

## TITLE VI COORDINATION AND GOVERNANCE

### *Article 106 Managing Authority*

1. Member States shall designate a Managing Authority for their CAP Strategic Plans.  
The Member States shall ensure that the relevant management and control system has been set up in such a way that ensures a clear allocation and separation of functions between the Managing Authority and other bodies. Member States shall be responsible for ensuring that the system functions effectively throughout the CAP Strategic Plan period.
2. The Managing authority shall be responsible for managing and implementing the CAP Strategic Plan in an efficient, effective and correct way. In particular it shall ensure that:
  - (a) there is an appropriate secure electronic system to record, maintain, manage and report statistical information on the plan and its implementation required for the purposes of monitoring and evaluation and, in particular, information required to monitor progress towards the defined objectives and targets;
  - (b) beneficiaries and other bodies involved in the implementation of interventions:
    - (i) are informed of their obligations resulting from the aid granted, and maintain either a separate accounting system or an adequate accounting code for all transactions relating to an operation;
    - (ii) are aware of the requirements concerning the provision of data to the Managing Authority and the recording of outputs and results;
  - (c) the beneficiaries concerned are provided, where appropriate by the use of electronic means, with the list of the statutory management requirements and the minimum standards of good agricultural and environmental condition established pursuant to Section 2 of Chapter 1 of Title III to be applied at farm level, as well as clear and precise information thereon;
  - (d) the ex ante evaluation referred to in Article 119 conforms to the evaluation and monitoring system and that it is accepted and submitted to the Commission;
  - (e) the evaluation plan referred to in Article 120 is in place, that the ex post evaluation referred to in the same Article is conducted within the time limits laid down in that Regulation, ensuring that such evaluations conform to the monitoring and evaluation system and that they are submitted to the Monitoring Committee and the Commission;
  - (f) the Monitoring Committee is provided with the information and documents needed to monitor the implementation of the CAP Strategic Plan in the light of its specific objectives and priorities;
  - (g) the annual performance report is drawn up, including aggregate monitoring tables, and, after the consultation of the Monitoring Committee, is submitted to the Commission;

- (h) relevant follow-up actions on Commission's observations on the annual performance reports are taken;
  - (i) the paying agency receives all necessary information, in particular on the procedures operated and any controls carried out in relation to interventions selected for funding, before payments are authorised;
  - (j) publicity is made for the CAP Strategic Plan, including through the national CAP network, by informing potential beneficiaries, professional organisations, the economic and social partners, bodies involved in promoting equality between men and women, and the non-governmental organisations concerned, including environmental organisations, of the possibilities offered by the CAP Strategic Plan and the rules for gaining access to the CAP Strategic Plan funding as well as by informing beneficiaries and the general public of the Union contribution and support for agriculture and rural development through the CAP strategic plan.
3. The Member State or the Managing Authority may designate one or more intermediate bodies including local authorities, regional development bodies or non-governmental organisations, to carry out the management and implementation of CAP strategic Plan interventions.
  4. When a part of its tasks is delegated to another body, the Managing Authority shall retain full responsibility for the efficiency and correctness of the management and implementation of those tasks. The Managing Authority shall ensure that appropriate provisions are in place to allow the other body to obtain all necessary data and information for the execution of those tasks.
  5. The Commission may adopt implementing acts, laying down uniform conditions for the application of the information and publicity requirements referred to in point (j) of paragraph 2.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 130(3).

#### *Article 107 Monitoring Committee*

[The Monitoring Committee shall be set up and perform its tasks in accordance with Articles [32 to 34] CPR.]

#### *Article 108 Technical assistance at the initiative of the Member States*

1. At the initiative of a Member State, the EAFRD may support actions which are necessary for the effective administration and implementation of support in relation to the CAP Strategic Plan, including the establishing and operating of the national CAP network referred to in Article 109(1).
2. Actions of the Lead Fund authority in accordance with paragraphs (4), (5) and (6) of Article 24 [CPR] may also be supported.
3. Technical assistance at the initiative of the Member States shall not finance certification bodies.

