



CAP: Direct Support Schemes

Partial implementation and optional exclusions

Other Aid Schemes

Single Area Payment Scheme

Complementary National Direct Payments

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Table of Content

- Partial Implementation
- Optional exclusions
- Other aid schemes
- Single Area Payment Scheme
- Complementary National Direct Payment



I. Partial Implementation

1. Arable crops payments
2. Sheep and goat payments
3. Beef and veal payments
4. Hops payments
5. Optional implementation for specific types of farming and quality production (Article 69)



I. Partial Implementation

1. Arable crops payment

- Up to 25% of the arable crops area payments, except obligatory set-aside

or

- Up to 40% of the durum wheat supplement payment

2. Sheep and goat payments

- Up to 50% of the sheep and goat payments



I. Partial Implementation

3. Beef and veal payments

- 1) Up to 100% of the slaughter premium for calves
may also
- 2) Up to 100% suckler cow premium
and
 - Up to 40% of the slaughter premium other than for calves
or, alternatively,
- 3) Up to 100% of the slaughter premium other than for calves
or, alternatively,
- 4) Up to 75% of the special male premium



I. Partial Implementation

4. Hops payments

- Up to 25% of the hops area payment and temporary resting aid

5. Optional implementation for specific types of farming and quality production (Article 69)

- Up to 10% of the component of the national ceiling corresponding to each of the sector concerned
- Important for the protection or enhancement of the environment or for improving the quality and marketing of agricultural products.



% coupled in MS



European Commission
Agriculture and Rural Development

Sectors	MS	BE	DK	DE	EL	ES	FR	IE	IT
Arable Crops						25	25		
Special Male Premium			75						
Suckler Cows		100				100	100		
Slaughter Calves		100				100	100		
Slaughter Adults						40	40		
Sheep & Goat			50			50	50		
Seeds (partial)		100			100	100			100
Hops				25					
Tobacco				60			60		60
Art 69					Yes	Yes			Yes
Outermost Regions						100	100		



% coupled in MS



European Commission
Agriculture and Rural Development

Sectors	MS	LU	NL	AT	PT	FI	SV	UK	
Arable Crops									
Special Male Premium						75	74.55		
Suckler Cows				100					
Slaughter Calves			100	100	100				
Slaughter Adults			100	40	40				
Sheep & Goat					50	50			
Seeds (partial)			100		100	100			
Hops				25					
Tobacco					50				
Art 69					Yes	Yes	0.45	10	(Sc)
Outermost Regions					100				



II. Optional exclusion

Optional exclusion of certain direct payments from the single payment scheme:

- 1) Supplementary amount in the nordic countries
- 2) Certified seeds
- 3) All direct payments granted to farmers in the reference period in the French Overseas Departments, the Azores and Madeira, the Canary Island and Aegean Islands



III. Other Aid Schemes (Title IV.)

- Chapter 1 Durum wheat quality premium
- Chapter 2 Protein crop premium
- Chapter 3 Crop specific payment for rice
- Chapter 4 Area payment for nuts
- Chapter 5 Aid for energy crops
- Chapter 6 Aid for starch potato
- Chapter 7 Dairy payments



III. Other Aid Schemes (Title IV.)

- Chapter 8 Specific regional aid for arable crops (Finland and Sweeden only)
- Chapter 9 Seed aid
- Chapter 10 Arable crops area payment
- Chapter 11 Sheep and goat premiums
- Chapter 12 Beef and veal payments
- Chapter 13 Grain legumes aid



Specific quality premium for durum wheat (Chapter 1.)

- Granted to farmers producing durum wheat
- Aid rate : 40€/ha
- National base area in traditional production zones for each MS
- If overrun of area: the area per farmer for which aid is claimed is reduced proportionately in that year
- Eligibility condition: use of certified seeds of varieties



Protein crop premium (Chapter 2.)

- Granted to farmers producing protein crops
- Aid rate: 55.57 €/ha
- Maximum guaranteed area (1.6 Mio ha)
- If overrun of area: the area per farmer for which aid is claimed is reduced proportionately in that year
- Eligibility conditions: aid granted if protein crop is harvested after the stage of lactic ripeness



Crop specific payment for rice

(Chapter 3.)

