

Regulation of the Minister of Agriculture, Fisheries, Food Security and Nature of, [DATE], No WJZ , amending the European EZ, LVVN and KGG Subsidies Scheme 2021 in connection with the expansion of the subsidy module Cooperation in peatlands and N2000 transitional areas

The Minister of Agriculture, Fisheries, Food Security and Nature,
Having regard to:

- Regulation (EU) 2021/2115 of the European Parliament and of the Council of 2 December 2021 establishing rules on support for strategic plans to be prepared by Member States under the common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and (EU) No 1307/2013 (OJ EU 2021, L 435);
- Regulation (EU) 2021/2116 of the European Parliament and of the Council of 2 December 2021 on the financing, management and monitoring of the common agricultural policy and repealing Regulation (EU) No 1306/2013 (OJ 2021, L 435);
- Article 3 of the Framework Act on subsidies granted by the Ministries of Economic Affairs, of Agriculture, Fisheries, Food Security and Nature, and of Climate and Green Growth [Kaderwet EZ-, LVVN- en KGG-subsidies];
- Articles 15 and 19 of the Agriculture Act [Landbouwwet];

Hereby decides as follows:

Article I

The Regulation on European subsidies granted by the Ministries of Economic Affairs, of Agriculture, Fisheries, Food Security and Nature, and of Climate and Green Growth [Regeling Europese EZ-, LVVN- en KGG-subsidies] for 2021 is amended as follows:

A

Article 5.8.1 is amended as follows:

1. The following definitions are inserted in alphabetical order:

arable farm: agricultural farm with agricultural land consisting of no more than 20% of permanent grassland or permanent cultivation, except in the case of a food forest, where the average animal excretion of the farm does not exceed 50 kilograms of nitrogen per hectare.

permanent crops: as defined in Article 1(1) of the CAP Implementing Regulation 2023;

arable land: as defined in Article 1(1) of the CAP Implementing Regulation 2023;

CO₂ calculation model: an application made available by the Minister for calculating CO₂ emissions from peatlands.

break crop plus: a crop as referred to in the list in Annex 4;

Skal input list: a public list prepared by Skal Biocontrol of plant protection products that are non-organic, but may be used in organic production;

nitrogen fertilisation: the total amount of nitrogen from fertilisers applied to the farm's agricultural land;

2. The definition of *agricultural land* reads as follows:

agricultural land: any area taken up by arable land, permanent grassland or permanent cultivation which is available to a member of the cooperative on the basis of ownership, lease or sublease or is in use with the consent of the owner or the lessee who has sublet the agricultural plot with the consent of the owner;

3. Replacing the full stop at the end of the last definition '*peatland area*' with a semicolon, a definition is added reading:

food forest: a farming method with at least 3 vertical layers of vegetation, where the crops produce edible products.

B

Article 5.8.2.3(2) is amended to read:

2. The following are not eligible for subsidies:

- a. costs for volunteers;
- b. contributions in kind.

C

Article 5.8.2.8(3) is amended to read:

3. Without prejudice to Article 2.19, fourth and fifth paragraphs, the subsidy application of the subsidy is accompanied by:

- a. an invoice and proof of payment for all costs referred to in Article 5.8.2.3;
- b. documents containing the results of the project, such as the final cooperative agreement and the final area plan, focused on the task in the area with a description of the parties, or a report on the process.

D

In Article 5.8.3.1(1) 'measures aimed at reducing ammonia emissions through extensification' is replaced by 'extensification measures'.

E

Article 5.8.3.3 is amended as follows:

1. In paragraph 1(f), 'and installation' is replaced by ', installation and maintenance'.

2. In paragraph 1(g), 'and installation' is replaced by ', installation and maintenance'.

3. Renumbering paragraph 4 as paragraph 8, the following paragraphs is added:

4. Costs of extensification measures for dairy farms, referred to in Annex 3, Section 6b, are not eligible for subsidy if:

- a. less than 70% of the animal excrement produced by the dairy farm in the calendar year in question comes from dairy cows and calving cows, or less than 80% of the agricultural land of the dairy farm consists of grassland;
- b. the dairy farm in the calendar year in question also participates in a cooperative that receives a subsidy pursuant to paragraph 5.8.4;
- c. more than 50% of the agricultural land of the dairy farm is located outside peatland or N2000 transitional areas in the calendar year concerned;
- d. the dairy farm does not participate in the cooperative for the implementation of extensification measures with all of its agricultural land in the calendar year in question;
- e. the average animal excretion of the dairy farm in the calendar year concerned is less than 50 kilograms of nitrogen per hectare;
- f. the reduction on the dairy farm in the calendar year concerned compared to the reference year referred to in paragraph 5 is less than:
 - i. 5% of the average animal excretion per hectare per year; or
 - ii. 10% of the average nitrogen fertilisation per hectare per year.

5. The reference year as referred to in paragraph 4(f) is 2025 or - in the case of force majeure or exceptional circumstances in the year 2025 - it is 2024.

6. To the extent that the determination of the eligible costs for the management measures referred to in the paragraph 1(h), relates to agricultural land, the actual situation on the farm is taken as the basis.

7. The determination of the actual situation, referred to in paragraph 6, shall be based on the situation on 15 May of the calendar year in question.

4. Paragraph 8 (new) reads as follows:

8. The following are not eligible for subsidies:

- a. costs for volunteers;
- b. contributions in kind.

F

Article 5.8.3.6 is amended as follows:

1. '1.' is added in front of the text.
2. In paragraph 1(e) is deleted, while renumbering points (f) to (h) as (e) to (g).
3. The following two paragraphs are added:
 2. To the extent that the grounds for refusal referred to in this Article relate to agricultural land, the actual situation of the member of the collective shall be taken into account.
 3. The determination of the actual situation as referred to in paragraph 2, shall be based on the situation on 15 May 2026.

G

Article 5.8.3.8(2) is amended to read:

2. The subsidy recipient shall ensure that the measures are implemented on agricultural land or grassland in a peatland area.

H

Article 5.8.3.9 is amended as follows:

1. In paragraph 1(c), 'in accordance with the SOMERS calculation rules, as stated on the website of the National Research Programme on Greenhouse Gases in Peatlands' is replaced by 'participating in the cooperative,'.
2. Paragraph 1(d) reads as follows:
 - d. a calculation of the average CO₂ emissions per hectare per year after implementation of the project on the peatland plots participating in the cooperative, using the digital map referred to in point a;
3. Replacing the full stop at the end of paragraph 1(g), with a semicolon, two new points are added with the following text:
 - h. in the case of a project plan for a cooperative in which a dairy farm participates with extensification measures referred to in Annex 3, Section 6b, a calculation of the average animal excretion per hectare in the year 2025 and, if 2025 is not the reference year as referred to in Article 5.8.3.3(5), the year 2024 for each of the participating dairy farms, expressed in kilograms of nitrogen per hectare per farm per year;
 - i. in the case of a project plan for a cooperative in which a dairy farm participates with extensification measures referred to in Annex 3, Section 6b, a calculation of the average animal excretion per hectare per year and the average nitrogen fertilisation per hectare per year of each of the dairy farms after implementation of the project.
2. Paragraphs 2 to 4 are renumbered as 3 to 5, and a new paragraph is inserted, reading:
 2. The calculation referred to in paragraph 1(c) and (d), are prepared in accordance with a CO₂ calculation model made available by the Minister.
3. In paragraph 4 (new), 'April 2026' is replaced by 'April 2028' and 'in 2025' is replaced by 'in 2027'.
4. In the paragraph 5 (new), point c, after 'animal excrement', insert 'and total nitrogen fertilisation'.

5. In paragraph 5 (new), point (c), the words 'whole farm' are replaced by the words 'agricultural land of the dairy farm'.

6. In paragraph 5 (new), point d, subsection 4, 'SOMERS calculation model' is replaced by 'CO₂ calculation model'.

I

In Article 5.8.3.10(3), 'fourth' is replaced by 'fifth'.

J

Article 5.8.4.1 is amended as follows:

1. In paragraph 1, 'reduction of ammonia emissions by extensification of' is replaced by 'implementation of extensification measures by'.

2. In paragraph 1, the words 'and arable farms' are added.

K

Article 5.8.4.3 is amended as follows:

1. In paragraph 1(f), 'management measure for extensification' is replaced by 'extensification measure'.

2. In paragraph 3, 'management measures referred to in (...) point 6b' is replaced by 'extensification measures referred to in paragraph 1(f), determined on the basis of the fixed payments included in Annex 3, points 6b and 6c.

3. Paragraph 4 is renumbered as paragraph 9 and the following paragraphs are added:

4. The costs of extensification measures of dairy farms shall not be eligible if:
 - a. less than 70% of the animal excrement from the dairy farm comes from dairy cows and calving cows, or less than 80% of the agricultural land of the dairy farm consists of grassland;
 - b. the average animal excretion of the dairy farm in the calendar year concerned is less than 50 kilograms of nitrogen per hectare;
 - c. in the calendar year in question, the dairy farm also participates with extensification measures in a cooperative that receives a subsidy under paragraph 5.8.3;
 - d. more than 50% of the agricultural land of the dairy farm is outside N2000 transitional areas in the calendar year in question;
 - e. the dairy farm does not participate in the cooperative with all of its agricultural land in the calendar year in question;
 - f. the reduction on the dairy farm in the calendar year in question compared to the reference year referred to in paragraph 6 is less than:
 - i. 5% of the average animal excretion per hectare per year; or
 - ii. 10% of the average nitrogen fertilisation per hectare per year.
5. The costs of extensification measures of arable farms shall not be eligible if:
 - a. more than 20% of the agricultural land of the arable farm in the calendar year in question consists of permanent grassland or permanent crops, unless it is a food forest;
 - b. the average animal excretion of the arable farm in the calendar year concerned exceeds 50 kilograms of nitrogen per hectare;
 - c. less than 50% of the arable land of the arable farm in the calendar year concerned consists of a break crop plus as the main crop with visible cover;
 - d. more than 50% of the agricultural land of the arable farm outside N2000 transitional areas in the calendar year concerned;
 - e. the arable farm does not participate in the cooperative with all its agricultural land in the calendar year in question;
 - f. the reduction on the arable farm in the calendar year concerned, compared to the reference year referred to in paragraph 1, is less than 10% of the average nitrogen fertilisation per hectare per year.
6. The reference year as referred to in paragraph 4(f) and paragraph 5(f) is 2025 or - in the case of force majeure or exceptional circumstances in the year 2025 - it is 2024.

7. To the extent that the conditions set out in this Article relate to agricultural land, the actual situation of the member of the cooperative shall be taken into account.
8. The determination of the actual situation as referred to in paragraph 7 shall be based on the situation on 15 May of the calendar year in question.

3. Paragraph 9 (new) reads:

9. The following are not eligible for subsidies:

- a. costs for volunteers;
- b. contributions in kind.