### *Article 109*

#### *European and national Common Agricultural Policy Networks*

1. Each Member State shall establish a national Common Agricultural Policy Network (National CAP network) for the networking of organisations and administrations, advisors, researchers and other innovation actors in the field of agriculture and rural development at national level at the latest 12 months after the approval by the Commission of the CAP Strategic Plan.
2. An European network for the Common Agricultural Policy (European CAP Network) shall be put in place for the networking of national networks, organisations, and administrations in the field of agriculture and rural development at Union level.
3. Networking through the CAP Networks shall have the following objectives:
  - (a) increase the involvement of all stakeholders in the design and implementation of CAP strategic plans;
  - (b) accompany the MS administrations in the implementation of CAP Strategic Plans and the transition to a performance based delivery model;
  - (c) facilitate peer to peer learning and interaction among all agricultural and rural stakeholders;
  - (d) foster innovation and support the inclusion of all stakeholders in the knowledge-exchange and knowledge-building process;
  - (e) support the monitoring and evaluation capacities of all stakeholders;
  - (f) contribute to the dissemination of CAP Strategic Plans results.
4. The tasks of the CAP Networks for the achievement of the objectives referred to in paragraph 3 shall be:
  - (a) collection, analysis and dissemination of information on actions supported under CAP Strategic Plans;
  - (b) contribution to capacity building for Member States administrations and of other actors involved in the implementation of CAP Strategic Plans, including as regards monitoring and evaluation processes;
  - (c) collection and dissemination of good practice;
  - (d) collection of information – including statistics and administrative information - and analysis on developments in agriculture and rural areas relevant to the CAP specific objectives;
  - (e) creation of platforms, fora and events to facilitate exchanges of experience between stakeholders and peer to peer learning, including where relevant exchanges with networks in third countries;
  - (f) support for the strengthening of the AKIS referred to in Article 98(a)(ii) in all Member States and their interaction at EU level;
  - (g) collection of information and facilitation of networking of funded structures and projects [, such as LEADER local action groups referred to in Article 26 (CPR), EIP Operational Groups referred to in Article 110(3) and equivalent structures and projects];

- (h) (support for co-operation projects between LAGs or similar local development structures, including transnational co-operation);
- (i) creation of links to other EU funded strategies or networks;
- (j) contribution to the further development of the CAP and preparation of any subsequent CAP Strategic Plan period;
- (k) in the case of National networks, participating in and contributing to the activities of the EU network.

#### *Article 110*

#### *European Innovation Partnership for Agricultural Productivity and Sustainability*

1. In order to improve the exchange of knowledge and foster innovation a European Innovation Partnership for agricultural productivity and sustainability (EIP) is established.

The EIP shall contribute to achieving the CAP specific objectives referred to in Article 6.

2. The EIP supports the AKIS referred to in Article 98(a)(ii) by connecting policies and instruments to speed up innovation. It shall in particular:

- (a) create added value by better linking research and farming practice and encouraging the wider use of available innovation measures;
- (b) connect innovation actors and projects;
- (c) promote the faster and wider transposition of innovative solutions into practice; and
- (d) inform the scientific community about the research needs of farming practice.

3. In the context of the CAP Strategic Plan and using the cooperation type of intervention referred to in Article 70 Member States may support EIP Operational Group projects.

EIP Operational Groups are based on the interactive innovation model which has as key principles:

- (a) developing innovative solutions focusing on farmers'/foresters' needs while also tackling the interactions across the supply chain where useful,
- (b) bringing together partners with complementary knowledge such as farmers, advisors, researchers, enterprises, NGOs in a targeted combination as best suited to reach the project objectives, and
- (c) co-deciding and co-creating all along the project.

The envisaged innovation can be based on new but also on traditional practices in a new geographical or environmental context.

Operational groups shall disseminate the plans and the results of their projects, in particular through the CAP networks.

# TITLE VII

## MONITORING, REPORTING AND EVALUATION

### CHAPTER 1

#### PERFORMANCE, MONITORING AND EVALUATION FRAMEWORK

##### *Article 111*

##### *Performance, monitoring and evaluation framework*

1. A performance, monitoring and evaluation framework shall be established with a view to measuring the performance of the CAP.
2. The performance, monitoring and evaluation framework shall include the following elements:
  - (a) a set of common context, output, result, and impact indicators, referred to in Article XXX which will be used as the
  - (b) basis for monitoring, evaluation and the annual performance reporting;
  - (c) data collection, storage and transmission;
  - (d) regular reporting on performance, monitoring and evaluation activities;
  - (e) mechanisms for rewarding for good performance and for addressing low performance;
  - (f) the ex-ante, interim, and ex post evaluations and all other evaluation activities linked to the CAP Strategic Plan;
3. The Performance, Monitoring and Evaluation Framework shall cover:
  - (a) the content of CAP Strategic Plans;
  - (b) the market measures and other interventions provided for in Regulation (EU) No XX (CMO).

##### *Article 112*

##### *Objectives of the PMEF*

The performance monitoring and evaluation framework shall aim to:

- (a) assess the impact, effectiveness, efficiency, relevance, coherence and EU added value of the CAP;
- (b) set milestones and targets for CAP Strategic Plans specific objectives;
- (c) monitor progress made towards achieving the CAP Strategic Plan targets;
- (d) assess the impact, effectiveness, efficiency, relevance and coherence of the CAP Strategic Plans interventions;
- (e) support a common learning process related to monitoring and evaluation.

*Article 113*  
*Electronic information system*

Key information on the implementation of the CAP Strategic Plan, on each intervention selected for funding, as well as on completed interventions, needed for monitoring and evaluation, including key information on each beneficiary and operation, shall be recorded and maintained electronically by the Member States.

*Article 114*  
*Provision of information*

Member States shall ensure that beneficiaries of support (under the CAP Strategic Plan interventions and local action groups shall undertake to provide to the Managing Authority or other bodies delegated to perform functions on its behalf, all the information necessary to permit monitoring and evaluation of the CAP Strategic Plan.

Member States shall ensure that comprehensive, complete, timely and reliable data sources are established to enable effective follow-up of policy progress towards objectives using output, result and impact indicators.

