

Tuesday 7 June 2005

P6_TA(2005)0215

EAFRD support for rural development *

European Parliament legislative resolution on the proposal for a Council regulation on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) (COM(2004)0490 — C6-0181/2004 — 2004/0161(CNS))

(Consultation procedure)

The European Parliament,

- having regard to the Commission proposal to the Council (COM(2004)0490) ⁽¹⁾,
 - having regard to Article 37 of the EC Treaty, pursuant to which the Council consulted Parliament (C6-0181/2004),
 - having regard to Rule 51 of its Rules of Procedure,
 - having regard to the opinion of the European Economic and Social Committee (CESE 251/05),
 - having regard to the report of the Committee on Agriculture and Rural Development and the opinions of the Committee on Budgets and the Committee on Regional Development (A6-0145/2005),
1. Approves the Commission proposal as amended;
 2. Calls on the Commission to alter its proposal accordingly, pursuant to Article 250(2) of the EC Treaty;
 3. Calls on the Council to notify Parliament if it intends to depart from the text approved by Parliament;
 4. Asks the Council to consult Parliament again if it intends to amend the Commission proposal substantially;
 5. Instructs its President to forward its position to the Council and Commission.

TEXT PROPOSED
BY THE COMMISSION

AMENDMENTS
BY PARLIAMENT

Amendment 1

Recital 3

(3) The reform of the CAP in June 2003 and April 2004 introduced major changes likely to have a significant impact on the economy across the whole rural territory of the Community in terms of agricultural production patterns, land management methods, employment and the wider social and economic conditions in rural areas.

(3) The reform of the CAP in June 2003 and April 2004 introduced major changes likely to have a significant impact on the economy across the whole rural territory of the Community in terms of **the structural development of agriculture, regional distribution and intensity of production, as well as** agricultural production patterns, land management methods, employment and the wider social and economic conditions in rural areas.

Amendment 2

Recital 3 a (new)

(3a) In the coming years, the European food and agriculture sector will become increasingly liberalised, and will have to be able to compete in the global marketplace. EU common policies should provide opportunities for improved competitiveness through innovation.

Amendment 3

Recital 3 b (new)

(3b) Increased competitiveness in the food and agricultural sector in rural areas will require the development of European quality labels that reflect food safety, documentation of production processes (traceability), animal welfare, environment and working conditions.

⁽¹⁾ Not yet published in OJ.

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TEXT PROPOSED
BY THE COMMISSIONAMENDMENTS
BY PARLIAMENT

Amendment 4

Recital 5

(5) The Community may take measures in accordance with the principle of subsidiarity as provided for in Article 5 of the Treaty. Since the goal of rural development cannot be achieved adequately by the Member States given the links between it and the other instruments of the Common Agricultural Policy, the extent of the disparities between rural areas and the limits on the financial resources of the Member States in an enlarged Union, it can be better achieved at Community level through the multiannual guarantee of Community finance and by concentrating it on its priorities. According to the principle of proportionality as stated in Article 5 of the Treaty, the present Regulation does not exceed what is necessary to achieve this goal.

(5) The Community may take measures in accordance with the principle of subsidiarity as provided for in Article 5 of the Treaty. Since the goal of rural development cannot be achieved adequately by the Member States given the links between it and the other instruments of the common agricultural policy, the extent of the disparities between rural areas and the limits on the financial resources of the Member States in an enlarged Union, it can be better achieved at Community level through the multiannual guarantee of Community finance and by concentrating it on its priorities. **The European Union must ensure that this Regulation is made financially viable through the allocation of sufficient funding to enable both old and new rural-development activities to be funded.** According to the principle of proportionality as stated in Article 5 of the Treaty, the present Regulation does not exceed what is necessary to achieve this goal.

Amendment 5

Recital 6

(6) The activities of the European Agricultural Fund for Rural Development, hereinafter called the 'Fund', and the operations to which it contributes must be consistent and compatible with the other Community policies and comply with all Community legislation.

(6) The activities of the European Agricultural Fund for Rural Development, hereinafter called the 'Fund', and the operations to which it contributes must be consistent and compatible with **cohesion policy in rural areas and** the other Community policies and comply with all Community legislation.

Amendment 6

Recital 7

(7) In its action in favour of rural development the Community takes care to encourage the elimination of disparities and the promotion of equality between women and men in accordance with Articles 2 and 3 of the Treaty.

(7) In its action in favour of rural development the Community takes care to encourage the elimination of disparities and the promotion of **non-discrimination and** equality between women and men in accordance with Articles 2 and 3 of the Treaty.

Amendment 7

Recital 11

(11) To ensure the sustainable development of rural areas it is necessary to focus on a limited number of core priority objectives at Community level relating to agricultural and forestry competitiveness, land management and environment, and quality of life and diversification of activities in those areas.

(11) To ensure the sustainable development of rural areas it is necessary to focus on a limited number of core priority objectives at Community level relating to agricultural and forestry competitiveness, land management and environment, and quality of life and diversification of activities in those areas, **taking into account, however, the diversity of situations within the EU, ranging from remote rural areas suffering from depopulation and decline to peri-urban areas under increasing pressure from urban centres.**

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TEXT PROPOSED
BY THE COMMISSIONAMENDMENTS
BY PARLIAMENT

Amendment 8

Recital 16

(16) The granting of specific benefits to young farmers may facilitate both their initial establishment and the structural adjustment of their holdings after their initial setting up. The setting-up measure should be **streamlined by granting a single premium and made conditional on the establishment of a business plan ensuring the development of young farmers' activities.**

(16) The granting of specific benefits to young farmers may facilitate both their initial establishment and the structural adjustment of their holdings after their initial setting up. The setting-up measure should be **conditional upon the presentation of a suitable business plan as an instrument to ensure over time the development of the activity of the new undertaking. In order to facilitate the starting-up and development of the new undertaking this business plan should be backed up by appropriate incentives, by means of an integrated package of measures concerning the various axes of intervention.**

Amendment 9

Recital 23

(23) Improvements in the processing and marketing of primary agricultural and forestry production should be encouraged by means of support for investments aimed at improving efficiency in the processing and marketing sector, promoting the processing of agricultural and forestry production for renewable energy, introducing new technologies, opening new market opportunities for agricultural and forestry products, putting emphasis on quality, improving performance in the environmental protection, occupational safety, hygiene and animal welfare fields, **as appropriate, by targeting small and** micro-enterprises which are better placed to add value to local products, while simplifying the conditions for investment aid as compared with those laid down in Council Regulation (EC) No 1257/1999.