- Granted to farmers producing rice
- Aid rate: specific to each MS according to yield
- National base area for each MS
- If overrun of area: the area per farmer for which aid is claimed is reduced proportionately in that year
- Eligibility conditions: crop is maintained until at least the beginning of flowering period under normal growth conditions



Area payment for nuts (Chapter 4)

- Granted to farmers producing nuts
- Average aid rate: 120.75 €/ha
- Maximum Guaranteed Area for EU (815.600ha)
- National Guaranteed Area for each MS
- If overrun of area: the area per farmer for which aid is claimed is reduced proportionately in that year
- Eligibility conditions: minimum plot size and tree density
- Optional condition of aid: member of producer organisation
- Option: National aid (120.75 €/ha) in addition to EU aid



Aid for energy crops (Chapter 5)

- Granted for areas sown under energy crops produced for the purpose of energy products
- Aid rate: 45 €/ha
- Maximum Guaranteed Area (1.5 Mio ha)
- If overrun of area: the area per farmer for which aid is claimed is reduced proportionately in that year
- Eligibility condition: production is covered by a contract between farmer and the processing industry, except for processing on the holding



Aid for starch potato (Chapter 6)

- Granted for farmers producing potatoes intended for the manufacture of potato starch
- Aid rate: 66,32 € (from 2005/2006) and adjusted according to the starch content of the potatoes
- The payment applies to the quantities of potatoes needed for making one tonne of starch
- Eligibility condition: quantities of potatoes covered by a cultivation contract between producer and the starch manufacturer within the limit of the quota allocated to such undertaking



Dairy premium and additional premium (Chapter 7)

- Only for the period 2004-2007 than fully decoupled and integrated into SPS
- Granted per calendar year, per holding and per tonne of individual reference quantity eligible for premium and available on the holding
- Aid rate: 16,31 €/t (in 2005)
- Additional payments to producers – country specific global amounts



Seed aid (Chapter 9)

- Grant aid for the production of basic seed or certified seeds of one or more of the eligible species (in case of optional implementation)
- Aid rate: €/100kg, specific to each seed species
- Ceiling fixed by the Commission for the total amount of aid claimed
- If ceiling is exceeded: the aid per farmer reduced proportionately in that year
- Only specific varieties of *Cannabis sativa* L.



Arable crops area payment (Chapter 10)

- Granted for farmers producing arable crops (and grass silage where maize is not traditional crop)
- Aid rate: 63 €/t multiplied by average cereals yield
- Durum wheat supplement in traditional production zones (291 €/ha in 2005/2006)
- Base area and regionalisation plan
- If overrun of area: the eligible area per farmer is reduced proportionnately in that marketing year
- Eligibility conditions: Specific sowing and application date, use of specific seeds, certified seeds or specific varieties cultivation contract or committment for flax and hemp grown for fibre, use of varieties with THC content not exceeding 0.2% (hemp for fibre)



Crop specific payment for cotton (Chapter 10a)

- Granted for farmers producing cotton
- Aid rate: specific to MS (€/ha)
- National base areas
- If overrun of area: the aid rate is reduced proportionately
- Eligibility conditions: agricultural land authorised for cotton production, authorised varieties, crop is maintained at least until the boll opening under normal growing condition



Aid for olive groves (Chapter 10b)

- Granted to farmers as a contribution to the maintenance of olive groves of environmental or social value
- Aid rate: MS fix the aid per olive GIS-ha up to a maximum of five categories of olive groves,
- Maximum amount of aid (financial ceiling related to the decoupling ratio)
- Eligibility conditions: olive grove is registered in GIS, olive grove complies with the features of the olive grove category, minimum amount of aid of 50 € per aid application



Tobacco aid (Chapter 10c)

- Only for harvest years 2006, 2007, 2008 and 2009
- From 2010, 50% of the total reference amount is integrated into SPS and 50% is transferred to Rural Development (second pillar)
- Granted to farmers producing raw tobacco
- Aid rate: depending on the variety of raw tobacco
- Financial ceiling specific to each MS (related to the decoupling ratio)
- Transfer of aid to Community Tobacco Fund (financing actions of information)
- Eligibility conditions: specific production areas, quality requirements, leaf tobacco must be delivered by the farmer to the premises of the first processor under a cultivation contract