*Article 115*  
*Monitoring procedures*

1. The Managing Authority and the Monitoring Committee referred to in Articles 106 and 107 shall monitor the implementation of the CAP Strategic Plan and progress made towards achieving CAP Strategic Plan targets.
2. The Managing Authority and the Monitoring Committee shall monitor each CAP Strategic Plan by means of output and result indicators.

*Article 116*  
*Implementing powers for the performance, monitoring and evaluation framework*

In order to ensure an effective performance measurement, the Commission shall be empowered to adopt implementing acts laying down detailed rules for the performance, monitoring and evaluation framework. This includes, among others, the list of context indicators, other indicators needed for the appropriate monitoring and evaluation of the policy, establishing the methods for the calculation of indicators and the necessary provisions to guarantee accuracy and reliability in the data collected by Member States. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 130(3).

## **CHAPTER 2** **ANNUAL PERFORMANCE REPORTS**

*Article 117*  
*Annual performance reports*

1. By 15 of February of 2023 and 15 of February of each subsequent year until and including [2030], the Member State shall submit to the Commission an annual performance report on the implementation of the CAP Strategic Plan in the previous financial year. The report submitted in 2023 shall cover the financial years 2021/22

and 2022/23. For direct payments as referred to in Chapter II of Title III, the report shall cover only financial year 2022.<sup>37</sup>

2. The last annual performance report, to be submitted by 15 February 20xx, shall comprise a summary of the evaluations carried out during the implementation period.
3. The Commission shall inform the Member State within 15 working days of the date of receipt of the annual performance report if it is not admissible, failing which it shall be deemed admissible.
4. In order to be admissible, the annual performance report shall contain all the information required in paragraphs 5 to 7.
5. Annual performance reports shall set out key qualitative and quantitative information on implementation of the CAP Strategic Plan by reference to financial data, output and result indicators and in accordance with Article 114. They shall also include information about realised outputs, realised expenditure, realised results and distance to respective targets.

For the type of interventions which are not subject to Article 83 of this Regulation, and where the realised output and the realised expenditure ratio deviates by [50%] from annual planned output and expenditure ratio, the Member State shall submit a justification for this deviation.

6. The data transmitted shall relate to achieved values for indicators for partial and fully implemented interventions. They shall also set out a synthesis of the state of implementation of the CAP Strategic Plan realised during the previous financial year, any issues which affect the performance of the CAP Strategic Plan, in particular as regards deviations from milestones, underlining reasons and, where relevant, the measures taken.
7. For financial instruments, in addition to the data to be provided under paragraph 5 information shall be provided on:
  - (a) eligible expenditure by type of financial product;
  - (b) amount of management costs and fees declared as eligible expenditure;
  - (c) the amount, by type of financial product, of private and public resources mobilised in addition to the EAFRD ;
  - (d) interest and other gains generated by support from the EAFRD contribution to financial instruments as referred to in [Article 53] of Regulation (EU) .../... [CPR] and resources returned attributable to support from the EAFRD as referred to in [Articles 55 and 56] of that Regulation [CPR].
8. The Commission shall carry out an Annual Performance Review and an Annual Performance Clearance based on the information provided in the Annual Performance reports. The Commission shall inform the Member States of its observations within 1 month of the date of receipt. Where the Commission does not provide observations within those deadlines, the reports shall be deemed to be accepted.

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9. In the Annual Performance Review, the Commission may make observations to the Member States concerning issues which significantly affect the implementation of the CAP Strategic Plans and the capacity to ensure sufficient progress towards targets. Where such observations are made, Member States shall provide information about remedial actions to be taken, following the procedure set out in Article [39.1] of [HZ regulation]
10. Where the reported value of one or more result indicators reveals a gap of more than 40% from the respective milestone for the reporting year concerned, the Commission may ask the Member State to submit an Action Plan in accordance to in Article [39.1] of HZ Regulation, describing the intended remedial actions and the expected timeframe
11. The annual performance reports, as well as a summary for citizens of their content, shall be made available to the public.
12. The Commission shall be empowered to adopt implementing acts laying down detailed rules for the presentation of the content of the annual performance report Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 130(3).

*Article 118  
Annual Review Meetings*

1. Member States shall organise each year an annual review meeting with the Commission, to take place not earlier than two months after the submission of the annual performance report. The last annual review meeting shall take place by xx/xx/xxxx.
2. The annual review meeting shall aim at examining the performance of each plan, including progress made towards achieving established targets, any issues affecting performance and past or future actions to be taken to address them.

### **CHAPTER 3 CAP STRATEGIC PLAN EVALUATION**

*Article 119  
CAP Strategic Plan ex-ante evaluations*

Member States shall carry out ex ante evaluations, including an analysis of the strength, weaknesses, opportunities and threats relevant for the CAP Strategic Plan concerned in order to identify the needs to be addressed by the CAP Strategic Plan.