(23) Improvements in the processing and marketing of primary agricultural and forestry production should be encouraged by means of support for investments aimed at improving efficiency in the processing and marketing sector, promoting the processing of agricultural and forestry production for renewable energy, introducing new technologies, opening new market opportunities for agricultural and forestry products, putting emphasis on quality, improving performance in the environmental protection, occupational safety, hygiene and animal welfare fields, by **supporting micro-enterprises, small and medium-sized enterprises and collective producer entities,** which are better placed to add value to local products, while simplifying the conditions for investment aid as compared with those laid down in Council Regulation (EC) No 1257/1999.

Amendment 10

Recital 32

(32) Natural handicap payments in mountain areas and payments in other areas with handicaps should contribute, through continued use of agricultural land, to maintaining the countryside, and the maintenance and promotion of sustainable farming systems. Objective parameters for fixing the level of payments should be laid down in order to ensure the efficiency of this support scheme and ensure that its objectives are achieved.

(32) Natural handicap payments in mountain areas and payments in other areas with handicaps should contribute, through continued use of agricultural land, to maintaining the countryside, and the maintenance and promotion of sustainable farming systems. Objective parameters for fixing the level of payments should be laid down in order to ensure the efficiency of this support scheme and ensure that its objectives are achieved. **While maintaining the requisite continuity in the demarcation of areas with handicaps, in future the basic concept should focus mainly on natural handicaps within a Member State. For the system of compensatory payments, Member States should be called upon to develop systems which differentiate objectively. The Commission is called upon to submit a comprehensive study on how to define areas with handicaps, looking at all relevant aspects. Until then, the current definition should apply.**

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TEXT PROPOSED
BY THE COMMISSIONAMENDMENTS
BY PARLIAMENT

Amendment 11

Recital 33

(33) Support should continue to be granted to farmers to help address specific disadvantages in the areas concerned resulting from the implementation of Council Directive 79/409/EEC of 2 April 1979 on the conservation of wild birds and Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora in order to contribute to the effective management of NATURA 2000 sites.

(33) **While** support should continue to be granted to farmers **and forest holders** to help address specific disadvantages in the areas concerned resulting from the implementation of Council Directive 79/409/EEC of 2 April 1979 on the conservation of wild birds and Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora in order to contribute to the effective management of NATURA 2000 sites, **the European Agricultural Fund for Rural Development should be only a secondary source of such funding. In addition to other European funds, the primary sources of funding are, above all, the national and regional budgets.**

Amendment 12

Recital 34

(34) Agri-environmental payments should continue to play a prominent role in supporting the sustainable development of rural areas and in responding to society's increasing demand for environmental services. They should further encourage farmers to serve society as a whole by introducing or continuing to apply agricultural production methods compatible with the protection and improvement of the environment, the landscape and its features, natural resources, the soil and genetic diversity. In accordance with the polluter-pays principle these payments should cover only those commitments going beyond the relevant mandatory standards.

(34) Agri-environmental payments should continue to play a prominent role in supporting the sustainable development of rural areas and in responding to society's increasing demand for environmental services. They should further encourage farmers to serve society as a whole by introducing or continuing to apply agricultural production methods compatible with the protection and improvement of the environment, the landscape and its features, natural resources, the soil and genetic diversity. In accordance with the polluter-pays principle these payments should cover only those commitments going beyond the relevant mandatory standards, **with provision for effective support elements in addition to compensation for the effects on costs and profits.**

Amendment 13

Recital 45

(45) There is a need to accompany changes in rural areas by helping them to diversify farming activities towards non-agricultural activities and develop non-agricultural sectors, promote employment, improve basic services and carry out investments making rural areas more attractive in order to reverse trends towards economic and social decline and depopulation of the countryside. An effort to enhance the human potential in this respect is also necessary.

(45) There is a need to accompany changes in rural areas by helping them to diversify farming activities towards non-agricultural activities and develop non-agricultural sectors, promote employment, improve basic services and carry out investments making rural areas more attractive in order to reverse trends towards economic and social decline and depopulation of the countryside. An effort to enhance the human potential in this respect is also necessary. **Rural development measures, particularly those under priority axis III, should be implemented in addition to existing policies and thereby create specific synergies in rural areas.**

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TEXT PROPOSED
BY THE COMMISSION

AMENDMENTS
BY PARLIAMENT

Amendment 14

Recital 50

(50) Given the importance of the LEADER approach, **a substantial** share of the contribution of the Fund should be earmarked for this priority.

(50) Given the importance of the LEADER approach, **an adequate** share of the contribution of the Fund should be earmarked for this priority.

Amendment 15

Recital 56

(56) Over and above these amounts the Member States must take account of the amounts generated by modulation as provided for in Article 12(2) of Regulation (EC) No .../... [on the financing of the CAP].

(56) Over and above these amounts the Member States must take account of the amounts generated by modulation as provided for in Article 12(2) of Regulation (EC) No .../... [on the financing of the CAP], **which amounts, given that they originate in the first pillar, should be used to provide direct support for the common agricultural policy in farming and forestry, in particular by increasing aid to the farmers that receive least.**

Amendment 16

Recital 58

(58) The rate of the Fund's contribution to rural development programming should be set in relation to public expenditure in the Member States, taking account of the importance of the priority for land management and environment, the situation in the regions covered by the Convergence Objective, the **priority** given to the LEADER approach, the outermost regions referred to in Article 299 of the Treaty and the islands covered by Council Regulation (EEC) No 2019/93 of 19 July 1993 introducing specific measures for the smaller Aegean islands concerning certain agricultural products⁷.

(58) The rate of the Fund's contribution to rural development programming should be set in relation to public expenditure in the Member States, taking account of the importance of the priority for land management and environment, the situation in the regions covered by the Convergence Objective, the **importance** given to the LEADER approach, the outermost regions referred to in Article 299 of the Treaty and the islands covered by Council Regulation (EEC) No 2019/93 of 19 July 1993 introducing specific measures for the smaller Aegean islands concerning certain agricultural products⁷.

Amendment 17

Recital 66

(66) **The Community reserve for the LEADER approach should be allocated taking the performance of the programmes in this respect into account. The criteria for its allocation should be laid down accordingly.**

deleted

Amendment 18

Article 3

The Fund contributes to the promotion of sustainable rural development throughout the Community in a complementary manner to the market and income support policies of the Common Agricultural Policy, to Cohesion policy and to the Common Fisheries Policy.

