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 1

Regulation (EC) No 796/2004 is amended as follows:

1. Article 71 is replaced by the following:

#### Article 71

#### **Accumulation of reductions**

- 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<sup>(1)</sup>, the reductions and exclusions under this Regulation shall be without prejudice to additional sanctions pursuant to other provisions under Community or national law.;
- 2. the following Article 71a is inserted:

# Article 71a

### **Application of reductions**

- 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.
- 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:

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 1954/2005, Article 1. (See end of Document for details)

- 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 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) and 143b(7) 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<sup>(2)</sup>, 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.;
- 3. Article 77 is replaced by the following:

### Article 77

### Basis for the calculation of the reduction

The amount of reduction in accordance with Article 10 of Regulation (EC) No 1782/2003 shall be calculated on the basis of the amounts of direct payments to which farmers are entitled, in accordance with the procedure provided for in Article 71a of this Regulation or, in the case of aid schemes listed in Annex I to Regulation (EC) No 1782/2003 but not falling under Titles III or IV of that Regulation, under the specific legislation applicable thereto.;

4. in Article 79(1), the first subparagraph is replaced by the following:

For the purposes of determining whether the threshold of EUR 5 000 referred to in Article 12 of Regulation (EC) No 1782/2003 has been reached, the total amount of direct payments that would have to be granted before the application of any reductions due to modulation in accordance with Article 10 of that Regulation or,

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 1954/2005, Article 1. (See end of Document for details)

in the case of aid schemes listed in Annex I to that Regulation but not falling under Titles III or IV of that Regulation, under the specific legislation applicable thereto, shall be taken into account.

Changes to legislation: There are currently no known outstanding effects for the Commission Regulation (EC) No 1954/2005, Article 1. (See end of Document for details)

- **(1)** OJ L 312, 23.12.1995, p. 1.';
- **(2)** OJ L 298, 23.9.2004, p. 3.';

## **Changes to legislation:**

There are currently no known outstanding effects for the Commission Regulation (EC) No 1954/2005, Article 1.