*Article 120  
Evaluation of CAP Strategic Plans during the implementation period and ex-post*

1. Evaluations of CAP Strategic Plans shall be carried out by the Member States to improve the quality of the design and implementation of plans, as well as to assess their effectiveness, efficiency, relevance, coherence, EU added value and impact in relation to their contribution to the CAP general and specific objectives.
2. The Member State shall entrust evaluations to functionally independent experts.
3. The Member State shall ensure that procedures are in place to produce and collect the data necessary for evaluations.

4. The Member States shall be responsible for evaluating the adequacy of the CAP Strategic Plan interventions for the purpose of achieving the CAP specific objectives. The Member States shall draw up an evaluation plan providing indications on intended evaluation activities during the implementation period.
5. The Member States shall submit the evaluation plan to the monitoring committee no later than one year after the adoption of the CAP Strategic Plan.
6. The Managing Authority shall be responsible for completing a comprehensive evaluation of the CAP Strategic Plan by xx/xx/xxx.
7. The Member State shall make all evaluations available to the public.

## **CHAPTER 4**

### **PERFORMANCE ASSESSMENT BY THE COMMISSION**

#### *Article 121*

##### *Performance assessment*

1. The Commission shall establish a multiannual evaluation plan of the CAP to be carried out under the responsibility of the Commission.
2. The Commission shall carry out a mid-term assessment to examine the effectiveness, efficiency, relevance, coherence and EU added value of the Funds by the end of 2025 taking into account the indicators set out in Annex VII. The Commission may make use of all relevant information already available in accordance with Article 128 of Financial Regulation.
3. The Commission shall carry out a retrospective evaluation to examine the effectiveness, efficiency, relevance, coherence and EU added value of the Funds.
4. Based on evidence provided in evaluations on the CAP, including evaluations on CAP Strategic Plans, as well as other relevant information sources, the Commission shall present an initial report on the implementation of this Article, including first results on the performance of the CAP, to the European Parliament and the Council by 31 December 2025. A second report including an assessment of the performance of the CAP shall be presented by 31 December 2031.

#### *Article 122*

##### *General Provisions*

1. Member States shall provide the Commission with all the necessary information enabling it to perform the monitoring and evaluation of the CAP.
2. Data needed for the context and impact indicators shall primarily come from established data sources, such as the Farm Accountancy Data Network and Eurostat. Where data for these indicators are not available or not complete, the gaps shall be addressed in the context of the European Statistical Programme established under Regulation (EC) No 223/2009, the legal framework governing the Farm Accountancy Network or through formal agreements with other data providers such as the Joint Research Centre and the European Environment Agency.
3. Existing administrative registers such as the IACS, LPIS, animal and vineyard registers shall be maintained. The IACS and LPIS shall be further developed to better meet the statistical needs of the CAP. Data from administrative registers shall be

used as much as possible for statistical purposes, in cooperation with statistical authorities in Member States and with Eurostat.

4. The Commission may adopt implementing acts, laying down rules on the information to be sent by the Member States, taking into account the need to avoid any undue administrative burden, as well as rules on the data needs and synergies between potential data sources. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 130(3).

## **CHAPTER 5- INCENTIVE SYSTEM FOR GOOD ENVIRONMENTAL AND CLIMATE PERFORMANCE**

### *Article 123*

#### *Performance bonus*

1. A performance bonus may be assigned to Member States in the year [2026] to reward satisfactory performance in relation to the environmental and climate targets provided the Member States have met the condition mention in Article 124 (1).
2. The performance bonus shall be equal to 5% of the amount per Member State for financial year 2027 laid down in accordance with Article 80(3).

Resources transferred to or from the European Agricultural Guarantee Fund to the European Agricultural Fund for Rural Development under Articles 15 and 86 are excluded for the purpose of calculating the performance bonus.

### *Article 124*

#### *Attribution of the performance bonus*

1. Based on the performance review of the year [2026], the performance bonus withheld from Member State's allocation following the second paragraph of [article above] shall be attributed to this Member State if the result indicators applied to the specific objectives 4, 5 and 6 (reference to article on objectives) of its CAP Strategic Plan have achieved at least 90% of their target value for the year [2025].
2. The Commission shall within two months of the receipt of the annual performance report in the year [2026] adopt a decision, by means of implementing acts, to determine for each Member State whether the respective CAP Strategic Plans have achieved the target values referred to in paragraph 1. Those implementing acts shall be adopted without applying the Committee procedure referred to in Article 130.
3. Where the target values referred to in paragraph 1 are achieved, the amount of the performance bonus shall be released by the Commission to those Member States and considered to be definitely allocated to financial year 2027 on the basis of the Commission decision referred to in paragraph 2.
4. Where the target values referred to in paragraph 1 are not achieved, the commitments for financial year 2027 relating to the amount of the performance bonus of the Member States concerned shall not be released by the Commission.
5. [derogations for allowing attribution of the performance bonus in cases of force majeure, serious socio-economic crises etc. may also be envisaged]

6. The Commission shall adopt implementing acts, laying down the detailed arrangements to ensure a consistent approach for determining the attribution of the performance bonus to Member States. (Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 130(3).)