Hops area aid (Chapter 10d)

- Granted to farmers producing hops
- Aid rate: 480 €/ha
- Eligibility conditions:
 - Located in hop producing areas
 - Area planted with hops
 - Actually harvested



Sheep and goat premium (Chapter 11)

- Granted to farmers rearing sheep and goats
- Premium rate: 21 €/head or 16,8 €/head if sheep's milk or products based on it are marketed. She-goat premium of 16,8 e/head in specific areas Supplementary premium (7€/head)
- Additional payments, national reserve
- Premium ceiling, individual ceilings per producer
- If exceeded: aid per farmer is reduced proportionately
- Eligibility conditions: retention period, identification and registration of animals



Beef and veal (Chapter 12) (1)

1. Special premium for male animals

- Young bulls at 9 months of age: 210 €/head
- Steers, at 9 and 21 months of age: 150€/head
 - Max 90 head
 - Max regional ceiling, if exceeded proportional reduction
 - On the farm or at the time of slaughter

2. Suckler cows and heifers (excluding dairy breeds) : 200 €/head

- Supply of milk or milk products not more than 120,000kg
- Individual ceiling per farmer (transferable), national reserve of SC premium rights
- Additional national suckler cow premium: 50€/head



Beef and veal (Chapter 12) : (2)

3. Slaughter premium

- For bulls, steers, cows and heifers from the age of 8 months: 80 €/head
- For calves between 1 and 8 months and of carcass weight up to 185 kg: 50 €/head
- Paid on slaughter or export to third country
- National ceilings, if exceeded n° of all eligible animals per farmer is reduced, proportionately



Beef and veal (Chapter 12) : (3)

Premiums which shall be included in SPS after the end of the transitional period, i.e. in 2007:

3. Extensification payment for farmers receiving the special premium and/or suckler cow premium
4. Deseasonalisation premium (Only steers)
5. Additional payment (headage and/or area payment)



Grain legumes aid (Chapter 13)

- Granted for the production of grain legumes
- Aid rate: 181 €/ha of area sown and harvested
- Financial ceiling specific to each MS
- If exceeded, the aid per farmer is reduced proportionately in that year



IV. Implementation of direct payments in the New Member States

Key elements :

1. Phasing in of direct payments
2. Option to implement a simplified regime: the Single Area Payment Scheme (SAPS)
3. Complementary National Direct Payments



1. Phasing-in of direct payments:

Direct payments are introduced gradually following the following schedule:

- 25% in 2004
- 30% in 2005
- 35% in 2006
- 40% in 2007
- 50% in 2008
- 60% in 2009
- 70% in 2010
- 80% in 2011
- 90% in 2012
- 10% in 2013



2. Single Area payment Scheme

All direct payments are replaced by a single area payment.

■ Applying SAPS

- Cyprus
- Czech Republic
- Hungary
- Latvia
- Lithuania
- Poland
- Slovakia

■ Not applying SAPS

- Malta
- Slovenia



Comparison: main rules (1)

- **SAPS**
 - Transitional (3y+1+1) then SPS
 - Area based payment
 - (no entitlements, no transfert of rights, no National Reserve)
 - Single amount (annual financial envelope divided by the national agricultural area under SAPS)
- **SPS**
 - Transitional period (2005-2007) then permanent
 - Area based payment (via payment entitlements)
 - Variable amount (historical/regional)



Comparison: main rules (2)

- **SAPS**
 - Eligible land: arable land, permanent grassland, permanent crops, kitchen garden
 - Part of utilised agricultural area which was maintained in in good agricultural condition on 30 June 2003
 - 1 ha minimum size of eligible area per holding (objective criteria)
 - Use of land: no set aside, fruit & vegetable allowed
- **SPS**
 - Eligible land: arable land and permanent pasture
 - 0.3 ha limit
 - Use of land: set-aside, permanent pasture limits, Fruit & veg (limited exclusion)



