



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 07-XII-2007  
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**COMMISSION DECISION**

**of 07-XII-2007**

**Approving the rural development programme of England for the 2007-2013  
programming period**

**CCI 2007 UK 06 RPO 001  
(Only the English text is authentic)**

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THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 1698/2005 of 20 September 2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD)<sup>1</sup>, and in particular Article 18 (4) thereof,

Whereas:

- (1) Article 18 of Regulation (EC) No 1698/2005 lays down the conditions for drafting the rural development programmes.
- (2) Article 18(2) of Regulation (EC) No 1698/2005 states that the Member States submit to the Commission rural development programmes, the contents of which are specified in Article 16 of that Regulation and in Annex II to Commission Regulation (EC) No 1974/2006 of 15 December 2006 laying down detailed rules for the application of Council Regulation (EC) No 1698/2005<sup>2</sup>.
- (3) Pursuant to Article 18(3) of Regulation (EC) No 1698/2005, the Commission assesses the proposed programmes on the basis of their consistency with the Community strategic guidelines, the national strategy plan and that Regulation.
- (4) On 11 June 2007 the UK authorities submitted the rural development programme for the region of England to the Commission. Following discussions between the Commission and the MS competent authority, a final version of the rural development programme was sent to the Commission on 28 November 2007. The programme covers the period from 1 January 2007 to 31 December 2013 and includes the elements referred to in Article 16 of Regulation (EC) No 1698/2005 and in Annex II to Regulation (EC) 1974/2006 and in particular a description of the axes and measures proposed to implement the programme and an overall financing plan comprising a table setting out the total EAFRD contribution planned for each year which must be

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<sup>1</sup> OJ L 277, 21.10.2005, p. 1. Regulation as last amended by Regulation (EC) No 2012/2006, OJ L384,29.12.2006, p. 8.

<sup>2</sup> OJ L 368, 23.12.2006, p. 15. Regulation as last amended by Regulation (EC) No 434/2007 (OJ L 104, 21.4.2007, p. 8).

compatible with the Financial Framework for the above period, and a table setting out for the entire programming period the total Community contribution planned and the matching national public funding for each axis, as well as the amount earmarked for technical assistance. The transitional expenditure from existing support schemes under Council Regulation (EC) No 1257/1999<sup>3</sup>, pursuant to Regulation (EC) No 1320/2006 laying down rules for the transition to the rural development support provided for in the Council Regulation (EC) No 1698/2005<sup>4</sup>, is integrated in those tables.

- (5) In accordance with Article 70(1) to (4) of Regulation (EC) No 1698/2005 the Community contribution to the programme is set for each axis and it is a percentage of the eligible public expenditure according to the co-financing rates for each axis contained in the approved programme and for its technical assistance component.
- (6) Article 71(1) of Regulation (EC) No 1698/2005 fixes the period for the eligibility of expenditure paid by the paying agency of the rural development programme
- (7) State aid intended to provide additional national financing within the meaning of Article 89 of Regulation (EC) No 1698/2005 for which Community support is granted, which is, as relevant, included in the programme, is approved under this decision only insofar as it falls under Article 36 of the Treaty, and complies with the requirements of Article 57 of Regulation (EC) No 1974/2006. Due to the circumstances that the decision of the programme approval is taken at a later date than 1 January 2007, which is the date of entry into force of the Community guidelines for state aid in the agriculture and forestry sector 2007 to 2013 (hereafter 'the Guidelines'), the Commission considers that points 15, 16 and 185 of the Guidelines do not prevent eligibility of activities undertaken by the beneficiaries between 1 January 2007 and the date of programme approval for that additional financing. However, the aid shall be granted to the beneficiaries after the approval of the programme.
- (8) This decision does not cover yet approved State aid within the meaning of Article 87(1) of the Treaty falling outside the scope of Article 36 of the Treaty.
- (9) In accordance with Article 5 of Regulation (EC) No 1698/2005, assistance from the EAFRD is consistent with the activities, policies and priorities of the Community, with the objectives of Economic and Social Cohesion and those of the Community support instrument for fisheries. Demarcation criteria for the operations supported by the EAFRD and those supported by these other Community support instruments are set in the programme in accordance with Article 60 of Regulation (EC) No 1698/2005. This consistency must be ensured throughout the implementation of the programme.
- (10) In accordance with Article 39(3) of Regulation (EC) No 1698/2005, agri-environment payments cover only those commitments going beyond the reference level which consists of the relevant mandatory standards established pursuant to Articles 4 and 5 of and Annexes III and IV to Regulation (EC) No 1782/2003 as well as minimum requirements for fertiliser and plant protection product use and other relevant mandatory requirements established by national legislation and identified in the

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<sup>3</sup> OJ L 160, 26.6.1999, p. 80. Regulation as last amended by Regulation (EC) No 2223/2004 (OJ L 379, 24.12.2004, p. 1).