## TITLE VIII COMPETITION PROVISIONS

### *Article 125*

#### *Rules applying to undertakings*

Where support under Title III of this Regulation is granted to forms of co-operation between undertakings, it may be granted only to such forms of co-operation which comply with the competition rules as they apply by virtue of Articles 206 to 209 of the Regulation of the European Parliament and the Council (EU) No [CMO Regulation].

### *Article 126*

#### *State aid*

1. Save as otherwise provided for in this Title, Articles 107, 108 and 109 TFEU shall apply to support under this Regulation.
2. Articles 107, 108 and 109 TFEU shall not apply to payments made by Member States pursuant to, and in conformity with, this Regulation, or to additional national financing referred to in Article 117, within the scope of Article 42 TFEU.
3. By derogation from paragraph 2, Articles 107, 108 and 109 TFEU shall apply to support provided for an investment project falling both within and outside the scope of Article 42 TFEU, save where support for working capital is provided through a financial instrument.

### *Article 127*

#### *Additional national financing*

Payments made by Member States in relation to operations falling within the scope of Article 42 TFEU and intended to provide additional financing for interventions for which Union support is granted at any time during the CAP Strategic Plan period, shall be included by Member States in the CAP Strategic Plans as provided for in paragraph 5 of Article 99 and, where they comply with the requirements under this Regulation shall be approved by the Commission.

### *Article 128*

#### *National fiscal measures*

Articles 107 to 109 TFEU shall not apply to national fiscal measures whereby Member States decide to deviate from general tax rules by allowing for the income tax base applied to farmers to be calculated on the basis of a multiannual period.

# TITLE IX

## FINAL PROVISIONS

### CHAPTER 1

#### DELEGATIONS OF POWERS

##### *Article 129*

##### *Exercise of delegation*

1. The power to adopt delegated acts referred to in 4, 12, 13(5), 23, 28, 32, 35, 36, 37, 76, 78, 100 and 136 is conferred on the Commission subject to the conditions laid down in this Article.
2. The power to adopt delegated acts shall be conferred on the Commission for a period of seven years from the date of entry into force of this Regulation. The Commission shall draw up a report in respect of the delegation of power not later than nine months before the end of the seven-year period. The delegation of power shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than three months before the end of each period.
3. The power to adopt delegated acts may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the powers specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.
4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.
5. A delegated act shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

##### *Article 130*

##### *Committee procedure*

1. The Commission shall be assisted by a committee called "Common Agricultural Policy Committee". That Committee shall be a committee within the meaning of Regulation (EU) No [182/2011].
2. Where reference is made to this paragraph, Article [5] of Regulation (EU) [No 182/2011] shall apply.

[In the case of acts referred to in Articles XXX, where the committee delivers no opinion, the Commission shall not adopt the draft implementing act and the third subparagraph of Article 5(4) of Regulation (EU) No 182/2011 shall apply.]

3. Where reference is made to this paragraph, Article 8 of Regulation (EU) No 182/2011, in conjunction with Article 5 thereof, shall apply.

## **CHAPTER 2**

### **INFORMATION SYSTEM AND PROTECTION OF PERSONAL DATA**

#### *Article 131*

##### *Exchange of information and documents*

1. The Commission, in collaboration with the Member States, shall establish an information system to enable the secure exchange of data of common interest between the Commission and each Member State. The Commission shall adopt implementing acts, laying down rules for the operation of that system. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 130(3).
2. The Commission shall ensure that there is an appropriate secure electronic system in which key information and report on monitoring and evaluation can be recorded, maintained and managed.

#### *Article 132*

##### *Processing and protection of personal data*

1. Member States and the Commission shall collect personal data for the purpose of carrying out their respective management control, monitoring and evaluation obligations under this Regulation, and in particular those laid down in Titles VI and VII, and shall not process this data in a way which is incompatible with this purpose.
2. Where personal data are processed for monitoring and evaluation purposes under Title VII using the secure electronic system referred to in Article 121, they shall be made anonymous, and processed in aggregated form only.
3. Personal data shall be processed in accordance with the rules of Directive 95/46/EC and Regulation (EC) No 45/2001. In particular, such data shall not be stored in a form which permits identification of data subjects for longer than is necessary for the purposes for which they were collected or for which they are further processed, taking into account the minimum retention periods laid down in the applicable national and Union law.
4. Member States shall inform the data subjects that their personal data may be processed by national and Union bodies in accordance with paragraph 1 and that in this respect they enjoy the rights set out in the data protection rules of, respectively, Directive 95/46/EC and Regulation (EC) No 45/2001.
5. Articles [96 to 98] of Regulation (EU) HzR shall apply to this Article.

## CHAPTER 3 TRANSITIONAL AND FINAL PROVISIONS

### *Article 133*

#### *Measures to resolve specific problems*

1. In order to resolve specific problems, the Commission shall adopt implementing acts which are both necessary and justifiable in an emergency. Such implementing acts may derogate from provisions of this Regulation, to the extent and for such a period as is strictly necessary. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 130(3)
2. Where duly justified imperative grounds of urgency so require, and in order to resolve such specific problems while ensuring the continuity of the direct payments system in the case of extraordinary circumstances, the Commission shall adopt immediately applicable implementing acts in accordance with the procedure referred to in Article 130(4).
3. Measures adopted under paragraph 1 or 2 shall remain in force for a period not exceeding twelve months. If after this period the specific problems referred to in those paragraphs persist, the Commission may, in order to establish a permanent solution, submit an appropriate legislative proposal.
4. The Commission shall inform the European Parliament and the Council of any measure adopted under paragraph 1 or 2 within two working days of its adoption.