L

Article 5.8.4.6 is amended as follows:

1. '1.' is added in front of the text.
2. In paragraph 1 (new), point d, 'or arable farm' is inserted after 'a dairy farm'.
3. The following two new paragraphs are added:
 2. To the extent that the requirements set out in this Article relate to agricultural land, the actual situation of the member of the cooperative shall be taken as the basis.
 3. The determination of the actual situation, referred to in paragraph 2, shall be based on the situation on 15 May of the calendar year in question.

M

In Article 5.8.4.7(1) 'the reduction of ammonia emissions (...) extensification of dairy farms' is replaced by 'the implementation of extensification measures by dairy farms and arable farms in N2000 transitional areas'.

N

Article 5.8.4.8(2) is amended to read:

2. The activities take place on agricultural land.

O

Article 5.8.4.9 is amended as follows:

1. Paragraph 1(c) reads as follows:

- c. in the case of a project plan for a cooperative in which a dairy farm participates, a calculation of the average animal excretion in the year 2025 and, if 2025 is not the reference year as referred to in Article 5.8.4.3, paragraph 6, the year 2024 for each of the participating dairy farms, expressed in kilograms of nitrogen per hectare per farm per year;

2. In paragraph 1, while renumbering points (c) to (f) as points (d) to (g), a point is inserted with the following text:

- d. in the case of a project plan of a cooperative in which an arable farm participates, a calculation of the average animal excretion in the year 2025;
- e. in the case of a cooperative project plan in which a dairy farm participates, a calculation of the average animal excretion of each of the participating dairy farms after implementation of the project, expressed in kilograms of nitrogen per hectare per farm per year;
- f. a calculation of the average nitrogen fertilisation in the reference year as referred to in Article 5.8.4.3(6) for each of the participating dairy farms and arable farms, expressed in kilograms of nitrogen per hectare per farm per year;
- g. a calculation of the average nitrogen fertilisation after implementation of the project for each of the participating dairy farms and arable farms, expressed in kilograms of nitrogen per hectare per farm per year;

3. In paragraph 1(h) (new), 'and arable farms' is added.
4. In paragraph 2, 'April 2026' is replaced by 'April 2028' and 'in 2025' is replaced by 'in 2027'.
5. Paragraph 3(b) reads as follows:
 - b. in the case of a project plan of a cooperative in which a dairy farm participates, documents containing information per dairy farm on the total annual animal excretion, the total annual nitrogen fertilisation and a subscription to the digital environmental map made available showing that more than 50% of the agricultural land of the farm is within an N2000 transitional area;
6. Two points are added to paragraph 3, reading as follows:
 - c. in the case of a project plan of a cooperative in which an arable farm participates, documents containing information per arable farm on the total annual animal excretion and the total annual nitrogen fertilisation, the percentage of the agricultural land on which a break crop plus has been grown and a subscription to the digital environmental map made available showing that more than 50% of the agricultural land of the farm is within an N2000 transitional area;
 - d. in the case of an arable farm using only biological plant protection products and plant protection products included in the Skal input list, documents containing information on the plant protection products used.

P

In Article 5.8.4.10(3) 'a and b' is replaced by 'a, b, c and d'.

Q

Annex 3 to Title 5.8, Sections 5.8.3, 5.8.4 and 5.8.5 is amended as follows:

1. In the second column (Description of result) corresponding to Product/activity 5(a), the following is inserted after 'pressure drainage': 'that comply with KIWA Assessment Guideline 1411'.
2. In the second column (Description of result) corresponding to Product/activity 5(a), the words 'The drainage pipes shall have a casing made of natural material.' are inserted after 'non-agricultural land.'.

The following are deemed equivalent to KIWA Assessment Guideline 1411: an assessment guideline adopted by an independent certifying body in another Member State of the European Union or in a State that is not a Member State of the European Union but is party to a treaty covering or partly covering the relevant subject matter and binding upon the Netherlands, which assessment guideline contains requirements that are at least equivalent to those envisaged by KIWA Assessment Guideline 1411.'

3. In the second column (Description of result) corresponding to Product/activity 5(c), the phrase 'eligible' is inserted before 'costs'.
4. In the first column (Product/activity) under Product/activity 6(b), the words 'dairy farm' are added.
5. The second column (Description of result) relating to Product/activity 6(b), reads as follows:

The animal excretion and fertilisation volume of the dairy farm shall be a maximum of 150 or 100 kg of nitrogen per hectare of agricultural land per farm where the use of fertiliser containing nitrogen is not permitted.

For the extensification application in N2000 transitional areas (paragraph 5.8.4.):

For the calculation of points for grazing, the eco-activity of grazing is taken as a basis.

6. In the table, after the row for Product/activity 6(b), the following row is added:

c. arable farm extensific	The fertilisation volume of the arable farm is a maximum	Max. 150 kg N fertilisation/ha per farm: EUR 375 per hectare per year
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ation	of 150 or 100 kg of nitrogen per hectare of agricultural land per farm. The arable farm may choose to use only organic plant protection products and plant fertilisers that are included in the Skal input list.	Maximum 100 kg N fertilisation/ha per farm: EUR 1,020 per hectare per year Max. 150 kg N fertilisation/ha per farm using the Skal input list for plant protection products: EUR 2 675 per hectare per year Max. 100 kg N fertilisation per hectare per farm using the Skal input list for plant protection products: EUR 3 130 per hectare per year If the arable farm also applies for the eco-activity of break crops, the above compensations shall be reduced by EUR 105 per hectare.
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R

After Annex 3, an Annex is added, reading as follows:

Annex 4 to Title 5.8, paragraph 5.8.4

Crop code 2024	Break crop plus (main crop) on arable land	
233	wheat, winter	
234	wheat, summer	
235	barley, winter	
236	barley, summer	
238	oats	
246	caraway seed	
247	poppy seeds	
258	lucerne	
266	grassland, temporary	
314	triticale	
346	tagetes erecta (African marigold)	
347	tagetes patula (African marigold)	
381	teff	
382	spelt	
428	white mustard	
655	black mustard	
666	linseed not from flax grown for fibre (oil flax)	
669	eruca sativa (nematode cover crop)	
670	japanese oats	
1022	quinoa	
1037	parsley, production	
1038	parsley, seeds and propagation material	

1922	winter rapeseed (including spring rapeseed)	
1923	rapeseed, summer (including spring rapeseed)	
2652	other cereals	
3504	fodder radish	
3510	buckwheat	
3514	niger	
3517	sarepta mustard/caliente	
3519	Sudan grass/sorghum	
6746	meadow fescue, grass seed	
6750	English ryegrass, grass seed	
6752	festulolium, grass seed	
6754	Italian ryegrass, grass seed	
6762	clover, red, green manure, cover crop	
6763	clover, red, clover seed	
6764	clover, white, green manure, cover crop	
6765	clover, white, clover seed	
6768	other grass seed	
6782	tall fescue, grass seed	
6784	red fescue, grass seed	
6786	Timothy grass, grass seed	
6788	meadow grass, grass seed	
6790	Westerwolds ryegrass, grass seed	
7123	rapeseed, summer	
7124	rapeseed, winter	
7129	rye, green fodder	
7130	rye, grain crop	
7131	rye, green manure, cover crop	

Article II

This regulation shall enter into force on the day after the date of publication of the Official Gazette in which it is published, and with regard to Article I(K) shall have retroactive effect from 2 November 2023.

This regulation shall be published in the Official Journal with the Annex and the explanatory notes.

The Hague, (date)

The Minister of Agriculture, Fisheries, Food Security and Nature

I. GENERAL

1. Introduction

The subsidy module 'Cooperation in peatlands and N2000 transitional areas' was published on 1 November 2023 as part of REES 2021. This subsidy module focuses on cooperatives in which landowners and users work together to implement measures aimed at more extensive and nature-inclusive agricultural management in peatland areas and in and around nitrogen-sensitive Natura 2000 areas. There were three subsidy categories, each with its own conditions and budget:

- the establishment of a cooperative or an area plan in peatland areas or N2000 transitional areas (Category 1, paragraph 5.8.2);
- the roll-out of measures in peatland areas (Category 2, paragraph 5.8.3); and
- the deployment of measures in N2000 transitional areas (Category 3, paragraph 5.8.4).

The subsidy categories were opened for the first time from 1 May to 28 June 2024. In 2025, a new subsidy category was added to the module: Category 4, water system improvement in peatland areas (paragraph 5.8.5). The addition of this category has already been published ([Stcrt, 2025, 18808](#)).

The plan is to have a second opening of categories 1, 2, and 3 in the spring of 2026. In anticipation of this, the regulatory text containing this proposal has been amended in a number of respects.

2. Description of the main changes

In the next opening for category 3 (paragraph 5.8.4), in addition to extensification of the dairy farm, extensification of the arable farm will be included. This is because 40% of the agricultural land in and around nitrogen-sensitive Natura 2000 areas does not consist of grassland plots, but of plots with other arable and horticultural crops.

The following applies to the participation of arable farms in extensification in N2000 transitional areas:

- as a basis, at least 50% of arable land consists of break crops from the break crop plus list (see Annex 4), as this contributes to the improvement of soil quality and carbon sequestration in mineral soils. Arable land is defined as land used for open field cultivation, other than permanent grassland or permanent crops.
- the base variants for fertilisation are on average 150 kg of nitrogen per hectare of agricultural land per farm or on average 100 kg of nitrogen per hectare of agricultural land per farm. This fertilisation can be done with animal manure, other organic fertilisers or artificial fertilisers, because animal manure alone would not be suitable due to the phosphate content of the soil and for certain crops.
- As an additional option, an extensive arable farm may also use only organic plant protection products and plant protection products from the input list for organic farming (Skal input list).

A number of requirements which were included in the initial opening as grounds for rejecting applications in Categories 2 and 3 have been changed into eligibility requirements. The reason for this is that these are circumstances that preclude granting compensation but that do not necessarily lead to rejection of the cooperative's entire application.

Conditions have been added to Categories 2 and 3 (paragraphs 5.8.3 and 5.8.4) stipulate that dairy farms participating in the extensification measure must achieve a minimum 5% reduction in average nitrogen excretion by livestock and a minimum 10% reduction in nitrogen fertilisation, while arable farms must achieve a minimum 10% reduction in nitrogen fertilisation compared to the reference year. This represents a tightening of the rules compared to the initial opening. This condition has been added to ensure that compensation is only paid to farms that actually take additional extensification measures. In connection with the aforementioned reduction requirements at the farm level, a more specific provision for force majeure and exceptional circumstances has been added. In determining whether the reduction requirements have been met at the farm level, the year 2025 is used as a reference. For example, in the event of an animal disease in a particular year, it is possible to use the preceding year as the reference year.