With specific reference to Article 33(1) of the Treaty, and placing particular emphasis on the objectives of the common agricultural policy, the Fund contributes to the promotion of sustainable rural **territory** development throughout the Community **and to the prevention of depopulation of rural areas** in a complementary manner to the market and income support policies of the Common Agricultural Policy, to Cohesion Policy, **to policies on social inclusion, non-discrimination and promotion of equal opportunities** and to the Common Fisheries Policy.

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TEXT PROPOSED
BY THE COMMISSIONAMENDMENTS
BY PARLIAMENT

Amendment 19

Article 4, paragraph 1, point (a)

(a) improving the competitiveness of agriculture and forestry by means of support for restructuring;

(a) improving the competitiveness of agriculture and forestry by means of support for **development and restructuring, innovation, training and professional qualifications**;

Amendment 20

Article 4, paragraph 1, point (b)

(b) improving the environment **and** the countryside by means of support for land management;(b) improving the environment, the countryside **and farming of the land** by means of support for **sustainable** land management;

Amendment 21

Article 4, paragraph 1, point (c)

(c) improving the quality of life in rural areas and encouraging diversification of economic activity.

(c) improving the quality of life in **and the cultural development of** rural areas and encouraging **the development and the** diversification of economic activity.

Amendment 22

Article 4, paragraph 1, point (c a) (new)

(ca) improving the supply to the local and regional population of farm products produced in their area;

Amendment 23

Article 4, paragraph 1, point (c b) (new)

(cb) increasing the contribution to sustainable energy supply and climate protection.

Amendment 24

Article 5, paragraph 1

1. The Fund shall complement national, regional and local actions contributing to the priorities of the Community.

1. The Fund shall complement national, regional and local actions **without prejudice to the implementation of corresponding national development programmes** contributing to the priorities of the Community.

Amendment 25

Article 5, paragraph 2

2. The Commission and the Member States shall ensure that the assistance from the Fund and the Member States is consistent with the activities, policies and priorities of the Community. The assistance of the Fund must be consistent with the objectives of Economic **and** Social Cohesion and those of the European Fisheries Fund in particular.2. The Commission and the Member States shall ensure that the assistance from the Fund and the Member States is consistent with the activities, policies and priorities of the Community. The assistance of the Fund must be consistent with the objectives of Economic, Social **and Territorial** Cohesion and those of the European Fisheries Fund **and environment policy** in particular.

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TEXT PROPOSED
BY THE COMMISSIONAMENDMENTS
BY PARLIAMENT

Amendment 26

Article 5, paragraph 4

4. There shall also be consistency with the measures financed by the European Agricultural Guarantee Fund.

4. There shall also be consistency with the measures financed by the European Agricultural Guarantee Fund, **which must be clearly distinguished from the financing measures put in place by other structural funds.**

Amendment 27

Article 6, paragraph 1, point (b)

(b) the economic and social partners;

(b) **the bodies representing** the economic and social partners **and rural organisations involved in this sector;**

Amendment 28

Article 6, paragraph 3

3. The partnership shall be involved in the preparation and monitoring of the national strategy plan and in the preparation, implementation, monitoring and evaluation of the rural development programmes. The Member States shall involve all appropriate partners at the various programming stages, **due regard being had to the time limit set for each step.**

3. The partnership shall be involved in the preparation and monitoring of the national strategy plan and in the preparation, implementation, monitoring and evaluation of the rural development programmes. The Member States shall involve all appropriate partners at the various programming stages. **In programme planning, therefore, care must be taken to allow enough time to consult the various partners and ensure genuine participation.**

Amendment 29

Article 7

The Member States shall be responsible for implementing the rural development programmes at the appropriate territorial level, according to their own institutional arrangements. This responsibility shall be carried out in accordance with this Regulation.

The Member States shall be responsible for implementing the rural development programmes at the appropriate territorial level, according to their own institutional arrangements **and the rules on subsidiarity as set out in the Treaty establishing a Constitution for Europe.** This responsibility shall be carried out in accordance with this Regulation.

Amendment 30

Article 8, paragraph 1

The Member States and Commission shall promote equality between men and women at all the various stages of programme implementation.

The Member States and Commission shall promote equality between men and women **and non-discrimination on the grounds listed in Article 13 of the Treaty** at all the various stages of programme implementation.

Amendment 31

Article 8, paragraph 2

This includes the stages of conception, implementation, monitoring and evaluation.

This includes the stages of conception, implementation, monitoring and evaluation, **with gender mainstreaming being a fundamental yardstick for the assessment of programme eligibility.**

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TEXT PROPOSED
BY THE COMMISSIONAMENDMENTS
BY PARLIAMENT

Amendment 32

Article 8, paragraph 2 a (new)

The Member States shall devise measures to facilitate access by women to joint ownership of farms and to the aid provided for in this Regulation.

Amendment 33

Article 8 a (new)

Article 8a**Specific aid to small and micro-enterprises**

Member States and the Commission shall support small and micro-enterprises on account of their special importance to employment and the environment in rural areas. In view of the special socioeconomic importance of the enterprises, each Member State shall adopt criteria for financial support which afford these enterprises privileged access to rural development funding.

Amendment 34

Article 9, paragraph 1, subparagraph 1

1. The Council adopts at Community level strategic guidelines for rural development for the programming period from 1 January 2007 to 31 December 2013 in the light of the policy priorities set at Community level.

1. The Council adopts at Community level strategic guidelines for rural development **and particularly for the attainment of the objectives referred to in Article 4** for the programming period from 1 January 2007 to 31 December 2013 in the light of the policy priorities set at Community level.

Amendment 35

Article 9, paragraph 1, subparagraph 2

These guidelines shall set at Community level **the** strategic priorities for rural development for the programming period **with a view to implementing each of the priority headings laid down in this Regulation.**

These guidelines shall set at Community level strategic priorities for rural development for the programming period. **Without prejudice to Member States' exclusive powers pursuant to the principle of subsidiarity, Member States shall take account of those guidelines in their national strategy plans as referred to in Article 11.**

Amendment 36

Article 11, paragraph 3, point (e)

(e) the means to ensure coordination **with the other CAP instruments and with Cohesion policy;**

(e) the means to ensure coordination **between the CAP, including the two pillars 1a and 1b, on the one hand and cohesion, territorial convergence, regional competitiveness and employment policies, on the other;**

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TEXT PROPOSED
BY THE COMMISSIONAMENDMENTS
BY PARLIAMENT

Amendment 37

*Article 11, paragraph 3, point (g a) (new)***(ga) an outline of how the plan contributes to social inclusion and non-discrimination.**

Amendment 38

Article 11 a, paragraph 2

2. Each Member State shall send the Commission its national strategic plan before submitting its rural development programmes.

