

Regulation (EU) No 1307/2013 of the European Parliament and of the Council of 17 December 2013 establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy and repealing Council Regulation (EC) No 637/2008 and Council Regulation (EC) No 73/2009

TITLE III

BASIC PAYMENT SCHEME, SINGLE AREA PAYMENT SCHEME AND RELATED PAYMENTS

CHAPTER 1

Basic payment scheme and single area payment scheme

Section 2

National reserve and regional reserves

Article 30

Establishment and use of the national reserve or regional reserves

1 Each Member State shall establish a national reserve. In order to do so, Member States shall proceed, in the first year of implementation of the basic payment scheme, to a linear percentage reduction of the basic payment scheme ceiling at national level.

2 By way of derogation from paragraph 1, Member States exercising the option in Article 23(1) may establish regional reserves. In order to do so, Member States shall proceed, in the first year of implementation of the basic payment scheme, to a linear percentage reduction of the relevant basic payment scheme ceiling at regional level referred to in the first subparagraph of Article 23(2).

3 The reduction referred to in paragraphs 1 and 2 shall not be higher than 3 %, unless a higher percentage is required to cover any allocation needs pursuant to paragraph 6 or to points (a) and (b) of paragraph 7 for the year 2015 or, for Member States applying Article 36, for the first year of implementation of the basic payment scheme.

4 Member States shall allocate payment entitlements from their national or regional reserves in accordance with objective criteria and in such a way as to ensure the equal treatment of farmers and to avoid distortions of the market and of competition.

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

6 Member States shall use their national or regional reserves to allocate payment entitlements, as a matter of priority, to young farmers and to farmers commencing their agricultural activity.

7 Member States may use their national or regional reserves to:

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

For the purpose of this paragraph, Member States shall decide on the priorities between the different uses referred to herein.

8 When applying paragraph 6 and points (a), (b) and (d) of paragraph 7, Member States shall fix the value of payment entitlements allocated to farmers at the national or regional average value of payment entitlements in the year of allocation.

The national or regional average value shall be calculated by dividing the national or regional ceiling for the basic payment scheme set in accordance with, respectively, Article 22(1) or Article 23(2) for the year of allocation, excluding the amount of the national reserve or regional reserves and, in the case of Croatia, the special de-mining reserve, by the number of allocated payment entitlements.

Member States shall fix the steps for annual progressive modifications of the value of payment entitlements allocated from the national reserve or regional reserves, taking account of the modifications of the national or regional ceiling for the basic payment scheme set in accordance with, respectively, Article 22(1) and Article 23(2) that result from the variations in the level of the national ceilings set out in Annex II.

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

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10 When applying paragraph 6, points (a) and (b) of paragraph 7 and paragraph 9, Member States may either allocate new entitlements or increase the unit value of all of the existing entitlements of a farmer up to the national or regional average value.

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

- a 'young farmers' means farmers fulfilling the conditions laid down in Article 50(2) and, where relevant, the conditions referred to in Article 50(3) and (11);
- b 'farmers commencing their agricultural activity' means natural or legal persons who, in the five years preceding the start of the agricultural activity, did not have any agricultural activity in their own name and at their own risk or did not have the control of a legal person exercising an agricultural activity. In the case of a legal person, the natural person or persons in control of the legal person must not have had any agricultural activity in their own name and at their own risk or must not have had the control of a legal person exercising an agricultural activity in the five years preceding the start of the agricultural activity by the legal person; Member States may establish their own additional objective and non-discriminative eligibility criteria for this category of farmers as regards appropriate skills, experience or education.

Article 31

Replenishment of the national reserve or regional reserves

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

- a payment entitlements not giving right to payments during two consecutive years due to the application of:
 - (i) Article 9,
 - (ii) Article 10(1), or
 - (iii) Article 11(4) of this Regulation;
- b a number of payment entitlements equivalent to the total number of payment entitlements which have not been activated by farmers in accordance with Article 32 of this Regulation for a period of two consecutive years, except where their activation has been prevented by force majeure or exceptional circumstances; when establishing the owned or leased-in payment entitlements held by a farmer that shall revert to the national reserve or regional reserves, priority shall be given to those entitlements which have the lowest value;
- c payment entitlements voluntarily returned by farmers;
- d the application of Article 28 of this Regulation;
- e unduly allocated payment entitlements in accordance with Article 63 of Regulation (EU) No 1306/2013;
- f a linear reduction of the value of payment entitlements under the basic payment scheme at national or regional level where the national reserve or regional reserves are not sufficient to cover the cases referred to in Article 30(9) of this Regulation;
- g where Member States consider it necessary, a linear reduction of the value of payment entitlements under the basic payment scheme at national or regional level to cover cases referred to in Article 30(6) of this Regulation;
- h the application of Article 34(4) of this Regulation.

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2 The Commission shall adopt implementing acts laying down necessary measures regarding the reversion of non-activated payment entitlements to the national reserve or regional reserves. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 71(2).

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