In addition, the subsidy obligation to notify the management measure two weeks before its start has been omitted. This did not contribute to achieving the objective or scope of the scheme and was merely an administrative burden. Because change requests must be submitted when changes are made to plots, participants or measures, the latest situation is already known and notifying it has no added value. This amendment therefore lessens the administrative obligations for the cooperatives.

In Category 1 (paragraph 5.8.2), the condition has been added that an invoice and proof of payment must also be provided with the application for assessment. Only costs paid to third parties for the preparation of the site plan are eligible for compensation under this category. In this category, an advance of 50% is provided after the subsidy decision. Enclosing the invoices and proof of payment with the subsidy application demonstrates that costs were actually incurred for the preparation of the area plan by an external party.

The Regulation on the opening of subsidies granted by the Ministry of Economic Affairs and Climate Policy and the Ministry of Agriculture, Nature and Food Quality [Regeling openstellen EZK- en LNV-subsidies, ROES] will include the specific subsidy ceilings and openings for the subsidy options referred to in this Regulation. This is expected to amount to approximately EUR 40 million for projects in peatland areas (Category 2, paragraph 5.8.3), approximately EUR 70 million for the N2000 transitional areas (Category 3, paragraph 5.8.4) and approximately EUR 0.2 million for the preparation of an area plan and the establishment of a cooperative (Category 1, paragraph 5.8.2).

During the previous call for proposals, it was found that it was difficult for cooperatives applying for project funding with extensification measures to determine what requirements needed to be met at which stage of the process. This amendment therefore clarifies the requirements by introducing phased plans. These phased plans (see paragraphs 3 to 5) explain what needs to be demonstrated in the application and in the partial payment requests.

3. Phased plan for extensification in N2000 transitional areas

For a participant in the cooperative in an N2000 transitional area, it is complicated to understand which entry requirements they have to meet in case of extensification with the application or with the payment request. This is explained in more detail in this explanatory note for both dairy farms and arable farms. The reduction per farm compared to the reference year is a new additional requirement for both the application and the payment request, as it makes it explicit that each farm is taking a step towards extensification.

3a. Dairy farm in N2000 transitional area - at the time of application

Each dairy farm wishing to participate in the extensification management measure must comply with the following conditions when applying:

1. At least 70% of the average nitrogen excretion from animals in the previous year (2025) comes from dairy cows and calving cows (animal code 100). The average nitrogen excretion from livestock on the farm must also be at least 50 kg N per hectare. This must be demonstrated through a printout from the I&R animals or the printout of the annual overview (such as the cattle register) from the management system of the average number of animals per animal code in 2025. The calculation of the average milk production per cow and the average urea content of the milk must also be demonstrated through a printout of the annual overview of milk deliveries and a calculation of the extra processed milk. The demonstrated numbers should then be entered into the table animal nitrogen excretion.
2. What is new is that each dairy farm must calculate a minimum reduction of 5% in nitrogen excretion in its plan compared to the reference year. This can be indicated by ensuring that the intended average nitrogen excretion is at least 5% lower than in the reference year. Also, in order to participate in the extensification management measure, the intended animal excretion will have to be lower than an average of 150 kg or 100 kg animal nitrogen excretion per hectare.
3. At least 50% of the agricultural land of the farm is in an N2000 transitional area and at least 80% of the agricultural land is grassland. For grassland, only crop codes 265, 266 and 331 are taken into account.
All the agricultural land of the farm must be entered in the Peatland N2000 application at the time of the application. This application indicates whether 50% of the agricultural land is in an N2000 transitional area and the minimum percentage of 80% grassland is reached. There should be no difference between the plots of agricultural land entered per farm in the Peatland N2000 application and the plots of agricultural land in the version of the Combined Declaration with the reference date of 15 May 2026. For the crop codes on the plots, the application submitted is leading.
4. An additional condition is that the reference nitrogen fertilisation (year 2025) must be demonstrated in the application. See also the brochure (https://www.rvo.nl/sites/default/files/2023-08/Brochure-Hoeveel-mest-gebruiken-hoe-rekent-u-dat-uit-v1.7-Aug2023_0.pdf). A printout of the mandatory fertilisation plan for 2025 shows the stock at the beginning of 2025. A printout of the mandatory fertilisation plan in 2026 shows the stock at the end of 2025. Manure production is demonstrated by the

previous calculation of nitrogen excretion. The supplied and removed manure shall be demonstrated by the summary of the annual printout of the animal manure supplied and removed. The fertiliser and other supplied and removed manure are documented with a printout of the invoices and accounting data. The demonstrated numbers can then be entered into the nitrogen fertilisation table.

5. Each dairy farm must include a calculation of at least a 10% reduction in average nitrogen fertilisation in its plan. This may be indicated by setting the intended average nitrogen fertilisation at least 10% lower than in the reference situation. In any case, if participation in the extensification management measure is desired, it must be less than an average of 150 kg or 100 kg of nitrogen fertilisation per hectare. No nitrogenous chemical fertiliser is permitted.
6. The dairy farm may indicate in the application that it will take part in the eco-activity of grazing, Categories 1 or 2 during the subsidy period. It is therefore not necessary to participate during the application year. This eco-activity is relevant for the ranking. Registration with Qlip is required for the eco-activity of grazing (<https://www.rvo.nl/onderwerpen/glb-2024/eco-regeling/eco-activiteiten#eco-activiteiten>).

3b. Dairy farm in an N2000 transitional area - in case of a payment request

When submitting a payment request for the extensification management measure, dairy farms participating in the extensification management measure must demonstrate at the end of each management year (= calendar year) that they still meet the definition of dairy farming in Article 5.8.1, the entry requirements, and the requirements of the management measure. If there are interim changes, the cooperative must request authorisation from RVO with a request for amendment. The following must be demonstrated:

1. At least 70% of the average nitrogen excretion of the rounded calendar year (2027 or 2028) comes from dairy cows and calving cows (animal code 100). The average nitrogen excretion from livestock on the farm must also be at least 50 kg N per hectare. This must be demonstrated through a printout from the I&R animals or the printout of the annual overview (such as the cattle register) from the management system showing the average number of animals per animal code in the calendar year. The calculation of the average milk production per cow and the average urea content of the milk must also be demonstrated through a printout of the annual overview of milk deliveries and a calculation of the extra processed milk. The demonstrated numbers should then be entered into the table animal nitrogen excretion.
2. This calculation also demonstrates that the 5% reduction has been achieved compared to the reference situation (2025) and that less than an average of 150 or 100 kg of animal nitrogen excretion per hectare has been achieved.
3. At least 50% of the agricultural land of the farm is in an N2000 transitional area and at least 80% of the agricultural land is grassland. For grassland, only crop codes 265, 266 and 331 are taken into account.
All the agricultural land of the farm must be entered into the Peatland N2000 application with the payment request. This application indicates whether 50% of the agricultural land is in an N2000 transitional area and the maximum percentage of 80% grassland is met. There must be no difference between the plots of agricultural land per farm entered into the Peatland N2000 application and the plots of agricultural land in the printout of the Combined Declaration on the reference date of 15 May.
4. The average nitrogen fertilisation per calendar year (2027 or 2028) is to be demonstrated. See also the brochure (https://www.rvo.nl/sites/default/files/2023-08/Brochure-Hoeveel-mest-gebruiken-hoe-rekent-u-dat-uit-v1.7-Aug2023_0.pdf). A printout of the mandatory fertilisation plan in the calendar year shows the stock at the beginning of the calendar year. A printout of the mandatory fertilisation plan in the year after the calendar year shows the stock at the end of the calendar year. Manure production is demonstrated by the previous calculation of nitrogen excretion. The supplied and removed manure shall be demonstrated by the summary of the annual printout of the animal manure supplied and removed. The other supplied and removed fertilisers (as nitrogen-containing artificial fertilisers are not permitted) are demonstrated through a printout of the invoices and accounting data. The demonstrated numbers can then be entered into the nitrogen fertilisation table.
5. With this calculation, it can be demonstrated per calendar year that the 10% reduction was achieved compared to the reference situation (2025), and that there was less than an average of 150 or 100 kg of nitrogen fertilisation per hectare.
6. The dairy farm indicated in its application that it will participate in the management years with the eco-activity of grazing, Categories 1 or 2. Participation in each management year must be demonstrated through the printout from the Combined Declaration on the reference date of 15 May and the confirmation of the implemented plan by the printout of the Combined Declaration in the autumn of each management year.

3c. Arable farm in N2000 transitional area - at the time of application

Each arable farm wishing to participate in the management measure must comply with the following conditions when applying for an extensification measure:

1. The average nitrogen excretion of the farm does not exceed 50 kg N per hectare. This must be demonstrated by a printout from the I&R animals of the average number of animals per animal code in 2025. The demonstrated numbers can then be entered into the table animal nitrogen excretion.
2. A minimum of 50% of the agricultural land of the farm must be in an N2000 transitional area and a maximum of 20% of the agricultural land may be permanent crops or permanent grassland, with the exception of food forest (crop code 1940), as this may be present up to a higher percentage.
All the agricultural land of the farm must be entered in the Peatland N2000 application at the time of the application. This application indicates whether the 50% of the area in an N2000 transitional area and the maximum 20% permanent crop or permanent grassland is taken, with the exception for food forest. In addition, there must be no difference between the plots of agricultural land entered per farm into the Peatland N2000 application and the plots of agricultural land in the printout of the Combined declaration with reference date 15 May 2026. For the crop codes on the plots, the application submitted is leading. If crop codes differ in arable land, this is less relevant for the reference year. However, it is important that the hectares of permanent cultivation and permanent grassland match. The crop codes for permanent crops and permanent grassland are listed in the crop table (<https://www.rvo.nl/onderwerpen/glb-2024/tabellen-documenten>) under the tab 'Eligible crops CAP' or can be consulted for 2025 (<https://www.rvo.nl/onderwerpen/gewascodelijst>).
3. The reference nitrogen fertilisation (year 2025) must also be demonstrated in the application. See also the brochure (https://www.rvo.nl/sites/default/files/2023-08/Brochure-Hoeveel-mest-gebruiken-hoe-rekent-u-dat-uit-v1.7-Aug2023_0.pdf). A printout of the mandatory fertilisation plan for 2025 shows the stock at the beginning of 2025. A printout of the mandatory fertilisation plan in 2026 shows the stock at the end of 2025. Manure production is demonstrated by the previous calculation of nitrogen excretion. The supplied and removed manure shall be demonstrated by the summary of the annual printout of the animal manure supplied and removed. The fertiliser and other supplied and removed manure are documented with a printout of the invoices and accounting data. The demonstrated numbers can then be entered into the nitrogen fertilisation table.
4. Each arable farm must calculate in its plan at least a 10% reduction in the average nitrogen fertilisation. This may be indicated by setting the intended average nitrogen fertilisation at least 10% lower than in the reference situation. In any case, if participation in the extensification management measure is desired, it must be less than an average of 150 kg or 100 kg of nitrogen fertilisation per hectare.