2. Each Member State shall send the Commission its national strategic plan before **or when** submitting its rural development programmes. **If a Member State has only one rural development programme, the national strategy may be included as a separate chapter.**

Amendment 39

*Article 12, title and paragraph 1***Annual summary report by Member State**

1. **For the first time in 2008 and** no later than **1 October each year**, each Member State shall submit to the Commission a summary report setting out the progress made in implementing its strategy and objectives and their contribution to the achievement of the Community strategic guidelines for rural development.

Summary report by Member State

1. No later than **1 October 2010**, each Member State shall submit to the Commission a summary report setting out the progress made in implementing its strategy and objectives and their contribution to the achievement of the Community strategic guidelines for rural development. **After the conclusion of the programming period, each Member State shall submit a summary report on the programming period 2007-2013.**

Amendment 40

*Article 13, title and paragraph 1***Annual Commission report**

1. For the first time in 2009 and at the start of each year, the Commission shall present an annual report summarising the main developments, trends and challenges relating to the implementation of the national strategy plans and the Community strategic guidelines. This report shall be based on the Commission's analysis and appraisal of the Member States' **annual** summary reports referred to in Article 12 and any other available information. It shall indicate the measures taken or to be taken by the Member States and Commission in order to provide an appropriate follow-up to the report's conclusions.

Commission report

1. After the submission of the reports of the Member States, the Commission shall present a report **in 2011** summarising the main developments, trends and challenges relating to the implementation of the national strategy plans and the Community strategic guidelines. This report shall be based on the Commission's analysis and appraisal of the Member States' summary reports referred to in Article 12 and any other available information. It shall indicate the measures taken or to be taken by the Member States and Commission in order to provide an appropriate follow-up to the report's conclusions.

Amendment 41

Article 13, paragraph 2

2. The **annual** Commission report shall be sent to the Council, Parliament, the European Economic and Social Committee and the Committee of the Regions.

2. The Commission report shall be sent to the *European Parliament*, the Council, the European Economic and Social Committee and the Committee of the Regions.

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TEXT PROPOSED
BY THE COMMISSIONAMENDMENTS
BY PARLIAMENT

Amendment 42

Article 14, paragraph 2

2. A Member State may submit either a **single** programme **for its entire territory or a programme for each region.**

2. A Member State may submit either a **national** programme **or regional programmes or a combination of the two types of programme.**

Amendment 43

Article 16

The Community financial contribution to each of the *three* objectives referred to in Article 4 shall cover at least **15 %** of the Fund's total contribution to the programme for priority axis I **and III** referred to in **Sections I and III respectively** under Chapter I of Title IV **and 25 %** of the Fund's total contribution to the programme for the priority axis II referred to in Section II of Chapter I.

The Community financial contribution to each of the *five* objectives referred to in Article 4 shall cover at least **10 %** of the Fund's total contribution to the programme for priority axis I referred to in **Section I** under Chapter I of Title IV, **20 %** of the Fund's total contribution to the programme for the priority axis II referred to in Section II of Chapter I **and 8 % of the Fund's total contribution to the programme for priority axis III referred to in Section III of Chapter I.**

Amendment 44

Article 18, paragraph 1

1. The rural development programmes shall be re-examined and, if appropriate, adapted for the remainder of the period at the Member State's or Commission's initiative, following Monitoring Committee approval. The purpose of these revisions shall be to take account of the outcome of evaluations and the Commission's annual reports, particularly with a view to strengthening or adapting the way in which the Community priorities are taken into account. **The rural development programmes shall be revised, when applicable, following allocation of the LEADER reserve referred to in Article 92.**

1. The rural development programmes shall be re-examined and, if appropriate, adapted for the remainder of the period at the Member State's or Commission's initiative, following Monitoring Committee approval. The purpose of these revisions shall be to take account of the outcome of evaluations and the Commission's annual reports, particularly with a view to strengthening or adapting the way in which the Community priorities are taken into account.

Amendment 45

Article 19, point (a) (v a) (new)

(va) technical support for farmers and forest holders;

Amendment 46

Article 19, point (b) (i)

(i) farm modernisation,

(i) farm modernisation, **extending to the smallest holdings,**

Amendment 47

Article 19, point (b) (v a) (new)

(va) experimental development;

Amendment 48

Article 19, point (c) (i)

(i) helping farmers to adapt to demanding standards based on Community legislation,

(i) helping farmers to adapt to demanding standards based on Community legislation **with a view to optimum food safety,**

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TEXT PROPOSED
BY THE COMMISSIONAMENDMENTS
BY PARLIAMENT

Amendment 130

Article 19, point (c) (ii)

(ii) supporting farmers who participate in food quality schemes,

(ii) supporting farmers **and producer groups** who participate in food quality schemes, **e.g. in the framework of Council Regulation (EEC) No 2081/92 of 14 July 1992 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs** ⁽¹⁾,⁽¹⁾ OJ L 208, 24.7.1992, p. 1.

Amendment 50

Article 19, point (c) (iii a) (new)

(iiia) supporting initiatives such as local farmers' markets and quality food local procurement schemes;

Amendment 51

Article 19, point (d) (i)

(i) supporting semi-subsistence farms undergoing restructuring,

(i) supporting semi-subsistence farms, undergoing restructuring, **operating in rural, peri-urban and urban areas,**

Amendment 52

Article 21, paragraph 1, introductory part

1. Support provided for in Article 19 (a)(ii), shall be granted to persons who:

1. Support provided for in Article 19(a)(ii) **shall be mandatory for the Member States and the regions and** shall be granted to persons who:

Amendment 53

Article 21, paragraph 1, point (c)

(c) submit **a** business plan for the development of their farming activities.(c) submit **an appropriate** business plan for the development of their farming activities. **The progress made with the business plan shall be verified over the three years following establishment.**

Amendment 54

Article 21, paragraph 2

2. The support shall be granted in the form of a single premium up to **the maximum amount laid down in Annex I.**2. The support shall be granted in the form of a single premium **and/or an interest subsidy on loans** up to a maximum **capitalised value of EUR 55 000.**

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TEXT PROPOSED
BY THE COMMISSIONAMENDMENTS
BY PARLIAMENT

Amendment 55

Article 21, paragraph 2 a (new)

2a. With a view to supporting implementation of the business plan referred to in paragraph 1(c), it is necessary to ensure an integrated package of measures contributing to the establishment and development of the new enterprise. This package shall include one or more intervention measures pursuant to Title IV, permitting the financing of further operations relating to one or more axes.