### *Article 134*

#### *Application to the outermost regions and the smaller Aegean islands*

1. For direct payments granted in the outermost regions of the Union in accordance with Chapter IV of Regulation (EU) No 228/2013 only point (a) and (b) of Article 3(2), point (a), (b), (d) of Article 4, Title III Chapter I, Section 2, Article 17 [minimum requirements] and Title IX [Final provisions] of this Regulation shall apply. Article 4 point (a), (b), (d), Title III Chapter I, Section 2, [conditionality], Article 17 and Title IX [Final provisions] shall apply without any obligations related to the CAP Strategic Plan. [Provisions intend to keep status quo by making the general provisions for direct payments applicable with exception of reduction of payment - as established today in Regulation (EC) No 1307/2013 where only Titles I, II, VI and VII apply and Art.11 doesn't apply].
2. For direct payments granted in the smaller Aegean islands in accordance with Chapter IV of Regulation (EU) No 229/2013 only point (a) and (b) of Article 3, Article 4 [framework definitions], Title III Chapter I, Section 2 [conditionality], Title III Chapter 2 Sections 1 and 2 [provisions on Direct payments interventions with the exception of reduction of payments] and Title IX [Final provisions] of this Regulation shall apply. Article 4 Title III Chapter I, Section 2, [conditionality], Title III Chapter 2, Sections 1 and 2 and Title IX [Final provisions] shall apply without any obligations related to the CAP Strategic Plan [Note: again like today in 1307/2013 – see above].

### *Article 135*

#### *Repeals*

1. Regulation (EU) No 1305/2013 is repealed with effect from [...].  
However, it shall continue to apply to operations implemented pursuant to rural development programmes approved by the Commission under that Regulation before 1 January [2021].  
The following provisions of Regulation (EU) No 1305/2013 shall continue to apply: Article 32 and Annex III. References to the rural development programmes shall be read as references to the CAP Strategic Plans.
2. Regulation (EU) No 1307/2013 is repealed.  
However, it shall continue to apply in respect of aid applications relating to claim years starting before 1 January [2021].
3. The following provisions of Regulation (EU) No 1307/2013 shall continue to apply:
  - (a) as regards specific provisions for Croatia: Chapter 2 of Title II, Article 17, Article 19, and Annex I, where relevant until 2021;”

### *Article 136*

#### *Transitional provisions*

In order to facilitate the transition from the arrangements provided for in Regulations (EU) No 1305/2013 and (EU) No 1307/2013 to those laid down in this Regulation, the Commission shall be empowered to adopt delegated acts in accordance with Article 129, supplementing the provisions of this Regulation concerning the necessary measures to protect any acquired rights any acquired rights and legitimate expectations of beneficiaries. [Those transitional rules shall in particular lay down the conditions under which support approved by the Commission under Regulation (EU) No 1305/2013 may be integrated into support provided for under this Regulation, including for technical assistance and for the ex-post evaluations.]

### *Article 137*

#### *Entry into force and application*

1. This Regulation shall enter into force on the [...] day [following that] of its publication in the *Official Journal of the European Union*.  
Unless otherwise provided for in paragraphs 2 and 3, it shall apply from 1 January [2021].
2. Titles V and VI shall apply from the date of entry into force.
3. Titles I, II, III, IV, VIII and IX shall apply from the date of entry into force for the purpose of the establishment of the CAP strategic plans by Member States and of the possibility for approval by the Commission before the date of application of this Regulation.

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

Done at Brussels,

*For the European Parliament*  
*The President*

*For the Council*  
*The President*

## LEGISLATIVE FINANCIAL STATEMENT

### **1. FRAMEWORK OF THE PROPOSAL/INITIATIVE**

- 1.1. Title of the proposal/initiative
- 1.2. Policy area(s) concerned in the ABM/ABB structure
- 1.3. Nature of the proposal/initiative
- 1.4. Objective(s)
- 1.5. Grounds for the proposal/initiative
- 1.6. Duration and financial impact
- 1.7. Management mode(s) planned

### **2. MANAGEMENT MEASURES**

- 2.1. Monitoring and reporting rules
- 2.2. Management and control system
- 2.3. Measures to prevent fraud and irregularities

### **3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE**

- 3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected
- 3.2. Estimated impact on expenditure
  - 3.2.1. *Summary of estimated impact on expenditure*
  - 3.2.2. *Estimated impact on operational appropriations*
  - 3.2.3. *Estimated impact on appropriations of an administrative nature*
  - 3.2.4. *Compatibility with the current multiannual financial framework*
  - 3.2.5. *Third-party contributions*
- 3.3. Estimated impact on revenue

## LEGISLATIVE FINANCIAL STATEMENT

### 1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

#### 1.1. Title of the proposal/initiative

[...]