3d. Arable farm in an N2000 transitional area - in the case of a payment request

When submitting the payment request for the extensification management measure at the end of each calendar year, the arable farm that participates in the extensification management measure must demonstrate that it complies with the definition of arable farm as per Article 5.8.1, the entry requirements and the requirements of the management measure. If there are interim changes, the cooperative must request authorisation from RVO with a request for amendment. The following must be demonstrated:

1. The average nitrogen excretion of the farm does not exceed 50 kg N per hectare. This must be demonstrated through a print-out from the I&R animals of the average number of animals per animal code in each calendar year. The demonstrated numbers should then be entered into the table animal nitrogen excretion.
2. A minimum of 50% of the agricultural land of the farm must be in an N2000 transitional area and a maximum of 20% of the agricultural land may be permanent crops or permanent grassland, with the exception of food forest (crop code 1940), as this may be present up to a higher percentage.
All the agricultural land of the farm must be entered into the Peatland N2000 application with the payment request. This application indicates whether 50% of the area is located in an N2000 transitional area and the requirement that the agricultural land consists of a maximum of 20% permanent crop or permanent grassland is met, with the exception for food forest. The application also indicates whether the 50% break crop plus (see Annex 4) has been met.
There must therefore be no difference between the plots of agricultural land entered per farm into the Peatland N2000 application and the plots of agricultural land in the printout of

the Combined Declaration on reference date 15 May of the management year. Both the crop codes in arable land (minimum 50% break crop plus) and the hectares of permanent crops and permanent grassland must correspond between the printout of the Combined Declaration and the plots entered in the Peatland N2000 application. The crop codes for permanent crops and permanent grassland are listed in the crop table (<https://www.rvo.nl/onderwerpen/glb-2024/tabellen-documenten>) under the tab 'Eligible crops CAP' or can be consulted for 2025 and subsequent years (<https://www.rvo.nl/onderwerpen/gewascodelijst>).

If plots are involved in the eco-activity of cover crops during the management year, this must be demonstrated through a printout of the Combined Declaration (printout of the autumn declaration). The compensation for those lots will then be reduced by EUR 105.

3. The average nitrogen fertilisation per management year (2027 or 2028) is demonstrated. See also the brochure (https://www.rvo.nl/sites/default/files/2023-08/Brochure-Hoeveel-mest-gebruiken-hoe-rekent-u-dat-uit-v1.7-Aug2023_0.pdf). A printout of the mandatory fertilisation plan in the calendar year shows the stock at the beginning of the calendar year. A printout of the mandatory fertilisation plan in the year after the calendar year shows the stock at the end of the calendar year. Manure production is demonstrated by the previous calculation of nitrogen excretion. The supplied and removed manure shall be demonstrated by the summary of the annual printout of the animal manure supplied and removed. The fertiliser and other supplied and removed manure are documented with a printout of the invoices and accounting data. The demonstrated numbers can then be entered into the nitrogen fertilisation table.
4. With this calculation, it must be demonstrated that for each calendar year, the 10% reduction was achieved compared to the reference situation (2025) and that there was less than an average of 150 or 100 kg of nitrogen fertilisation per hectare.
5. For the SKAL input list option, it must be demonstrated with the annual plant protection monitor that the inputs used are either organic or on the SKAL input list in that year. The mandatory annual plant protection monitor for each farm must include an explanation of the plant protection products used (<https://www.nvwa.nl/onderwerpen/gewasbescherming/hoe-de-nvwa-controleert>), as the use of plant protection products must be kept up-to-date in accordance with Article 67 of Regulation (EC) No 1107/2009.

4. Phased plan for extensification in peatland areas

For a participant in a cooperative in peatland areas who wants to participate in the extensification management measure, it is complex to understand which entry requirements he must meet with the application and the payment requests. This is explained in more detail in this explanatory memorandum. The reduction per farm compared to the reference year is a new additional requirement for both the application and the payment request, as it makes it explicit that each farm is taking a step towards extensification.

4a. Dairy farms in peatlands (extensification) - at the time of application

Each dairy farm wishing to participate in the extensification management measure must comply with the following conditions when applying:

1. At least 70% of the average nitrogen excretion from animals in the past year (2025) comes from dairy cows and calving cows (animal code 100). The average nitrogen excretion from livestock on the farm must also be at least 50 kg N per hectare. This must be demonstrated through a printout from the I&R animals or the printout of the annual overview (such as the cattle register) from the management system of the average number of animals per animal code in 2025. The calculation of the average milk production per cow and the average urea content of the milk must also be demonstrated through a printout of the annual overview of milk deliveries and a calculation of the extra processed milk. The demonstrated numbers can then be entered into the table animal nitrogen excretion.
2. A new requirement is that every dairy farm must include a calculation in its plan of at least a 5% reduction in nitrogen excretion by livestock compared to the reference year. This can be indicated by setting the target average nitrogen excretion at least 5% lower than in the reference year. In any case, if participation in the extensification management measure is desired, it must be less than an average of 150 kg or 100 kg nitrogen excretion per hectare.
3. At least 50% of the agricultural land of the farm must be in peatland or a N2000 transitional area and at least 80% of the agricultural land must be grassland. For grassland, only crop codes 265, 266 and 331 are taken into account.

All the agricultural land of the farm must be entered in the Peatland N2000 application at the time of the application. This application indicates whether 50% of the agricultural land is located in peatland areas or N2000 transitional areas and whether the minimum

percentage of 80% grassland is achieved. There must be no difference between the plots of agricultural land entered per farm into the Peatland N2000 application and the plots of agricultural land in the printout of the Combined Declaration on reference date 15 May. For the crop codes on the plots, the application submitted is leading.

4. The reference nitrogen fertilisation (year 2025) must also be demonstrated in the application. See also the brochure (https://www.rvo.nl/sites/default/files/2023-08/Brochure-Hoeveel-mest-gebruiken-hoe-rekent-u-dat-uit-v1.7-Aug2023_0.pdf). A printout of the mandatory fertilisation plan for 2025 shows the stock at the beginning of 2025. A printout of the mandatory fertilisation plan in 2026 shows the stock at the end of 2025. Manure production is demonstrated by the previous calculation of nitrogen excretion. The supplied and removed manure shall be demonstrated by the summary of the annual printout of the animal manure supplied and removed. The fertiliser and other supplied and removed manure are documented with a printout of the invoices and accounting data. The demonstrated numbers can then be entered into the nitrogen fertilisation table.
5. Each dairy farm must include a calculation of at least a 10% reduction in average nitrogen fertilisation in its plan. This can be indicated by setting the target average nitrogen fertilisation at least 10% lower than in the reference situation. In any case, if participation in the extensification management measure is desired, it must be less than an average of 150 kg or 100 kg nitrogen fertilisation per hectare. No nitrogenous chemical fertiliser is permitted.

4b. Dairy farm in peatland areas (extensification) - with a payment request

When submitting a payment request for the extensification management measure, dairy farms participating in the extensification management measure must demonstrate after the end of each calendar year that they still meet the definition of dairy farm in Article 5.8.1, the entry requirements, and the requirements of the management measure. If there are interim changes, the cooperative must request authorisation from RVO with a request for amendment. In the case of a request for amendment, it must be demonstrated that the criteria are still being met. The following must be demonstrated:

1. At least 70% of the average nitrogen excretion of the rounded calendar year (2027 or 2028) comes from dairy cows and calving cows (animal code 100). The average nitrogen excretion from livestock on the farm must also be at least 50 kg N per hectare. This must be demonstrated through a printout from the I&R animals or the printout of the annual overview (such as the cattle register) from the management system showing the average number of animals per animal code in the calendar year. The calculation of the average milk production per cow and the average urea content of the milk must also be demonstrated through a printout of the annual overview of milk deliveries and a calculation of the extra processed milk. The demonstrated numbers can then be entered into the table animal nitrogen excretion.
2. This calculation also demonstrates that the 5% reduction has been achieved compared to the reference situation (2025) and that less than an average of 150 or 100 kg of animal nitrogen excretion per hectare has been achieved.
3. At least 50% of the agricultural land of the farm must be in peatland or a N2000 transitional area and at least 80% of the agricultural land must be grassland. For grassland, only crop codes 265, 266 and 331 are taken into account.
All the agricultural land of the farm must be entered into the Peatland N2000 application with the payment request. This application indicates whether the 50% of the agricultural land in peatland or a N2000 transitional area and the minimum 80% grassland is achieved. In addition, there must be no difference between the plots of agricultural land per farm entered into the Peatland N2000 application and the plots of agricultural land in the printout of the Combined Declaration on the reference date of 15 May of the management year.
4. The average nitrogen fertilisation per calendar year (2027 or 2028) is to be demonstrated. See also the brochure (https://www.rvo.nl/sites/default/files/2023-08/Brochure-Hoeveel-mest-gebruiken-hoe-rekent-u-dat-uit-v1.7-Aug2023_0.pdf). A printout of the mandatory fertilisation plan in the calendar year shows the stock at the beginning of the calendar year. A printout of the mandatory fertilisation plan in the year after the calendar year shows the stock at the end of the calendar year. Manure production is demonstrated by the previous calculation of nitrogen excretion. The supplied and removed manure shall be demonstrated by the summary of the annual printout of the animal manure supplied and removed. The other supplied and removed fertilisers (as nitrogen-containing artificial fertilisers are not permitted) are demonstrated through a printout of the invoices and accounting data. The demonstrated numbers can then be entered into the nitrogen fertilisation table.
5. With this calculation, it can be demonstrated per calendar year that the 10% reduction was achieved compared to the reference situation (2025), and that there was less than an average of 150 or 100 kg of nitrogen fertilisation per hectare.

5. Roadmap for cooperative on increasing groundwater level in peatlands

Experience from the initial opening has shown that it is also complex for the peatland cooperative to understand what they need to demonstrate in the application and payment requests for a project aimed at increasing the level of groundwater in peatlands. This experience means that alignment between the calculation in the CO₂ calculation model, called SOMERS, and the specification in the Peatland N2000 application requires further clarification. In view of the above, the Regulation has been amended in minor respects. The SOMERS calculation has been incorporated into the application, so that there no longer needs to be any difference in hectares. Before the application is available, it is possible to try out what different measures in the SOMERS dashboard to test their usefulness.

measures in the SOMERS dashboard to see which ones are useful.