<sup>4</sup> OJ L 243, 6.9.2006, p. 6.

programme. The Commission does not approve the reference level and therefore, it is not subject to this decision.

- (11) In accordance with Article 39(3), second subparagraph, of Regulation (EC) No 1698/2005, agri-environmental commitments can, where necessary and justified, be undertaken for a period exceeding seven years. Many of the more ambitious agri-environment schemes should run for ten years in order to deliver more significant environmental benefits. In case of some agri-environmental commitments where inter-tidal habitats are created and the change in land use is irreversible, the agreements should last for 20 years. The aim of these agreements is to mitigate the effects of the rise in sea levels by realigning the coastline and creating salt-marsh habitats involving a breach in the sea wall. Therefore, the ten year obligation for the management of the Higher Level agri-environment schemes and the 20 year obligation specifically for the creation of inter-tidal habitats as included in the English programme should be approved.
- (12) In accordance with Article 1(1) of Regulation (EC) No 378/2007, the United Kingdom has decided to apply a reduction, hereinafter referred to as 'voluntary modulation' to all the amounts of direct payments within the meaning of Article 2(d) of Council Regulation (EC) No 1782/2003 of 29 September 2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers<sup>5</sup>. Commission Decision 2007/679/EC<sup>6</sup> fixes the net amounts resulting from the application of voluntary modulation to the United Kingdom for the calendar years 2007-2012. Commission Decision 2007/680/EC<sup>7</sup> amending Decision 2006/410/EC, setting the amounts which, pursuant to Articles 10(2), 143d and 143e of Council Regulation (EC) No 1782/2003, are made available to the EAFRD and the amounts available for EAGF expenditure, and Decision 2006/636/EC fixing the annual breakdown by Member State for Community support to rural development for the period from 1 January 2007 to 31 December 2013, incorporated the net amounts resulting from the application of voluntary modulation in the United Kingdom into the annual breakdown by Member States relating to Community support to rural development referred to in Article 69(4) and (5) of Regulation (EC) No 1698/2005.
- (13) The measures provided for in this decision are in accordance with the opinion of the Rural Development Committee,

HAS ADOPTED THIS DECISION:

#### *Article 1*

The rural development programme of England, sent to the Commission in its final version on 28 November 2007, is hereby approved.

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<sup>5</sup> OJ L 270, 21.10.2003, p. 1. Regulation as last amended by Regulation (EC) No 1182/2007 (OJ L 273, 17.10.2007, p. 1).

<sup>6</sup> OJ L 280, 24.10.2007, p. 25.

<sup>7</sup> OJ L 280, 24.10.2007, p. 27.

## *Article 2*

1. Public expenditure to implement the rural development programme shall be EUR 5,187,145,008 for the whole period and the maximum contribution from the EAFRD shall be EUR 3,217,464,635.
2. The financing plan of the rural development programme is set out in Annex I.

## *Article 3*

Expenditure actually paid by the programme paying agency between 1 January 2007 and 31 December 2015 shall be eligible. However, expenditure between 16 October 2006 and 31 December 2006 incurred by accredited paying agencies in accordance with the provisions of Article 39(1)(c) of Council Regulation (EC) No 1290/2005 of 21 June 2005 on the financing of the common agricultural policy<sup>8</sup> shall also be eligible.

## *Article 4*

Insofar as it falls within the scope of Article 36 of the Treaty, State aid intended to provide additional national financing for rural development within the meaning of Article 89 of Regulation (EC) No 1698/2005 for which Community support is granted, which is, as relevant, included in the programme, is hereby approved.

The additional national financing referred to in the first subparagraph is shown in Annex II.

## *Article 5*

This Decision is addressed to the United Kingdom of Great Britain and Northern Ireland.

Done at Brussels,

*For the Commission*  
*Mariann Fischer Boel*  
*Member of the Commission*

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<sup>8</sup> OJ L 209, 11.8.2005, p. 1.

**ANNEX I**

**Contribution from the EAFRD (in EUR)**

| <b>Year</b>                        | <b>2007</b>        | <b>2008</b>        | <b>2009</b>        | <b>2010</b>        | <b>2011</b>        | <b>2012</b>        | <b>2013</b>        | <b>2007-2013</b>     |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------|
| Of which:<br>convergence<br>region | 10,911,230         | 11,743,783         | 11,406,329         | 11,489,078         | 11,353,897         | 11,247,419         | 11,115,805         | <b>79,267,541</b>    |
| Non-convergence                    | 137,578,757        | 150,026,729        | 146,166,920        | 147,150,407        | 145,572,035        | 144,334,655        | 142,754,519        | <b>1,013,584,022</b> |
| Voluntary<br>Modulation            | 0                  | 313,046,687        | 341,172,749        | 368,676,358        | 367,233,622        | 367,241,828        | 367,241,828        | <b>2,124,613,072</b> |
| <b>Total EAFRD</b>                 | <b>148,489,987</b> | <b>474,817,199</b> | <b>498,745,998</b> | <b>527,315,843</b> | <b>524,159,554</b> | <b>522,823,902</b> | <b>521,112,152</b> | <b>3,217,464,635</b> |