Amendment 56

Article 21, paragraph 2 b (new)

2b. Measures to help young farmers set up in business shall feature in all national and regional rural-development programmes.

Amendment 57

Article 21, paragraph 2 c (new)

2c. Young farmers supported under this Article may be given a period not exceeding five years, after they have set up, in which to comply with the conditions laid down in Community standards or by minimum requirements in connection with farm modernisation aid, payments intended to compensate for the natural handicaps of mountain areas and payments for other areas with handicaps, as well as agrienvironment and animal welfare payments.

Amendment 58

Article 23, paragraph 1, point (b a) (new)

(ba) to help potential future farmers and forest owners to meet costs arising from the preparation of the business plan for the development of their farming activities.

Amendment 59

Article 25, paragraph 1, point (a)

(a) improve the overall performance of the farm, and

(a) improve the overall **economic and environmental** performance of the farm, and

Amendment 60

*Article 25, paragraph 1, point (a a) (new)***(aa) create jobs, and**

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TEXT PROPOSED
BY THE COMMISSIONAMENDMENTS
BY PARLIAMENT

Amendment 61

Article 26, title

Improvement of the economic value of forests**Improvement of the economic, ecological and social value of forests**

Amendment 62

Article 26, paragraph 1

1. Investment support provided for in Article 19 (b)(ii) shall be granted for forests owned by private owners or their associations or by municipalities or their associations. This limitation does not apply to the subtropical forests and to the wooded areas of the territories of Açores, Madeira and French Oversea Departments.

1. Investment support provided for in Article 19(b)(ii) shall be granted for forests owned by private owners or their associations or by municipalities or their associations. This limitation does not apply to the **tropical or** subtropical forests and to the wooded areas of the territories of Azores, Madeira and French Overseas Departments **and of the European Union's outermost regions. Investment support shall also be granted for the establishment and structural reinforcement of forest owner organisations so as to support members in the sustainable and more efficient management of their forests.**

Amendment 63

Article 26, paragraph 2

2. Investments shall be based on forest management plans.

2. Investments shall be based on forest management plans **for forest holdings of a size greater than that to be set by the Member States in their programmes.**

Amendment 64

Article 27, paragraph 1, point (a)

(a) improve the overall performance of the enterprise;

(a) improve the overall **economic and environmental** performance of the enterprise;

Amendment 65

Article 27, paragraph 2, subparagraph 1

2. Support under paragraph 1 shall be **limited** to micro **and** small enterprises within the meaning of Commission recommendation 2003/361/EC. In the case of forestry production, support shall be limited to **micro-enterprises**.

2. Support under paragraph 1 shall be **granted** to micro, small **and medium-sized** enterprises within the meaning of Commission recommendation 2003/361/EC, **and to any collective producer entity**. In the case of forestry production, support shall be limited to **micro- and small enterprises and associations of micro- and small enterprises**.

Amendment 66

Article 28

Support provided for in Article 19 (b)(iv), may cover notably operations related to access to farm and forest land, energy supply and water management.

Support provided for in Article 19(b)(iv) may cover notably operations related to **land reparcelling, taking into account the importance of landscape protection**, access to farm and forest land, energy supply and water management, **and funding and equipment for public centres providing technical support for the agri-food sector**.

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TEXT PROPOSED
BY THE COMMISSIONAMENDMENTS
BY PARLIAMENT

Amendment 131

Article 30, paragraph 1, point (b)

(b) be for Community food quality schemes or for those recognised by the Member States which comply with precise criteria to be defined in accordance with the procedure referred to in Article 95(2); schemes whose sole purpose is to provide a higher level of control of respect of obligatory standards under Community or national law shall not be eligible for support,

(b) be for Community food quality schemes, ***e.g. in the framework of Regulation (EEC) No 2081/92***, or for those recognised by the Member States which comply with precise criteria to be defined in accordance with the procedure referred to in Article 95(2); schemes whose sole purpose is to provide a higher level of control of respect of obligatory standards under Community or national law shall not be eligible for support,

Amendment 67

Article 31, paragraph 1 a (new)

The support may include information and promotion activities for:

- (a) co-operation, information transfer or networking between farmers, processors or other market actors in the agro-food chain;***
- (b) transfer of know-how and best practices between farmers, processors or other market actors in the agro-food chain.***

Amendment 68

Title IV, Chapter I, Section 2, title

PRIORITY AXIS 2:
LAND MANAGEMENT

PRIORITY AXIS 2:
IMPROVING THE ENVIRONMENT AND THE COUNTRYSIDE

Amendment 69

Article 34, point (a) (iv)

(iv) agri-environment and animal welfare payments,

(iv) agri-environment and animal welfare payments ***and measures to conserve and exploit agricultural genetic diversity 'on farm'***,

Amendment 70

Article 34, point (a) (iv a) (new)

(iva) promotion of organic farming,

Amendment 71

Article 34, point (b) (v)

(v) forest-environment payments,

(v) forest-environment payments ***and measures to exploit and conserve genetic diversity used for forestry purposes,***

Tuesday 7 June 2005

TEXT PROPOSED
BY THE COMMISSIONAMENDMENTS
BY PARLIAMENT

Amendment 72

Article 35, paragraph 4

4. Payments shall be degressive above a threshold level of area per holding to be defined in the programme.

4. **Taking into account the relevant objectives**, payments shall be degressive above a threshold level of area per holding to be defined in the programme.

Amendment 73

Article 36, paragraph 1

Support provided for in Article 34 (a)(iii), shall be granted annually and per hectare of Utilised Agricultural Area to farmers in order to compensate for costs incurred and income foregone resulting from disadvantages in the areas concerned related to the implementation of Directives 79/409/EEC **and** 92/43/EEC.

Support provided for in Article 34 (a)(iii), shall be granted annually and per hectare of Utilised Agricultural Area to farmers in order to compensate for costs incurred and income foregone resulting from disadvantages in the areas concerned related to the implementation of Directives 79/409/EEC, 92/43/EEC **and 2000/60/EC**.