5a. Increase groundwater level - at the time of application

Any cooperative wishing to participate in an application to raise the groundwater level in peatland areas must meet the following conditions:

1. The agricultural land of the dairy farm that is participating in the extensification measure (see phased plan paragraph 4a), is fully included in the cooperative plan and meets the conditions for this.
2. At least 50% of the area covered by the cooperative must be located in peatlandland. This must be demonstrated by entering all the plots of the cooperative into the Peatland N2000 application on the reference date of 15 May at the time of the application. This application indicates whether 50% of the area of the cooperative lies in peatland area.
3. In addition, a SOMERS calculation must be performed on all peatland plots in the cooperative for the current situation and the future situation, and this must be submitted with the application. With the built-in SOMERS calculation rules in the application, there will therefore be no difference between the plots of peatland entered into the Peatland N2000 application and the plots of peatland for which a SOMERS calculation has been carried out.
4. The data of the reference situation of the plot in the SOMERS dashboard (www.nobveenweiden.nl/findings) may differ:
 - a. If the water level decision is different, this can be demonstrated through a printout of a more recent water level decision, exemption, permit or other written commitment from the water board. This can also be entered in the SOMERS calculation in the current situation.
 - b. The plot width may also be adjusted in the current situation in the SOMERS calculation if this is not correct.
 - c. If the measure shown in the dashboard for the reference situation is incorrect, indicate this and adjust it in the calculation for the current situation in the SOMERS calculation.
 - d. If the cooperative wishes to include part of a plot from SOMERS in the Peatland N2000 application, the average ground level in the reference situation may be different and the surface area will be different.
 - i. The area of that part of the plot is visible in the Peatland N2000 application, if this plot is pre-divided into two plots in the plot registration.
 - ii. The change in average ground height is demonstrated by a calculation based on the latest AHN measurement points for that part of the plot (<https://www.ahn.nl/ahn-viewer>).
5. For the low drainage measure (Annex 3, Section 6a), the crop must be grassland on agricultural land. For grassland, only crop codes 265, 266 and 331 are taken into account. This is visible in the Peatland N2000 application on the reference date of 15 May with the application.
6. The low drainage measure should reach at least 90% on peat soils. This is also visible in the Peatland N2000 application on the reference date of 15 May at the time of the application.
7. The future reclamation of a plot depends on the plan for the future level decision and on the calculation of the average ground level of each plot. Based on this, the cooperative in the Peatland N2000 application specifies which management measure (max. 40 cm, 30 cm or 20 cm) in the case of minor drainage is envisaged, possibly in conjunction with an extensification measure (max. 150 kg N/ha or 100 kg N/ha).
8. The budget takes account of the plots of land, where a combination of low drainage and extensification leads to a lower rate (see Annex 3, Section 6a).
9. Several quotations are enclosed for the measures relating to the construction of water infiltration systems and digital groundwater level monitoring wells. The water infiltration system shall be installed in accordance with KIWA Guideline BRL1411 and the casing of the pipes shall consist of natural material, such as coconut.

5b. Increase groundwater level - in the case of a payment request

In the request for payment for increased groundwater level after the end of each calendar year, the cooperative must demonstrate that they still meet the conditions:

1. The agricultural land of the dairy farm participating in the extensification measure (see phased plan, paragraph 4b) is included in its entirety in the cooperative's payment request and meets the conditions for this.
2. At least 50% of the area covered by the cooperative must be located in peatland. This must be demonstrated by entering all plots of land belonging to the cooperative into the Peatland N2000 application. This application indicates whether 50% of the area of the cooperative lies in peatland area.
3. SOMERS calculation does not need to be carried out unless an amendment request has been submitted, where the plots of peat land change or the groundwater level-increasing measures on the plots of peat land change. The request for amendment must demonstrate that the minimum requirements are still being met. With the built-in SOMERS calculation rules in the application, there will therefore be no difference between the plots of peatland entered into the Peatland N2000 application and the plots of peatland for which a SOMERS calculation has been carried out. See also point 4 in paragraph 5a.
4. For the low drainage measure (Annex 3, Section 6a), the crop must be grassland on agricultural land. For grassland, only crop codes 265, 266 and 331 are taken into account. The crop code is visible in the Peatland N2000 application on the reference date 15 May.
5. The low drainage measure should be carried out on peat soil for at least 90%. This is also visible in the Peatland N2000 application on the reference date of 15 May.
6. The new drainage of a plot of land must be demonstrated through a printout of the water level decision, exemption, permit or other written commitment.
7. If parts of the measures for the construction and maintenance of water infiltration systems and digital groundwater monitoring wells have been carried out, invoices and proof of payment are to be attached. The invoices and proof of payment must show that the water infiltration system has been installed in accordance with KIWA Guideline BRL1411 and that the casing of the pipes consists of natural material such as coconut. Digital groundwater monitoring wells are to submit the digital data to uitvraaggrondwaterstanden@deltares.nl.

6. European law aspects

6a. State aid

The extension of subsidy category 3 (paragraph 5.8.4) to arable farms does not change the State aid framework for this category. In the case of aid to arable farms, it also concerns aid for measures under the cooperation intervention as referred to in Article 77 of Regulation (EU) 2021/2115.

In the case of the projects, it cannot be ruled out in advance that part of the aid to be granted under this scheme will also benefit participants in the cooperative who are not active in the primary agricultural sector and do not engage in agricultural activities. In particular, with regard to compensation for planning costs, it is likely that other farmers than the farmers concerned will also benefit from this aid. However, Article 59 of Regulation (EU) 2022/24722, known as the 'Agricultural Block Exemption Regulation', provides the basis for providing cooperation support in rural areas to undertakings other than agricultural undertakings, provided that the cooperation benefits rural areas.

Aid may only be granted for new forms of cooperation, including existing forms of cooperation within which a new activity is launched.

Given that undertakings other than agricultural undertakings can also participate in the cooperative and the granting of aid in that respect is based on the Agricultural Block Exemption Regulation, the obligation resulting from the Agricultural Block Exemption Regulation to notify the European Commission within twenty working days after entry into force must be complied with.

6b. Notification **TBC**

The draft of the original subsidy module was notified on the basis of Directive 2015/1535 in connection with technical regulations (No xxx/xxx/NL). This amendment to the subsidy module adds a possible technical regulation. This amendment regulation was therefore notified on [DATE] pursuant to Directive (EU) 2015/1535 under number xxx/xxx/NL.

7. Cumulation

There can be no cumulation of subsidies under different subsidy schemes. With regard to extensification measures, for example, there can be no accumulation with operations that are already reimbursed under the CAP 2023 Implementing Regulation, including payments for eco-activities, or through provincial regulations for Agricultural Nature and Landscape Management (ANLb).

In general, Article 1.2 of the REES 2021 already contains a cumulation provision to this effect, on the basis of which only such an amount of subsidies will be granted that the total amount of subsidies granted does not exceed the amount permitted under the applicable European regulations.

In the case of extensification arable farming, for the plots with overlapping with the eco-activity break crops, the value of the eco-activity (EUR 105) is deducted from the compensation for the management measure for extensification arable farming. This is explained in Article I, Sections A and K.

In the case of dairy farming extensification, the eco-activity of grazing is included in the ranking, but the compensation and inspection are left with the eco-scheme.

As regards extensification, the overlap with other activities in the ANLb and the eco-activities has been further examined. It was concluded that there are no other overlapping activities.

In the case of minor drainage in peatland areas, it was subsequently found that the ANLb flood water package overlaps with the management activity of minor drainage. The ANLb flood water package applies for a shorter period (breeding season for grazing birds) than the management activity in Annex 3, Section 6a. In the case of overlap on a plot of this ANLb package with this management activity, the amount of the ANLb package is deducted from the applicable compensation in Annex 3, Section 6a.

8. Regulatory burden

The subsidy module entails administrative burdens associated with the subsidy application. The subsidy module does not entail any substantive compliance costs.

In order to minimise the administrative burden on applicants, the regulatory burden for this subsidy module has been kept as low as possible. This means that only the information necessary for assessing the application is requested, and the administrative burden does not constitute a barrier to participation.

Category 1 (paragraph 5.8.2)

It is expected that about 5 applications will be submitted for cooperation projects aimed at preparing an area plan. This was the experience at the initial opening. Also, at the initial opening, the experience was that there will be an average of 5 participants per cooperative.

- It is assumed that the submission of applications aimed at preparing an area plan will take approximately 40 hours per subsidy application.
 - o This is based on the time needed to consult with the cooperative partners (5 hours), request and assess quotations (5 hours), prepare a project plan and budget (20 hours) and submit the application (10 hours).
- The total number of hours for the subsidy applications aimed at deployment will then be approximately 200 hours (40 hours per application x the number of 5 expected applications).
- It is expected that approximately five applications focused on roll-out will be approved.

It follows from the foregoing that, in order to comply with the aforementioned information requirements, the total number of hours worked is expected to reach 200 hours in the case of applications for deployment. The applicable hourly rate is EUR 60. The total administrative burden of the cooperative projects aimed at preparing a joint area plan will then amount to EUR 12 000 (200 hours x EUR 60 hourly rate). This is approximately 6% of the subsidy ceiling of EUR 200 000.

Category 2 and 3 (paragraphs 5.8.3 and 5.8.4)

It is expected that for cooperative projects aiming at the deployment of measures in peatland areas (category 2, paragraph 5.8.3) around 15 applications will be submitted and for the cooperative projects aimed at the deployment of measures in N2000 transitional areas (category 3, paragraph 5.8.4), around 30 applications will be submitted. This was the experience at the initial opening. Also, at the initial opening, the experience was that a cooperative consists of an average of 10 participants.

- It is assumed that submitting applications for roll-out will take approximately 180 hours per subsidy application.
 - o This is based on the time needed to consult with the cooperative partners (10x6 hours) and potential suppliers (5x3 hours), request and evaluate quotations (5x3 hours), prepare drawings, a project plan and a budget (60 hours) and submit the application (30 hours).
- The total number of hours for the subsidy applications aimed at roll-out is then approximately 8 100 hours (180 hours per application x the number (45) of applications expected).
- It is expected that approximately 40 applications focused on roll-out will be approved.
- When preparing the area plan, it is expected that all five applications will be approved.

As the cooperative costs also include a fixed cost option for the applicant's labour costs, this covers the hours spent on, among other things, the determination request and the annual instalment payment requests. In addition, cooperative and coordination costs for deployment-oriented projects do not exceed 25% of the total costs.

It follows from the above that the total number of hours of work required to comply with the aforementioned information obligations is expected to be 8 100 hours in the case of deployment applications. The applicable hourly rate is EUR 60. The total administrative burden of the cooperative projects aimed at roll-out together will then amount to EUR 486 000 (8 100 hours x EUR 60 hourly rate). This is approximately 0.4 per cent of the subsidy ceiling of approximately EUR 110 million.

The importance for arable farms to participate in this lies in being prepared for the challenges in and around nitrogen-sensitive Natura 2000 areas and anticipating them by making the transition to extensive farming with government support.

The costs of the management measures and cooperative costs shall be fully financed. Only the administrative burden (applications around 180 hours for deployment plans) constitutes the cost for the cooperatives.

This amending regulation has been submitted to the Advisory Board on Regulatory Burden (ATR). As a result, this amending regulation has not been selected for a formal opinion as it does not have a significant impact on the regulatory burden.