[...]

#### 1.2. Policy area(s) concerned in the ABM/ABB structure<sup>38</sup>

[...]

[...]

#### 1.3. Nature of the proposal/initiative

The proposal/initiative relates to a **new action**

The proposal/initiative relates to a **new action following a pilot project/preparatory action**<sup>39</sup>

The proposal/initiative relates to **the extension of an existing action**

The proposal/initiative relates to **an action redirected towards a new action**

#### 1.4. Objective(s)

##### 1.4.1. *The Commission's multiannual strategic objective(s) targeted by the proposal/initiative*

[...]

[...]

##### 1.4.2. *Specific objective(s) and ABM/ABB activity(ies) concerned*

Specific objective No

[...]

ABM/ABB activity(ies) concerned

[...]

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<sup>38</sup> ABM: activity-based management; ABB: activity-based budgeting.

<sup>39</sup> As referred to in Article 54(2)(a) or (b) of the Financial Regulation.

**1.4.3. Expected result(s) and impact**

*Specify the effects which the proposal/initiative should have on the beneficiaries/groups targeted.*

[...]
[...]
[...]

**1.4.4. Indicators of results and impact**

*Specify the indicators for monitoring implementation of the proposal/initiative.*

[...]
[...]

**1.5. Grounds for the proposal/initiative**

**1.5.1. Requirement(s) to be met in the short or long term**

[...]
[...]

**1.5.2. Added value of EU involvement**

[...]
[...]

**1.5.3. Lessons learned from similar experiences in the past**

[...]
[...]

**1.5.4. Compatibility and possible synergy with other appropriate instruments**

[...]
[...]



**2. MANAGEMENT MEASURES**

**2.1. Monitoring and reporting rules**

*Specify frequency and conditions.*

[...]
[...]

**2.2. Management and control system**

**2.2.1. Risk(s) identified**

[...]
[...]

**2.2.2. Information concerning the internal control system set up**

[...]
[...]

**2.2.3. Estimate of the costs and benefits of the controls and assessment of the expected level of risk of error**

[...]
[...]

**2.3. Measures to prevent fraud and irregularities**

*Specify existing or envisaged prevention and protection measures.*

[...]
[...]

### 3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

#### 3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected

- Existing budget lines

*In order of multiannual financial framework headings and budget lines.*

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number [...]Heading..... .....]		Diff./Non-diff. <sup>41</sup>	from EFTA countries <sup>42</sup>	from candidate countries <sup>43</sup>	from third countries
	[...][XX.YY.YY.YY]	Diff./Non-diff.	YES/N O	YES/NO	YES/N O	YES/NO

- New budget lines requested

*In order of multiannual financial framework headings and budget lines.*

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number [...]Heading..... .....]		Diff./Non-diff.	from EFTA countries	from candidate countries	from third countries
	[...][XX.YY.YY.YY]		YES/N O	YES/NO	YES/N O	YES/NO

<sup>41</sup> Diff. = Differentiated appropriations / Non-diff. = Non-differentiated appropriations.

<sup>42</sup> EFTA: European Free Trade Association.

<sup>43</sup> Candidate countries and, where applicable, potential candidate countries from the Western Balkans.

### 3.2. Estimated impact on expenditure

[This section should be filled in using the spreadsheet on budget data of an administrative nature (second document in annex to this financial statement) and uploaded to CISNET for interservice consultation purposes.]

#### 3.2.1. Summary of estimated impact on expenditure

EUR million (to three decimal places)

Heading of multiannual financial framework	Number	...  Heading...  ...					TOTAL
		Year N+4	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point I.6)	
DG: <.....>							
• Operational appropriations							
Number of budget line		Commitments (1)					
		Payments (2)					
Number of budget line		Commitments (1a)					
		Payments (2a)					
Appropriations of an administrative nature financed from the envelope of specific programmes <sup>4)</sup>							
Number of budget line							
		(3)					
<b>TOTAL appropriations for DG &lt;.....&gt;</b>		Commitments					
		= (1+1a) + (2+2a)					
		Payments					
		= (2+2a)					

<sup>4)</sup> Year N is the year in which implementation of the proposal/initiative starts.

<sup>5)</sup> Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former 'BA' lines), indirect research, direct research.



Heading of multiannual financial framework	5	Administrative expenditure*					
--	---	-----------------------------	--	--	--	--	--

EUR million (to three decimal places)

DG: <.....>	Year N	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)	TOTAL
• Human resources						
• Other administrative expenditure						
<b>TOTAL DG &lt;.....&gt;</b>						

<b>TOTAL appropriations under HEADING 5 of the multiannual financial framework</b>						
(Total commitments – Total payments)						

EUR million (to three decimal places)

	Year N <sup>46</sup>	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)	TOTAL
<b>TOTAL appropriations under HEADINGS 1 to 5 of the multiannual financial framework</b>						
Commitments						
Payments						

<sup>46</sup> Year N is the year in which implementation of the proposal/initiative starts.

