be attributed to the transferee for the purposes of applying the relevant Community rules;
 - c the holding transferred shall be considered, where appropriate, as a separate holding in respect of the marketing year or premium period in question.
- 5 Where an aid application is lodged after the actions necessary for the granting of the aid have been performed and a holding is transferred in its entirety from one farmer to another farmer after those actions have started but before all the conditions for granting the aid have been fulfilled, the aid may be granted to the transferee provided the conditions in paragraph 3(a) and (b) are fulfilled. In that case, paragraph 4(b) shall apply.
- 6 Member States may decide, where appropriate, to grant the aid to the transferor. In that event:
- a no aid shall be granted to the transferee,
 - b the Member States shall apply *mutatis mutandis* the requirements set out in paragraphs 2 to 5.
- 7 Where a holding is transferred in its entirety from one farmer to another farmer during the period referred to in Article 44(3) of Regulation (EC) No 1782/2003, the transferee may use the parcels concerned for the purposes of submitting an application for payment under the single payment scheme.

Article 75

Additional measures and mutual assistance between Member States

- 1 [^{XI}Member States shall take all further measures required for the proper application of the integrated system and shall give one another the mutual assistance needed for the purposes of checks required pursuant to this Regulation.] In that respect, Member States may, where this Regulation does not provide for appropriate reductions and exclusions, provide appropriate national sanctions against producers or other marketing participants, such as slaughterhouses or associations involved in the procedure for granting aid, in order to ensure the compliance with control requirements such as the current herd register of the holding or the respect of notification obligations.
- 2 Member States shall assist one another to ensure effective controls, and to ensure the check on the authenticity of documents submitted and/or the accuracy of the data exchanged.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

Editorial Information

- X1** Substituted by [Corrigendum to Commission Regulation \(EC\) No 796/2004 of 21 April 2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in of Council Regulation \(EC\) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers \(Official Journal of the European Union L 141 of 30 April 2004\).](#)

Article 76

Notifications

[^{F21} Member States shall submit to the Commission by 15 July each year at the latest, for the aid schemes covered by the Integrated Administrative Control System, a report covering the previous calendar year and, in particular, relating to the following points:

- a the state of implementation of the integrated system, including in particular the options chosen for the control of the cross-compliance requirements and the competent control bodies responsible for the controls of the cross-compliance requirements and conditions;
- b the number of claimants as well as the total area, total number of animals and the total of quantities;
- c the number of claimants as well as the total area, the total number of animals and the total of quantities, covered by checks;
- d the result of the checks carried out, indicating the reductions and exclusions applied pursuant to Title IV;
- e the results of the checks relating to cross-compliance in accordance with Chapter III of Title III.]

2 Member States shall, moreover, send to the Commission by 31 October each year at the latest a communication about the proportion of the land under permanent pasture in relation to the total agricultural land as referred to in Article 3(1). By 31 October 2005 at the latest, Member States shall, moreover, send to the Commission a communication about that proportion in the reference year 2003 referred to in Article 3(2).

[^{F12}However, Bulgaria and Romania shall send to the Commission a communication about that proportion of land under permanent pasture in the reference year 2007 referred to in Article 3(7) by 31 March 2008 at the latest.]

3 In exceptional duly justified situations, Member States may, in agreement with the Commission, derogate from the dates provided for in the paragraphs 1 and 2.

4 The computerised data established as a part of the integrated system shall be used to support the information specified in the framework of sectoral rules which the Member States are obliged to send to the Commission.

Textual Amendments

- F2** Substituted by [Commission Regulation \(EC\) No 972/2007 of 20 August 2007 amending Regulation \(EC\) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation \(EC\) No](#)

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

- F12** Inserted by Commission Regulation (EC) No 1550/2007 of 20 December 2007 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

- (1) [^{F4}OJ L 210 28.7.1998, p 32.]
- (2) [^{F7}OJ L 193, 20.7.2002, p. 74.]
- (3) [^{F3}[^{F2}OJ L 216, 21.8.2007, p. 3.]]
- (4) [^{F9}OJ L 345, 20.11.2004, p. 1.]
- (5) OJ L 124, 8.6.1971, p. 1.
- (6) OJ L 177, 4.8.1972, p. 1.
- (7) OJ L 160, 26.6.1999, p. 80. Regulation as last amended by Regulation (EC) No 1783/2003 (OJ L 270, 21.10.2003, p. 70).
- (8) OJ L 74, 15.3.2002, p. 1. Regulation as last amended by Regulation (EC) No 963/2003 (OJ L 138, 5.6.2003, p. 32).
- (9) [^{F20}OJ L 312, 23.12.1995, p. 1.]
- (10) [^{F21}OJ L 298, 23.9.2004, p. 3.]

Textual Amendments

- F2** Substituted by Commission Regulation (EC) No 972/2007 of 20 August 2007 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F3** Substituted by Commission Regulation (EC) No 239/2005 of 11 February 2005 amending and correcting Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F4** Substituted by Commission Regulation (EC) No 2184/2005 of 23 December 2005 amending Regulations (EC) No 796/2004 and (EC) No 1973/2004 laying down detailed rules for the application of Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F7** Substituted by Commission Regulation (EC) No 2025/2006 of 22 December 2006 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F9** Inserted by Commission Regulation (EC) No 239/2005 of 11 February 2005 amending and correcting Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.
- F20** Substituted by Commission Regulation (EC) No 1954/2005 of 29 November 2005 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers and derogating from Regulation (EC) No 1782/2003 as regards payment of the aid.
- F21** Inserted by Commission Regulation (EC) No 1954/2005 of 29 November 2005 amending Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural

Status: Point in time view as at 24/12/2007.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II. (See end of Document for details)

policy and establishing certain support schemes for farmers and derogating from Regulation (EC) No 1782/2003 as regards payment of the aid.

Status:

Point in time view as at 24/12/2007.

Changes to legislation:

There are currently no known outstanding effects for the Commission Regulation (EC) No 796/2004 (repealed), PART II.