9. Enforcement and implementation aspects

The implementation of this subsidy instrument is in the hands of RVO.nl. Several aspects have been adjusted in this subsidy scheme as a result of comments made by RVO.nl for the initial opening and the ex ante assessment carried out by RVO.nl. What is new is that in order to verify the amount of nitrogen fertilisation, the applicant must demonstrate this annually through the fertilisation plan, the accounting records, or a declaration from the supplier. The accounts may be audited on the spot. The subsidy scheme is further considered to be practicable, controllable, and verifiable.

The obligations after the subsidy has been granted, such as providing the data from the digital groundwater monitoring wells to the National Research Programme on Greenhouse Gases in Peatlands (uitvraaggrondwaterstanden@deltares.nl) for a period of five years or using the information for monitoring and evaluation, are the responsibility of the Ministry of Agriculture, Livestock and Fisheries.

10. Consultation

The amendment to the scheme has been coordinated with various authorities and social organisations, such as the parties involved in the intergovernmental programme for Peatlands and parties involved in the extensification of arable and dairy farming. In particular, the extension for the extensification of arable farms has been positively received by the organic sector, among other things.

11. Entry into force

This regulation shall enter into force on the day following the date of its publication in the Official Gazette. The date of entry into force deviates from the system of fixed dates for changes, namely that Ministerial Regulations shall enter into force from the first day of a quarter and be announced two months earlier. This is justified in this case because the audience will benefit from prompt entry into force of this scheme. As the opening date is scheduled for a later date, the audience will have ample opportunity to prepare thoroughly for the submission of subsidy applications. The setting up of a cooperative and preparation of a project application requires preparation time.

Sections G and N of Article I shall apply retroactively to the date of entry into force of paragraph 5.8.5 of the REES 2021, namely 2 November 2023. This means that the obligation to make a declaration of this activity at the plot level in a registration system made available by the Minister no later than two weeks before the start of the extensification measure will be removed.

II. Explanatory notes by article

Article I

Section A

A number of definitions have been added.

- An arable farm is defined as an agricultural business that primarily owns land used for open field cultivation. In addition to arable land, the agricultural land of the arable farm may consist of up to 20% permanent grassland or permanent cultivation. An exception has been made to this maximum of 20% of permanent grassland or permanent cultivation in the case of a food forest. A farm also falls under the definition of arable farm if the agricultural land consists of arable land and more than 20% food forest.
- A food forest consists of at least 3 layers of vegetation, such as lower trees, shrubs, herbs, ground cover crops, underground crops and climbing plants. The various perennial and/or woody species provide food for human consumption in the short term in the form of, for example, fruits, seeds, leaves and stems. The crop code associated with food forests in Mijn Percelen is 1940.
- With permanent crops and arable land, it is aligned with the definitions of these concepts in Article 1 of the CAP 2023 Implementing Regulation.
This means that permanent cultivation means the cultivation of crops, other than permanent grassland, which are not included in the crop rotation and which occupy the land for at least five years and regularly yield a harvest. For example, an overview of the crop codes can be found in the table 'Crops and CAP 2024' on the RVO website, in which the crop codes of the perennial crops are listed under the eligible crops tab (<https://www.rvo.nl/onderwerpen/glb-2024/tabellen-documenten#gewassentabel>). In order to be classified as arable land, the land must be used for the cultivation of crops other than permanent grassland and permanent cultivation. This only concerns open ground cultivation and not greenhouse horticulture.
- The definition of agricultural land has been clarified with regard to land use. This has been done in accordance with Article 4(2) of the 2023 CAP Implementing Regulation. Only land which is at the disposal of a member of a cooperative on the basis of ownership, lease or sublease, or which is in use with the consent of the owner or the lessee who has sublet the land with the consent of the owner, shall be considered as agricultural land for the purposes of this subsidy module.
- The Minister shall make available an application with a calculation model for the calculation of CO₂ emissions per hectare of peatlands. The calculation of the CO₂ emission shall be made using this CO₂ calculation model. The scheme has its own definition of break crops; break crops plus. Appendix 4 contains a list of crops that are classified as cover crops plus. This list largely corresponds to the eco-activity of break crops in 2024, as the tariff calculations are based on this. In addition to crops that were eco-activity break crops in 2024, temporary grassland is also included in Annex 4 with break crops plus crops, as this can occur on an arable farm in the form of crop rotation with root crops. There are no landscape elements, permanent crops or permanent grassland in the table, because the extensification measure relates to the percentage of break crops on arable land on the entire farm.
It was decided to have its own stable list of break crops throughout the project period, because the extensification measure means that a large part (50%) of the arable land of the arable farm consists of break crops. A stable list makes it possible for the operator to make multi-year agreements with suppliers and customers.
- The Skal input list is available on the Skal website (<https://www.skal.nl/inputlijst>). The input list is composed of commercial resources that are non-organic but may be used in organic production. The SKAL input list is available for the categories of fertilisers and soil improvers, plant protection products and feed materials. For the purposes of this scheme, reference is made only to the plant protection products on the SKAL input list. For the extensification measure for arable farms, the arable farm may choose to only use plant protection products that are organic or that are included in the Skal input list.
- The definition of nitrogen fertilisation has been included to clarify that this includes nitrogen from all types of manure (organic and inorganic manure).

Sections B and C

Sections B and C refer to the subsidy for setting up a cooperative or preparing a site plan (paragraph 5.8.2.1).

In Article 5.8.2.3(2) it is added that, in addition to the costs for volunteers, contributions in kind are also not eligible for subsidy.

When determining the subsidy, unlike in the previous call for applications, documents relating to the actual costs incurred must be submitted in addition to documents relating to the implementation of the activities. Article 5.1.11(2) provides for the possibility, in the case of subsidy amounts such as those in this subsidy module (between EUR 25 000 and EUR 40 000), to request documents demonstrating the actual costs incurred when determining the subsidy.

Sections D to I

Sections C to I concern subsidies to cooperatives for the implementation of projects aimed at reducing CO₂ emissions from plots in peatland areas by increasing the groundwater level in plots of grassland on agricultural and non-agricultural land, whether or not in combination with extensification measures.

Section D

In Article 5.8.3.1(1) the description of the activities for which subsidies may be applied for has been amended for clarification purposes. This does not represent a substantive change to the extensification measures for which dairy farms may participate in the cooperative. The phrase 'measures aimed at reducing ammonia emissions by' is replaced, because the extensification measures for dairy farms in peatland areas have been added as an option, partly with a view to strengthening bird management in peatland areas.

Section E

Eligible costs

Article 5.8.3.3 relates to the eligible costs. Compensation for these eligible costs shall be conducted in accordance with the table in Annex 3 to the Regulation. Annex 3, Section 5c, already established the extent to which the costs of maintenance of water infiltration systems and groundwater monitoring wells are eligible for compensation. For clarification purposes, Article 5.8.3.3 now also states that, in addition to the costs of purchasing and installing water infiltration systems and digital groundwater level pipes, the maintenance costs incurred during the implementation of the project are also eligible for subsidy.

Two items have been added to the water infiltration systems in Appendix 3, Section 5a, at the request of the water boards. The water infiltration system shall be installed in accordance with KIWA Guideline BRL1411 and the casing of the pipes shall consist of natural material, such as coconut. Natural material means no synthetic material. Both aspects are covered by existing techniques. The supplier can indicate compliance in the offers as well as the invoices.

The free movement of goods and services means that Member States must, in principle, allow products and services to be placed on their territory if they have been lawfully manufactured or marketed in another Member State, i.e. in accordance with the rules in force in that other Member State. Restrictions on this free movement of goods and services are only permitted under certain conditions. The requirement that water infiltration systems must be constructed in accordance with KIWA Guideline BRL1411 is a technical requirement that may restrict free movement. For that reason, a mutual recognition provision has been included, from which it follows that an assessment guideline that contains requirements equivalent to those laid down by KIWA Guideline BRL1411 and that have been prepared by an independent certification body in another Member State of the European Union or in a State, other than a Member State of the European Union, which is party to an agreement to that effect or to that effect which is binding upon the Netherlands, shall be deemed equivalent to KIWA Assessment Guideline 1411.

In addition, a number of conditions have been added to Article 5.8.3.3, which must be met in order to be eligible for compensation for the costs incurred by dairy farms participating in the cooperative with extensification measures.

The costs incurred in a calendar year for the implementation of the extensification measure are eligible for compensation only if the participating dairy farm meets a number of conditions in the calendar year concerned.

Firstly, there are conditions that stipulate that the calendar year must involve a dairy farm within the meaning of this regulation (definition of dairy farm in Article 8.5.1.). This means that at least 70% of the animal excretion on the farm comes from dairy cows and calving cows (animal category

100), 80% of the agricultural land consists of grassland and the average animal excretion of the dairy farm in the calendar year concerned exceeds 50 kilograms of nitrogen per hectare. These conditions are laid down in Article 5.8.3.3(4)(a) and (e). Animal excretion is calculated as an average over a whole year, as this corresponds to the table used by dairy farms as part of their manure policy to calculate how much manure is produced by dairy cows and how much nitrogen it contains (Table 6 on the RVO website (<https://www.rvo.nl/onderwerpen/mest/tabellen>)). This table assumes an average urea content and average milk production over an entire year. When determining whether the 80% grassland condition has been met in the calendar year, the reference date of the Combined Declaration, 15 May, and the plots declared in the Combined Declaration are taken into account.

Secondly, a condition for compensation for the costs of extensification measures has been added, namely that the dairy farm does not also participate in a cooperative that receives a subsidy under paragraph 5.8.4. in the calendar year in question (Article 5.8.3.3(4)(b)). A dairy farm can implement the extensification measures as a participant in a cooperative aimed at raising the groundwater level in peatland areas (paragraph 5.8.3) or as a participant in a cooperative aimed at reducing ammonia emissions in N2000 transitional areas (paragraph 5.8.4). However, it cannot be done at the same time, because the costs of the extensification measure can only be reimbursed once. For this reason, Article 8.5.3.3 lays down as a condition for compensation for the costs of the extensification measure that the dairy farm does not also participate in a cooperative that receives a subsidy pursuant to paragraph 8.5.4. in the calendar year in question. Previously, this condition was included as grounds for rejection in Article 5.8.3.6, which meant that the application of the cooperative as a whole was rejected if one dairy farm did not meet this condition. With this amendment to the regulation, this condition has been removed as grounds for rejection and included as a condition for compensation for the extensification measures.

Thirdly, there are conditions relating to the agricultural land (Article 5.8.3.3(4)(c) and (d)). In order to be eligible for compensation for extensification measures, the dairy farm must participate in the cooperative with all its agricultural land when implementing the extensification measures. This requirement was also previously included as grounds for rejection of the application of the cooperative as a whole, but with this amendment to the regulation, it has been moved to the conditions relating to the eligibility of the costs of the dairy farm in question. In addition, there is a condition that more than 50% of the agricultural land of the dairy farm must be located within peatland areas and/or N2000 transitional areas.