### 3.2.2. Estimated impact on operational appropriations

- The proposal/initiative does not require the use of operational appropriations
- The proposal/initiative requires the use of operational appropriations, as explained below:

Commitment appropriations in EUR million (to three decimal places)

Indicate objectives and outputs	Year N	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)					TOTAL		
					Cost	Cost	Cost	Cost	Cost		Cost	Total No
↓	€	€	€	€	€	€	€	€	€	€		
<b>OUTPUTS</b>												
SPECIFIC OBJECTIVE No 1 <sup>46</sup> ...												
- Output												
- Output												
- Output												
Subtotal for specific objective No 1												
SPECIFIC OBJECTIVE No 2 ...												
- Output												
Subtotal for specific objective No 2												
<b>TOTAL COST</b>												

<sup>47</sup> Outputs are products and services to be supplied (e.g.: number of student exchanges financed, number of km of roads built, etc.).

<sup>48</sup> As described in point 1.4.2. 'Specific objectives(s)...

3.2.3. *Estimated impact on appropriations of an administrative nature*

3.2.3.1. Summary

- The proposal/initiative does not require the use of appropriations of an administrative nature
- The proposal/initiative requires the use of appropriations of an administrative nature, as explained below:

EUR million (to three decimal places)

	Year N <sup>49</sup>	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)	TOTAL
<b>HEADING 5 of the multiannual financial framework</b>						
Human resources						
Other administrative expenditure						
<b>Subtotal HEADING 5 of the multiannual financial framework</b>						
<b>Outside HEADING 5<sup>50</sup> of the multiannual financial framework</b>						
Human resources						
Other expenditure of an administrative nature						
<b>Subtotal outside HEADING 5 of the multiannual financial framework</b>						
<b>TOTAL</b>						

The appropriations required for human resources and other expenditure of an administrative nature will be met by appropriations from the DG that are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

<sup>49</sup> Year N is the year in which implementation of the proposal/initiative starts.

<sup>50</sup> Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former "BA" lines), indirect research, direct research.

### 3.2.3.2. Estimated requirements of human resources

- The proposal/initiative does not require the use of human resources.
- The proposal/initiative requires the use of human resources, as explained below:

*Estimate to be expressed in full time equivalent units*

	Year N	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)
<b>• Establishment plan posts (officials and temporary staff)</b>					
XX 01 01 01 (Headquarters and Commission's Representation Offices)					
XX 01 01 02 (Delegations)					
XX 01 05 01 (Indirect research)					
10 01 05 01 (Direct research)					
<b>• External staff (in Full Time Equivalent unit: FTE)<sup>51</sup></b>					
XX 01 02 01 (AC, END, INT from the 'global envelope')					
XX 01 02 02 (AC, AL, END, INT and JED in the delegations)					
XX 01 04 yy <sup>52</sup>	- at Headquarters				
	- in Delegations				
XX 01 05 02 (AC, END, INT - Indirect research)					
10 01 05 02 (AC, END, INT - Direct research)					
Other budget lines (specify)					
<b>TOTAL</b>					

XX is the policy area or budget title concerned.

The human resources required will be met by staff from the DG who are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG (under the annual allocation procedure and in the light of budgetary constraints).

Description of tasks to be carried out:

Officials and temporary staff	
-------------------------------	--

<sup>51</sup> AC= Contract Staff; AL = Local Staff; END= Seconded National Expert; INT = agency staff; JED= Junior Experts in Delegations.

<sup>52</sup> Sub-ceiling for external staff covered by operational appropriations (former 'BA' lines).

External staff	
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3.2.4. *Compatibility with the current multiannual financial framework*

- The proposal/initiative is compatible the current multiannual financial framework.
- The proposal/initiative will entail reprogramming of the relevant heading in the multiannual financial framework.

Explain what reprogramming is required, specifying the budget lines concerned and the corresponding amounts.  
[...]

- The proposal/initiative requires application of the flexibility instrument or revision of the multiannual financial framework.

Explain what is required, specifying the headings and budget lines concerned and the corresponding amounts.  
[...]

3.2.5. *Third-party contributions*

- The proposal/initiative does not provide for co-financing by third parties.
- The proposal/initiative provides for the co-financing estimated below:

Appropriations in EUR million (to three decimal places)

	Year N	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)			Total
Specify the co-financing body								
TOTAL appropriations co-financed								

### 3.3. Estimated impact on revenue

- The proposal/initiative has no financial impact on revenue.
- The proposal/initiative has the following financial impact:
  - on own resources
  - on miscellaneous revenue

EUR million (to three decimal places)

Budget revenue line:	Appropriations available for the current financial year	Impact of the proposal/initiative <sup>52</sup>				
		Year N	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)
Article .....						

For miscellaneous 'assigned' revenue, specify the budget expenditure line(s) affected.

[...]

Specify the method for calculating the impact on revenue.

[...]

<sup>52</sup> As regards traditional own resources (customs duties, sugar levies), the amounts indicated must be net amounts, i.e. gross amounts after deduction of 25 % for collection costs.