Amendment 74

Article 36, paragraph 2

Support shall be limited to the maxima laid down in Annex I.

Support shall be limited to the maxima laid down in Annex I. **The amount of the support should be set, for the long term, at EUR 200 per ha per annum, and an extension of the period of validity should be possible.**

Amendment 75

Article 37, paragraph 3, subparagraph 1

3. Agri-environment and welfare payments cover only those commitments going beyond the relevant mandatory standards established pursuant to Articles 4 and 5 and Annexes III and IV of Council Regulation (EC) No 1782/2003 and other relevant mandatory requirements established by national legislation and identified in the programme. **Additionally, farmers and other land managers undertaking agri-environment commitments shall respect minimum requirements for fertiliser and plant protection product use to be identified in the programme.**

3. Agri-environment and welfare payments cover only those commitments going beyond the relevant mandatory standards established pursuant to Articles 4 and 5 and Annexes III and IV of Council Regulation (EC) No 1782/2003 and other relevant mandatory requirements established by national legislation and identified in the programme.

Amendment 76

Article 37, paragraph 3, subparagraph 2

These commitments shall be undertaken for five years. Where necessary and justified, a longer period shall be determined **according to the procedure referred to in Article 95(2)** for particular types of commitments.

These commitments shall be undertaken for five years, **as a rule**. Where necessary and justified, a longer period **of up to seven years** shall be determined for particular types of commitments. **In special, justified cases, a period of less than five years shall also be possible.**

Tuesday 7 June 2005

TEXT PROPOSED
BY THE COMMISSIONAMENDMENTS
BY PARLIAMENT

Amendment 77

Article 37, paragraph 4, subparagraph 1

4. The payments shall be granted annually **and shall** cover additional costs and income foregone resulting from the commitment given; **where necessary, they may cover also transaction cost.**

4. The payments shall be granted annually. **They shall incorporate an incentive component of 20 % to** cover additional costs and income foregone resulting from the commitment given.

Amendment 78

Article 37, paragraph 4, subparagraph 2

Where appropriate, the beneficiaries are selected on the basis of calls for tender, applying criteria of economic, environmental and animal welfare efficiency.

Where appropriate, the beneficiaries are selected on the basis of calls for tender, applying criteria of economic, environmental and animal **health and** welfare efficiency.

Amendment 79

Article 38, point (b)

(b) **on-farm** investments which enhance the public amenity value of the NATURA 2000 area concerned.

(b) investments which enhance the public amenity value of the NATURA 2000 area concerned **and of other areas which are important for purposes of nature conservation.**

Amendment 80

Article 41, paragraph 3

3. Christmas trees and fast-growing species for short-term cultivation shall be excluded from support.

3. Christmas trees, **invasive or alien species**, and fast-growing species for short-term cultivation shall be excluded from support.

Amendment 81

Article 43, paragraph 1

Support provided for in Article 31 (b)(iv), shall be granted annually and per hectare of forest to private forest owners or associations thereof in order to compensate for costs incurred resulting from the restrictions on the use of forests and other wooded land related to the implementation of Directives 79/409/EEC and 92/43/EEC in the area concerned.

Support provided for in Article 31(b)(iv), shall be granted annually and **as a flat-rate amount** per hectare of forest to private forest owners or associations thereof **in connection with specific projects** in order to compensate for costs incurred **and loss of income** resulting from the restrictions on the use of forests and other wooded land related to the implementation of Directives 79/409/EEC and 92/43/EEC in the area concerned.

Amendment 82

Article 44, paragraph 2, subparagraph 1

2. The payments **shall cover additional costs resulting from the commitment given. They** shall be calculated on the basis of **real costs.**

2. The payments shall be calculated on the basis of **the conventional assessment procedure.**

Amendment 83

Article 46, point (b)

(b) which enhance the public amenity value of the area concerned.

(b) which enhance **or preserve** the public amenity value of the area concerned.

Tuesday 7 June 2005

TEXT PROPOSED
BY THE COMMISSIONAMENDMENTS
BY PARLIAMENT

Amendment 84

Article 47, paragraph 1

1. Member States shall designate the areas eligible for payments provided for in Article 34 (a)(i), (ii) and (iii) as well as (b)(i), (iii), (iv) and (vi) of that Article, taking into account the provisions of paragraphs 2, 3, 4 and 5 of this Article.

1. Member States shall, **in accordance with their institutional structures**, designate the areas eligible for payments provided for in Article 34(a)(i), (ii) and (iii) as well as (b)(i), (iii), (iv) and (vi) of that Article, taking into account the provisions of paragraphs 2, 3, 4 and 5 of this Article. **For first afforestation areas: where specific legislation provides for an approval procedure, areas shall not be designated.**

Amendment 85

Article 47, paragraph 2, subparagraph 1, point (a)

(a) to the existence, because of altitude, of very difficult climatic conditions, the effect of which is substantially to shorten the growing season;

(a) to the existence, because of altitude **or northern location**, of very difficult climatic conditions, the effect of which is substantially to shorten the growing season;

Amendment 86

Article 47, paragraph 2, subparagraph 1, point (b a) (new)

(ba) to the presence of a small or dwindling population largely dependent on the agricultural sector and unlikely to remain should it contract any more rapidly, undermining the social, economic and environmental sustainability of the regions affected.

Amendment 87

Article 47, paragraph 2, subparagraph 1, point (b b) (new)

(bb) to their inclusion among mountain and less-favoured areas designated for 'phasing out' of assistance.

Amendment 88

Article 47, paragraph 2, subparagraph 2

Areas north of the **62nd** parallel and certain adjacent areas shall be regarded as mountain areas..

Areas north of the **60th** parallel and certain adjacent areas shall be regarded as mountain areas.