Fourthly, compensation for extensification measures of a dairy farm is subject to conditions relating to the reduction of animal excretion and nitrogen fertilisation at the farm level. Article 5.8.3.3(4)(f) provides that a reduction of at least 5% less animal excretion per hectare and at least 10% less nitrogen fertilisation per hectare must be achieved compared to the reference year 2025. This is a tightening of the rules compared to the initial opening, because there is now an explicit statement that each farm must take a step for extensification, instead of an implicit assumption. See also the phased plan in Part 1 of the explanatory memorandum in paragraph 4. For the determination of the animal excretion in the reference year, see the notes on this in Article 5.8.3.3(4)(a) and (e). The determination of the agricultural land and grassland area is based on the reference date of the Combined Declaration, which is 15 May of the reference year.

Force majeure and exceptional circumstances

Article 3 of Regulation 2021/2116 on force majeure and exceptional circumstances applies to this Regulation. This means that it is possible to derogate from the above conditions if they are not fulfilled due to force majeure or exceptional circumstances.

With regard to the reference year serving as the basis for calculating the minimum reduction at farm level, in the case of force majeure or exceptional circumstances in the year 2025, the year 2024 shall be used as the reference year upon request instead of the year 2025.

Paragraph 8 stipulates that, in addition to the exclusion of costs incurred by volunteers, contributions to the cooperative in kind are also not eligible for compensation.

Section F

See the explanatory memorandum to Section E. The requirement for a dairy farm participating in the cooperative of extensification measures to participate with the entire agricultural land is no longer grounds for rejection of the cooperative's application, but a condition for compensation for the costs of the extensification measure.

For clarification, the second and third paragraphs stipulate that the reference date for determining the agricultural land in 2026 is the reference date of the Combined Declaration, 15 May 2026.

Section G

The obligation to submit a notification at the plot level no later than two weeks after the start of the management activities no longer applies.

This notification obligation has also been removed retroactively for the subsidies already granted from the initial opening of the scheme.

Section H

Application

Article 5.8.3.9 sets out the information to be included in the application for a subsidy and the subsidy application of the subsidy.

The application must include calculations of the average CO₂ emissions per hectare on the peatland plots in the current situation and the situation after implementation of the project. In both calculations, all plots of peat land with which participation in the cooperative is taking place should be included. The Minister shall make available an application for calculating the CO₂ emissions, which must be used in carrying out the calculations of the average CO₂ emissions per hectare.

If a dairy farm participates in the cooperative with extensification measures, the application must include a calculation of the average animal excretion per hectare in the year 2025, so that it can be determined that the farm meets the definition of a dairy farm. The application shall also have to include a calculation of the average amount of nitrogen fertilisation and average animal excretion per hectare in the reference situation. The reference situation is 2025, but if force majeure or exceptional circumstances occurred in the year 2025, the cooperative may use the year 2024 as the reference year for that dairy farm instead of 2025. The calculation of the average animal excretion can be carried out on the basis of the data from the I&R animals and milk production. The average amount of nitrogen fertilisation shall be calculated on the basis of the data from the mandatory annual fertilisation plan on the purchase of chemical fertiliser, the supply and disposal of livestock manure and the existing stock of chemical fertiliser and livestock manure. See also the phased plan in Part I, paragraph 4 of this explanatory note.

When applying for a cooperative in which a dairy farm participates with extensification measures, calculations will also have to be sent that relate to the intended situation per participating dairy farm after implementation of the subsidy project.

Intermediate reporting

In paragraph 3 of Article 5.8.3.9, the periods for which interim reports are to be submitted are aligned with the period in which the subsidy projects are to be implemented from the next call for proposals in 2026. It is expected that the cooperatives will receive a grant decision in the 4th quarter of 2026 and that the period until 1 April 2027 (for the management measure, reduced drainage) will be used to develop the business plans and prepare the management activities. The first management year with reduced drainage will be 2027.

The extensification measure is based on averages over an entire year and the rate of implementation depends on the dairy farm concerned. In the first quarter of 2028, the interim report with an overview of the activities carried out and the partial results achieved in the management year 2027 can be prepared.

Application for adoption

It is added to paragraph 4(c) that the subsidy application of the subsidy is accompanied by the data on the total annual nitrogen fertilisation per farm. This concerns data from the fertilisation plan on the purchase of fertiliser, the supply and disposal of animal manure and the existing stock of fertiliser and animal manure. See also the phased plan in Part 1 of the explanatory notes in paragraph 4(4b).

The application for approval must also be accompanied by information showing that more than 50% of the agricultural land of the dairy farm participating in the cooperative with extensification measures is located within peatlands or N2000 transitional areas.

This amendment clarifies that this does not concern the entire farm (including non-agricultural land), but only the agricultural land of the farm.

Section J

Sections J to P concern cooperatives aimed at extensification in N2000 transitional areas.

Due to the amendment of Article 5.8.4.1, it is now also possible to receive a subsidy for a project as a cooperative if it is aimed at carrying out extensification measures by arable farms.

Section K

Eligible costs

Article 5.8.4.3 relates to the eligible costs.

The costs of the extensification measures are eligible for subsidy on the basis of flat-rate payments listed in Sections 6b (extensification dairy farm) and 6c (extensification arable farm) of Annex 3. Editorial changes have been included in Section 6b in order to make it clear that these are the hectares of the agricultural land of the farm.

Section 6c, which concerns arable farms, is new and its calculation is in line with the previously developed system of the ANLb in the CAP NSP approved by the Commission and in the system used for the Catalogue of Green Blue Services. The management compensations for this scheme have been determined in accordance with Article 83(2)(c) of Regulation (EU) No 2021/2115. There are fixed rates per hectare calculated in accordance with the system of income foregone and additional costs compared to the average reference business. The maximum amounts have been calculated and justified by the Technical Economic Working Group (WUR in cooperation with RVO) in relation to an average agricultural farm in an N2000 transitional area. This system is in line with Article 82 of Regulation 2021/2115 and has been coordinated with the European Commission for the ANLb and the eco-schemes. The amounts also include the compensation for transaction costs in line with the system under the ANLb.¹

The calculation for the management compensation for the arable farms was carried out per arable farming region (different cultivation plans), with the policy rate calculated in the report being included in the calculation of the final compensation in proportion to the area of N2000 transitional land in this arable farming region. The cultivation plan per region has been reduced proportionally for root crops in order to achieve a minimum of 50% of break crop plus. In order to achieve the lower fertilisation level, summer barley was mainly included in the calculation because this crop has a low nitrogen demand and the market demand for summer barley is high. Annex 3(6c) also states that in the case of cumulation with the break crops eco-activity, EUR 105 is deducted from the rate.

Dairy farms

A new fourth paragraph has been added to Article 5.8.4.3, setting out a number of conditions that dairy farms must meet in order to be eligible for compensation for the costs of extensification measures in a calendar year.

Firstly, there are conditions that stipulate that the calendar year must involve a dairy farm within the meaning of this regulation (definition of dairy farm in Article 8.5.1.). This means that at least 70% of the animal excretion on the farm comes from dairy cows and calving cows (animal category 100), 80% of the agricultural land consists of grassland and the average animal excretion of the dairy farm in the calendar year concerned exceeds 50 kilograms of nitrogen per hectare. These conditions have been laid down in Article 5.8.4.3(4)(a) and (b). Animal excretion is calculated as an average over a whole year, as this corresponds to the table used by dairy farms as part of their manure policy to calculate how much manure is produced by dairy cows and how much nitrogen it contains (Table 6 on the RVO website (<https://www.rvo.nl/onderwerpen/mest/tabellen>)). This table assumes an average urea content and average milk production over an entire year.

When determining whether the 80% grassland condition has been met in the calendar year, the reference date of the Combined Declaration, 15 May, and the plots declared in the Combined Declaration are taken into account.

Secondly, a condition has been added for compensation for the costs of extensification measures, namely that the dairy farm must not also participate in a cooperative that receives subsidies on the basis of paragraph 5.8.3. in the calendar year in question (Article 5.8.4.3.(4)(c)). A dairy farm can implement the extensification measures as a participant in a cooperative aimed at raising the groundwater level in peatland areas (paragraph 5.8.3) or as a participant in a cooperative aimed at reducing ammonia emissions in N2000 transitional areas (paragraph 5.8.4). However, it cannot be done at the same time, because the costs of the extensification measure can only be reimbursed once. For this reason, Article 5.8.4.3 lays down as a condition for compensation for the costs of the extensification measure that the dairy farm does not also participate in a cooperative that receives

¹ WUR (2023-107) (<https://doi.org/10.18174/633655> for dairy farm and <https://doi.org/10.18174/673039> for arable farm).

a subsidy pursuant to paragraph 8.5.3. in the calendar year in question. Previously, this condition was included as grounds for rejection in Article 5.8.4.6, which meant that the application of the cooperative as a whole was rejected if one dairy farm did not meet this condition. With this amendment to the regulation, this condition has been removed as grounds for rejection and included as a condition for compensation for the extensification measures.

Third, there are conditions relating to the agricultural land (Article 5.8.4.3(4)(d) and (e)). In order to be eligible for compensation for extensification measures, the dairy farm must participate in the cooperative with all its agricultural land when implementing the extensification measures. This requirement was also previously included as grounds for rejection of the application of the cooperative as a whole, but with this amendment to the regulation, it has been moved to the conditions relating to the eligibility of the costs of the dairy farm in question. In addition, there is the condition that more than 50% of the agricultural land of the dairy farm must be located within N2000 transitional areas.

Fourthly, compensation for extensification measures of a dairy farm is subject to conditions relating to the reduction of animal excretion and nitrogen fertilisation at the farm level. Article 5.8.4.3(4)(f) provides that a reduction of at least 5% less animal excretion per hectare and at least 10% less nitrogen fertilisation per hectare must have been achieved compared to the reference year 2025. This is a tightening of the rules compared to the initial opening, because there is now an explicit statement that each farm must take a step for extensification instead of an implicit assumption. See also the phased plan in Part 1 of the explanatory memorandum in paragraph 4.

With respect to the determination of the animal excretion in the reference year, please see the relevant remarks in Article 5.8.4.3(4)(a) and (b). The determination of the agricultural land and grassland area is based on the reference date of the Combined Declaration, which is 15 May of the reference year.

Arable farms

Paragraph 5 of Article 5.8.4.3 lays down similar conditions for arable farms to be eligible for compensation for extensification measures in a calendar year.

Firstly, there are conditions that stipulate that the calendar year must include an arable farm within the meaning of this regulation (definition of arable farm in Article 8.5.1.).