**Financial plan by axis (in EUR total period)**

Convergence Regions

| <b>Axis</b> | <b>Public contribution</b> |  |                     |
|-------------|----------------------------|--|---------------------|
|             | <b>Total public</b>        | <b>EAFRD<br/>contribution<br/>rate (%)</b> | <b>EAFRD amount</b> |
| Axis 1      | 40,178,669                 | 75%  | 30,134,002          |
| Axis 2      | 23,749,421                 | 80%  | 18,999,537          |

|                      |                    |     |                   |
|----------------------|--------------------|-----|-------------------|
| Axis 3               | 36,160,803         | 75% | 27,120,602        |
| Axis 4               | 4,017,867          | 75% | 3,013,400         |
| Technical Assistance | 0                  | 0%  | 0                 |
| <b>Total</b>         | <b>104,106,760</b> |     | <b>79,267,541</b> |

Non-convergence regions

| Axis                 | Public contribution  |                             |                      |
|----------------------|----------------------|-----------------------------|----------------------|
|                      | Total public         | EAFRD contribution rate (%) | EAFRD amount         |
| Axis 1               | 185,245,490          | 50%                         | 92,622,745           |
| Axis 2               | 1,464,808,956        | 55%                         | 805,644,926          |
| Axis 3               | 112,551,608          | 50%                         | 56,275,804           |
| Axis 4               | 115,236,326          | 50%                         | 57,618,163           |
| Technical Assistance | 2,844,768            | 50%                         | 1,422,384            |
| <b>Total</b>         | <b>1,880,687,148</b> |                             | <b>1,013,584,022</b> |

Voluntary Modulation (in EUR total period)

| Axis                 | Public contribution  |                             |                      |
|----------------------|----------------------|-----------------------------|----------------------|
|                      | Total public         | EAFRD contribution rate (%) | EAFRD amount         |
| Axis 1               | 222,120,979          | 100%                        | 222,120,979          |
| Axis 2               | 2,694,345,070        | 60%                         | 1,616,607,042        |
| Axis 3               | 185,622,531          | 100%                        | 185,622,531          |
| Axis 4               | 100,262,520          | 100%                        | 100,262,520          |
| Technical Assistance | 0                    | 0%                          | 0                    |
| <b>Total</b>         | <b>3,202,351,100</b> |                             | <b>2,124,613,072</b> |

Summary table (in EUR total period)

| Axis   | Public contribution |               |                  |
|--------|---------------------|---------------|------------------|
|        | Total public        | EAFRD amount  | % of EAFRD total |
| Axis 1 | 447,545,138         | 334,877,726   | 10.7%            |
| Axis 2 | 4,182,903,448       | 2,441,251,505 | 75.9%            |
| Axis 3 | 334,334,942         | 269,018,937   | 8.4%             |

|                      |                      |                      |      |
|----------------------|----------------------|----------------------|------|
| Axis 4 <sup>9</sup>  | 219,516,713          | 160,894,083          | 5.0% |
| of which from Axis 1 | 13,786,281           | 10,259,126           | 0.3% |
| of which from Axis 3 | 205,730,432          | 150,634,957          | 4.7% |
| Technical Assistance | 2,844,767            | 1,422,384            | 0.0% |
| <b>Total</b>         | <b>5,187,145,008</b> | <b>3,217,464,635</b> | 100% |

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<sup>9</sup> Axis 4 expenditure will be split between Axis 1 and 3 in the proportions set out above. Therefore the total percentage share for axis 1 is 10.7%+0.3%=11% and for Axis 3 is 8.4%+4.7%=13.1%.

## ANNEX II

### *State aid referred to in Article 89 of Regulation (EC) No 1698/2005*

| Measure code | Name of the aid scheme     | Indication of the lawfulness of the scheme  | Amount in EUR | Duration of aid scheme             |
|--------------|----------------------------|---|---------------|------------------------------------|
| 214          | Environmental Stewardship  | See annex to chapter 9 for information sheet completed in accordance with Commission Regulation No 794/2004 | 228,571,698   | 1 January 2007 to 31 December 2013 |
| 216          | Non-productive investments | See annex to chapter 9 for information sheet completed in accordance with Commission Regulation No 794/2004 | 41,088,160    | 1 January 2007 to 31 December 2013 |