Amendment 89

Article 47, paragraph 3, subparagraph 1, point (b a) (new)

(ba) characterised by the presence of a small or dwindling population largely dependent on agriculture and unlikely to remain should it contract any more rapidly, undermining the social, economic and environmental sustainability of the regions affected,

Tuesday 7 June 2005

TEXT PROPOSED
BY THE COMMISSIONAMENDMENTS
BY PARLIAMENT

Amendment 90

Article 47, paragraph 3, subparagraph 1, point (b b) (new)

(bb) included among the mountain and less-favoured areas designated for 'phasing out' of assistance,

Amendment 91

Article 47, paragraph 3, subparagraph 3

As concerns areas affected by specific handicaps referred to in point (b) of the first subparagraph, their total extent shall not exceed 10 % of the area of the Member State concerned.**deleted**

Amendment 92

Article 47, paragraph 3, subparagraph 4

The Member States shall **delimitate those areas in the programmes** according to specific provisions to be defined in accordance with the procedure referred to in Article 95(2).**In the programmes,** the Member States shall **confirm or modify the existing delimitation of those areas** according to specific provisions to be defined in accordance with the procedure referred to in Article 95(2).

Amendment 93

Article 47, paragraph 5, subparagraph 1

5. Areas apt for afforestation for **environmental reasons such as protection** against erosion **or extension of forest resources contributing to climate change mitigation**, shall be eligible for payments provided for in Article 34 (b) (i) and (iii).5. Areas apt for afforestation for environmental reasons **and to protect** against erosion shall be eligible for payments provided for in Article 34 (b) (i) and (iii). **Extension of forest resources contributing to climate change mitigation shall not be eligible for payments.**

Amendment 94

Article 49, point (a) (i)

(i) diversification into non-agricultural activities.

(i) diversification into non-agricultural activities, **including on-farm activities,**

Amendment 95

Article 49, point (a) (i a) (new)

(ia) diversification of the income of those working in agriculture by promoting local processing, direct marketing and the establishment of products with designations of geographical origin and special quality marks,

Amendment 96

Article 49, point (a) (ii)

(ii) support for the creation and development of micro-enterprises with a view to promoting entrepreneurship and developing the economic fabric,

(ii) support for the creation, **business restart, takeover** and development of micro-enterprises **and small enterprises — including family enterprises —** with a view to promoting entrepreneurship and developing the economic fabric,

Tuesday 7 June 2005

TEXT PROPOSED
BY THE COMMISSIONAMENDMENTS
BY PARLIAMENT

Amendment 97

Article 49, point (a) (iii)

iii) encouragement of tourism activities,

iii) encouragement of **sustainable** tourism activities,

Amendment 98

Article 49, point (a) (iv)

(iv) the protection, upgrading and management of the **natural** heritage, **so contributing to sustainable economic development**.(iv) the protection, upgrading and management of the **rural** heritage (**natural, historical or cultural**).

Amendment 99

Article 49, point (a) (iv a) (new)

(iva) support for and promotion of women's activities in rural areas.

Amendment 100

Article 49, point (b) (ii)

(ii) village renovation and development; conservation and upgrading of the rural heritage.

(ii) village renovation and development; conservation and upgrading of the rural heritage, **landscape conservation and nature conservation**;

Amendment 101

Article 49, point (c)

(c) **A vocational training measure for economic actors operating in the fields covered by priority axis 3.****deleted**

Amendment 102

Article 50

The aid beneficiary referred to in Article 49(a) (i) may be either the farmer, his or her spouse, or one of their children.

The aid beneficiary referred to in Article 49(a) (i) may be either the farmer, his or her spouse, or one of their children, **as well as other persons whose income is directly dependent on agriculture, i.e. those employed the whole year round either in agriculture or in sectors upstream or downstream of it.**

Amendment 103

Article 50 a (new)

Article 50a**Aid for marketing measures****The aid beneficiary referred to in Article 49(a)(i)a may be either the farmer, his or her spouse, or one of their children.**

Tuesday 7 June 2005

TEXT PROPOSED
BY THE COMMISSIONAMENDMENTS
BY PARLIAMENT

Amendment 104

*Article 51, title***Support for business creation and development****Support for business creation, takeover and development**

Amendment 105

*Article 52, point (c a) (new)***(ca) the creation and modernisation of small-scale rural-tourism infrastructure.**

Amendment 106

Article 53

The support referred to in Article 49(a)(iv) covers environmental awareness actions, tourism improvements **and the drawing-up of protection and management plans relating to NATURA 2000 sites and other places of high natural value.**

The support referred to in Article 49(a)(iv) covers environmental awareness actions **and** tourism improvements.

Amendment 107

Article 56

Vocational training Support under Article 49(c), shall not include courses of instruction or training which form part of normal education programmes or systems at secondary or higher levels.

deleted

Amendment 108

Article 60, point (a)

(a) area-based programmes intended for **well-identified sub-regional rural territories;**

(a) area-based programmes intended for **regional agricultural territories including less-favoured and mountain areas and regions designated for 'phasing-out' of assistance;**

Amendment 109

Article 67, paragraph 2, subparagraph 1

2. At the initiative of the Member States, for each rural development programme, the Fund may finance preparation, management, monitoring, evaluation, information and control activities of programme assistance.

2. At the initiative of the Member States, for each rural development programme **and for the National Strategic Plan**, the Fund may finance preparation, management, monitoring, evaluation, information and control activities of programme assistance.

Tuesday 7 June 2005

TEXT PROPOSED
BY THE COMMISSIONAMENDMENTS
BY PARLIAMENT

Amendment 110

Article 67, paragraph 2, subparagraph 2

Up to **4 %** of the total amount for each programme may be devoted to these measures.

Up to **2 %** of the total amount for each programme may be devoted to these measures.

Amendment 111

Article 67, paragraph 2, subparagraph 3

Within the limit set in the above subparagraph, each programme shall reserve an amount for establishing and operating the national rural network referred to in Article 69.

Within the limit set in the above subparagraph, each programme shall reserve an amount for establishing and operating the national rural network referred to in Article 69 **and for technical assistance in respect of the National Strategic Plan.**

Amendment 112

Article 68, paragraph 1

A European Network for Rural Development for the networking of national networks, organisations and administrations active in the field of rural development at Community level shall be put in place in accordance with Article 67(1).

A European Network for Rural Development for the networking of national networks, **representative economic and social** organisations and administrations active in the field of rural development at Community level shall be put in place **without delay** in accordance with Article 67(1).

Amendment 113

Article 69, paragraph 1

1. Each Member State shall establish a national rural network, which gathers together all the organisations and administrations involved in rural development.

1. Each Member State shall establish **without delay** a national rural network, which gathers together all the **representative economic and social** organisations and administrations involved in rural development.

Amendment 114

Article 70, paragraph 1

1. The resources available for commitment from the Fund for the period 2007 to 2013 shall be EUR **88.75** billion at 2004 prices. The annual breakdown is shown in Annex II. Of these resources, at least EUR 31.3 billion at 2004 prices shall be concentrated in regions eligible for the Convergence Objective.