Comparison main rules (3)

■ SAPS

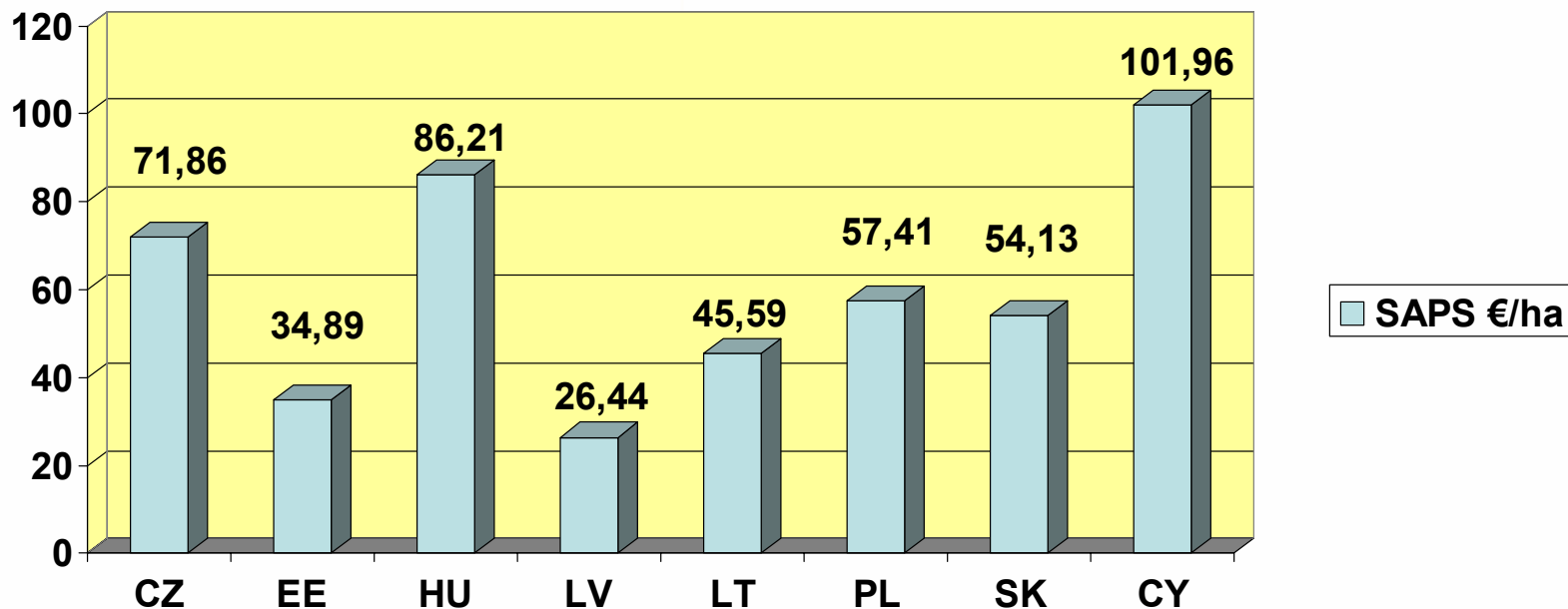
- Cross compliance
 - G.A.E.C.: yes
 - Statutory manag. Requirements: optional

■ SPS

- Cross compliance
 - G.A.E.C.: yes
 - Statutory manag. Requirements: yes



SAPS amounts in 2005





3. Complementary National Direct Payment

- Option established by the Act of Accession
- Various types of CNDP schemes are possible, depending on whether:
 1. The NMS applies SAPS or not.
 2. CNDPs are calculated with reference to support level in the EU-15 (up to 30%) or national support level existing in the NMS before accession.
 3. CNDPs are fully financed from the national budget or co-financed from the EU rural development funds



3. Complementary National Direct Payments

- CNDPs can be tailor made to specific needs and objectives of the NMS.
- It requires authorisation by the Commission each year which includes:
 1. The maximum total amount to be granted.
 2. The maximum amount per unit.
 3. The conditions for the granting of the payments to the farmer.



Thank you for your attention