This means that no more than 20% of the agricultural land consists of permanent grassland or permanent cultivation, except in the case of a food forest, and that the average animal excretion of the farm does not exceed 50 kilograms of nitrogen per hectare. For animal excretion, the average over an entire year is taken as a basis, as this corresponds to the table used by the company as part of its manure policy to calculate how much manure is produced and how much nitrogen it contains (Table 6 on the RVO website (<https://www.rvo.nl/onderwerpen/mest/tabellen>)).

Whether no more than 20% of the agricultural land consists of permanent grassland or permanent cultivation, with the exception of food forest, can be demonstrated with the print-out of the Combined Declaration with the agricultural land at the reference date of 15 May. This means that the data in the peatland N2000 application must correspond to the printout of the Combined Declaration. It is based on the reference date of the Combined Declaration, which is 15 May, and the plots declared in the Combined Declaration.

In addition, the condition is set that at least 50% of the arable land of the arable farm must consist of the cover crops from the cover crop plus list (Appendix 4) as the main crop with visible cover.

The eco-activity of break crops concerns 1 in 3 crop rotation with a break crop.

In order to avoid double payment, for plots participating in both the measure set out in Annex 3(6c) and the break crops eco-activity, the compensation set out in Annex 3(6c) will be reduced by EUR 105 per hectare per year. That is now the value of eco-activity in region 1, which is also the region where most of the arable land in N2000 transitional areas is located (on sandy soils).

Thirdly, also for arable farms, the farm with all the agricultural land will have to participate in the cooperative in the implementation of the extensification measures and more than 50% of the agricultural land of the farm is within an N2000 transitional area,

Fourthly, a condition relating to the reduction of nitrogen fertilisation at farm level has been laid down. Article 5.8.4.3(5)(f) states that a reduction of at least 10% less nitrogen fertilisation per hectare must be achieved compared to the reference year 2025.

The determination of the agricultural land is based on the reference date of the Combined Declaration, which is 15 May of the reference year.

For an explanation of force majeure and exceptional circumstances, see what is included in this explanatory note to Section D.

Force majeure and exceptional circumstances

Article 3 of Regulation 2021/2116 on force majeure and exceptional circumstances applies to this Regulation. This means that it is possible to derogate from the above conditions if they are not fulfilled due to force majeure or exceptional circumstances.

With regard to the reference year serving as the basis for calculating the minimum reduction at farm level for both the dairy farms and the arable farms, in the case of force majeure or exceptional circumstances in the year 2025, the year 2024 shall be used as the reference year upon request instead of the year 2025.

The ninth paragraph stipulates that, in addition to the exclusion of costs incurred by volunteers, contributions to the cooperative in kind are also not eligible for compensation.

Section L

The grounds for rejection in Article 5.8.4.6, point d, are expanded. Applications for joint ventures in which an arable farm participates in several joint ventures that have submitted a grant application for this grant category 3 will also be denied.

For clarification, the second and third paragraphs stipulate that the reference date for determining the agricultural land in 2026 is the reference date of the Combined Declaration, 15 May 2026.

Section M

Article 5.8.4.7 concerns the ranking criteria. With the expansion to arable farms, the ranking is as follows.

Four ranking criteria have been identified, namely (a) effectiveness, (b) feasibility, (c) efficiency and (d) urgency. The ranking criterion of effectiveness has a weighting factor of 4, and the other three ranking criteria (feasibility, efficiency, and urgency) each have a weighting factor of 1. This is because the effectiveness of the roll-out of the measures is the most decisive factor in the ranking. The number of points to be obtained per criterion shall be at least 1 and at most 5.

In the case of an equal number of points, an application shall be ranked higher the more points are awarded for a ranking criterion with a higher weighting factor.

a) Effectiveness

Reduction of ammonia emissions in N2000 transitional areas is aimed at through extensification in combination with additional grazing by dairy farms in the cooperative. This also applies to the extensification of arable farms. The weighting for effectiveness is calculated on the basis of the average number of points over all hectares of the cooperative. Because a cooperative may consist of a combination of arable farming and dairy farming, the effectiveness criterion has been clarified (dairy farming) and added (arable farming) for both types of farms.

Dairy farming

As regards grazing, the eco-activity of grazing, as detailed in Articles 22 to 22c of the 2023 CAP Implementing Regulation, is taken as a basis.

In the current eco-activity of livestock measures, two categories for grazing have been designated, these are Category 1 for more than 1 500 hours of grazing, and Category 2 for more than 2 500 hours of grazing.

The system of eco-activity at the time of opening is decisive, since no separate inspection of this eco-activity is carried out in this scheme. By demonstrating that this is included with grazing Category 1 or Category 2 of the eco-activity, this is accepted as such in partial payments and calculations.

The quantity of animal manure to be used is drastically reduced by reducing the number of animals on the entire farm. Also, no nitrogenous chemical fertiliser is permitted, i.e. no inorganic fertiliser whose dry matter contains more than 0.5% nitrogen. The effectiveness of extensification with additional pasturing in the final situation has now been translated into the following point table as follows

Table of grounds for rejection, dairy farm effectiveness component

kg N animal excretion/ha/farm	Category of grazing as an eco-activity	points
Between 100 and 150	None	2.5
Between 100 and 150	Category 1: More than 1500 hours	3.0
Between 100 and 150	Category 2: More than 2500 hours	3.5
100 or less	None	4.0
100 or less	Category 1: More than 1500 hours	4.5
100 or less	Category 2: More than 2500 hours	5.0

No points are given for the other situations.

Arable farming

In terms of field emission from an arable farm, reducing the amount of nitrogen fertilisation (150 or 100 kg N) is important as an average over the farm. In addition, 50% break crop plus (table in Annex 4) means that the basis is laid for improving soil quality and retaining carbon in the soil.

In addition, limiting the use of plant protection products to only biological plant protection products and plant protection products from the SKAL input list is important for soil and aquatic life and biodiversity in herbs. The SKAL input list includes only the non-organic plant protection products authorised in organic farming. The use of the SKAL input list for the plant protection products is optional but increases the effectiveness of extensification of the arable farm.

Table of grounds for rejection for component on arable farms, effectiveness

Fertilisation kg N/ha/farm	Other measures	points
Between 100 and 150	None	2.5
Between 100 and 150	SKAL input list for plant protection products	3.5
100 or less	None	4.0
100 or less	SKAL input list for plant protection products	5.0

The number of points is calculated as the average number of points per hectare (addition of hectares x points and then divided by the total number of hectares) for the cooperative (multiple dairy farms and/or arable farms) in the final situation.

The distance of the plots from the limit of the nitrogen sensitive N2000 area is also relevant for the ranking, because the greatest effect on the deposition of ammonia is achieved by reducing field emissions on plots within 1 kilometre of the limit of the nitrogen sensitive N2000 area. Hence, a distinction is made in the location of more than 50% of the plots, namely in the category within 1 km of the limit of the nitrogen sensitive N2000 area and the category that more than 50% of the agricultural land is within 2.5 km.

The average number of points per hectare for the cooperative in the final situation, combined with the distance, gives the following categories for the ranking:

Effectiveness ranking table

Average points/ha (based on table of grounds for rejection, effectiveness)	More than 50% of the land	Scoring
From 2.5 to 3.5 inclusive	Within 2.5 km	3.5
From 2.5 to 3.5 inclusive	Within 1 km	4.0
More than 3.5	Within 2.5 km	4.5
More than 3.5	Within 1 km	5.0

b) Feasibility

Feasibility is defined as the likelihood that the cooperative will be able to implement the plan. The assessment is based on the quality of the project plan and the quality of the cooperative in relation to the level of knowledge about extensive dairy farming or arable farming or how to obtain this knowledge. Participation of organic or biodynamic dairy farms and/or arable farms in the cooperative, for example, increases the level of knowledge to a good or excellent level. A plan on how to involve the knowledge of this type of extensive companies in the cooperative can also lead to a satisfactory or good score.

In the qualitative ranking criteria, the points are subdivided as follows:

Poor = 1.0 point

Insufficient = 2.0 points

Sufficient = 3.0 points

Good = 4.0 points

Excellent = 5.0 points

c) Efficiency

Efficiency shall be assessed on the basis of the total cost in relation to the score in terms of effectiveness and efficient use of knowledge, skills and labour of the intended supplier.

The latter component examines criteria such as education, relevant experience, nature, quantity and quality of the work delivered and still to be performed.

In the qualitative ranking criteria, the points are subdivided as follows:

Poor = 1.0 point

Insufficient	= 2.0 points
Sufficient	= 3.0 points
Good	= 4.0 points
Excellent	= 5.0 points

d) Urgency

The assessment of urgency shall take into account the extent to which the plan contributes to the urgent challenges in the area. In N2000 transitional areas, extensification is more urgent if the Critical Deposition Value (KDW) is exceeded more frequently. This is visible in AERIUS Monitor for each nature area, where hexagons that exceed the Critical Deposition Value twice are indicated (dark purple).

The urgency score per nitrogen sensitive Natura 2000 site is given in the table in Annex 2. This score is a weighting of the overburdened hectares, the extent of the overburdening and the diversity of overburdened nature target types and habitats.

Section N

The obligation to submit a notification at the plot level no later than two weeks after the start of the management activities no longer applies. This notification obligation has also been removed retroactively for subsidies already granted in the initial opening of the scheme.

Section O

Article 5.8.4.9 contains the information obligations of the cooperative.

The addition of the minimum reduction requirements at the farm level and the possible participation of arable farms also change the information requirements for the cooperative.

Paragraph 1

The application will have to include, inter alia, a calculation of the average animal excretion and the average nitrogen fertilisation in the reference year 2025 per participating dairy farm and arable farm. This can be used to determine whether the definitions of dairy farm and arable farm are met. The application must also contain the information necessary to determine the reference situation of the dairy farm or arable farm. This means that, in the case of dairy farms, the application must include a calculation of the average amount of nitrogen fertilisation and average animal excretion per hectare in the reference year. The reference year is 2025. However, if a crisis occurs in 2025, such as an outbreak of an animal disease, the cooperative for that dairy farm may retain the year 2024 as the reference year instead of 2025.

For arable farms, the application must include a calculation of the average amount of nitrogen fertilisation in the reference year. Once again, the reference year is 2025 here, but in case of force majeure or exceptional circumstances the year 2024 can be used as the reference year.

Paragraph 3

The application for the subsidy will have to be accompanied, inter alia, by documents containing information on the total annual animal excretion and total annual nitrogen fertilisation per participating dairy farm and arable farm. For participating arable farms, data will also have to be submitted showing the percentage of the agricultural land on which a break crop plus has been grown.

If an arable farm chooses to use only organic plant protection products and plant fertilisers included in the Skal input list when participating, the application for certification must also be accompanied by documents showing which plant protection products have been used.

Article II

This Article governs the entry into force; for an explanation see paragraph 11 of the general section of this explanatory memorandum.

The Minister of Agriculture, Fisheries, Food Security and Nature