1. The resources available for commitment from the Fund for the period 2007 to 2013 shall be EUR **95.75** billion at 2004 prices. **This amount shall be conditional upon its compatibility with the financial perspective for the period commencing 2007 and shall be adjusted where appropriate.** The annual breakdown is shown in Annex II. Of these resources, at least EUR 31.3 billion at 2004 prices shall be concentrated in regions eligible for the Convergence Objective.

Tuesday 7 June 2005

TEXT PROPOSED
BY THE COMMISSIONAMENDMENTS
BY PARLIAMENTAmendment 115
Article 70, paragraph 2

2.3 % of the resources referred to in paragraph 1, for an amount of EUR 2.66 billion at 2004 prices, shall be allocated to the reserve provided for in Article 92.

deletedAmendment 116
Article 70, paragraph 4 a (new)

4a. The amounts required to pay compensation for nature conservation measures under NATURA 2000 shall be added to the rural development budget.

Amendment 117
Article 70, paragraph 5, subparagraph 1, introductory part

5. The Commission shall make an initial annual indicative breakdown by Member State of the amounts indicated in paragraph 1, after deduction of the amounts referred to in **paragraphs 2 and 3**, based on objective criteria and taking into account:

5. The Commission shall make an initial annual indicative breakdown by Member State of the amounts indicated in paragraph 1, after deduction of the amounts referred to in **paragraph 3**, based on objective criteria and taking into account:

Amendment 118
Article 70, paragraph 5, subparagraph 2

The Commission shall review in 2011 the annual allocations for the years 2012 and 2013 in order to distribute the amount referred to in paragraph 2.

deletedAmendment 119
Article 70, paragraph 6

6. In addition to the amounts indicated in paragraph 5, the Member States shall take into account for the purpose of programming the amounts resulting from modulation as provided for in Article 12(2) of Regulation (EC) No.../[financing of the CAP].

6. In addition to the amounts indicated in paragraph 5, the Member States shall take into account for the purpose of programming the amounts resulting from modulation as provided for in Article 12(2) of Regulation (EC) No.../[financing of the CAP]. **These amounts shall be used for projects under priority axes I and II, from which the payments for NATURA 2000 should be excluded.**

Tuesday 7 June 2005

TEXT PROPOSED
BY THE COMMISSIONAMENDMENTS
BY PARLIAMENT

Amendment 120

Article 71, paragraph 1

1. The Decision adopting a rural development programme shall fix the maximum contribution from the Fund for each priority heading. The decision shall clearly identify, where necessary, the appropriations allocated to the regions eligible for the Convergence Objective.

1. The Decision adopting a rural development programme shall fix the maximum contribution from the Fund for each priority heading. The decision shall clearly identify, where necessary, the appropriations allocated to the regions eligible for the Convergence Objective, **including the statistical and natural effect regions.**

Amendment 121

Article 71, paragraph 4

4. Notwithstanding the ceilings set out in paragraph 3, the Fund contribution **may** be increased **by five percentage points** for the programmes of the outermost regions and the smaller islands of Aegean Sea.

4. Notwithstanding the ceilings set out in paragraph 3, the Fund contribution **shall** be increased **to 85 % of subsidisable public expenditure** for the programmes of the outermost regions and the smaller islands of *the* Aegean Sea.

Amendment 122

Article 71, paragraph 6, subparagraph 2

An operation may qualify for a Fund contribution only under one rural development programme at a time. **It may be financed under only one priority axis of the rural development programme.**

An operation may qualify for a Fund contribution only under one rural development programme at a time.

Amendment 123

Article 72, paragraph 3, subparagraph 2, point (c)

(c) the purchase of land costing more than 10 % of all the eligible expenditure on the operation **concerned.**

(c) the purchase of land costing more than 10 % of all the eligible expenditure on the operation **unless a higher percentage is set in the programme approved by the Commission.**

Amendment 124

Article 76, introductory part and point (a)

For each rural development programme the Member State shall designate :

For each rural development programme the Member State shall, **in accordance with its institutional structure**, designate:

(a)

the managing authority, being a public or private national, regional or local body designated by the Member State, or the Member State itself when it carries out that task, to manage a programme;

(a) the managing authority, being a public or private national, regional or local body designated by the Member State **in accordance with its institutional structure**, or the Member State itself when it carries out that task, to manage a programme;

Tuesday 7 June 2005

TEXT PROPOSED
BY THE COMMISSIONAMENDMENTS
BY PARLIAMENT

Amendment 125

Article 77, paragraph 1, point (a)

(a) ensuring that operations are selected for funding in accordance with the criteria applicable to the rural development programme and that they comply, for the whole period of their execution, with applicable Community and national rules and Community policies;

(a) ensuring that operations are selected for funding in accordance with the criteria applicable to the rural development programme and that they comply, for the whole period of their execution, with applicable Community and national rules and Community policies. **These Community and national rules should be applicable without delay, should not be over-stringent and should allow a degree of flexibility which does not contravene the general guidelines for this Community policy;**

Amendment 126

Article 92: Community reserve for the LEADER priority axis

1. *The amount allocated to the reserve referred to in Article 70(2) shall be used to support implementation of the LEADER approach in programmes.*

deleted

2. *Implementation of the LEADER approach shall be evaluated on the basis of objective criteria including:*

- (a) the priority given to the LEADER approach,*
- (b) the territorial coverage of the LEADER approach,*
- (c) the stage reached in implementing the LEADER priority axis,*
- (d) the leverage effect on private capital,*
- (e) the results of mid-term evaluations.*

Amendment 127

Article 95, paragraph 1

1. The Commission shall be assisted by a Rural Development Committee (hereinafter: the 'Committee').

1. The Commission shall be assisted by a Rural Development **and Forestry** Committee (hereinafter: the 'Committee').

Amendment 128

Article 98, paragraph 2

2. *Council Directives and Decisions laying down and amending the lists of less-favoured areas referred to in Article 21(2) of Regulation (EC) No 950/97 are repealed.*

deleted

Amendment 129

*Annex I, Article 35, paragraph 3, rows 2 and 3*Maximum **natural** handicap payment

250 Per hectare of UAA

Maximum handicap payment **for mountain areas and for areas with other handicaps****150 Per hectare of UAA****Maximum payment for areas with other handicaps**

250 Per hectare of UAA