

Support policies under alternative scenarios of CAP reform implementation in Latvia

November 26, 2004

Baltic States Experts Meeting on the CAP Reform

LSIAE

Presented by Guna Salputra



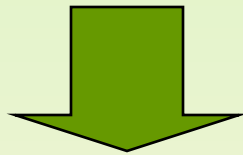
Latvian Support Policy: since year 2004

**Direct
Support**

**National
Programms**

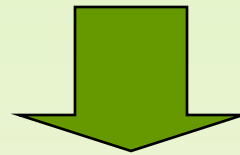
**Rural
Development
Plan**

**Single
Programming
Document**



**EU Common
Market
Organization**

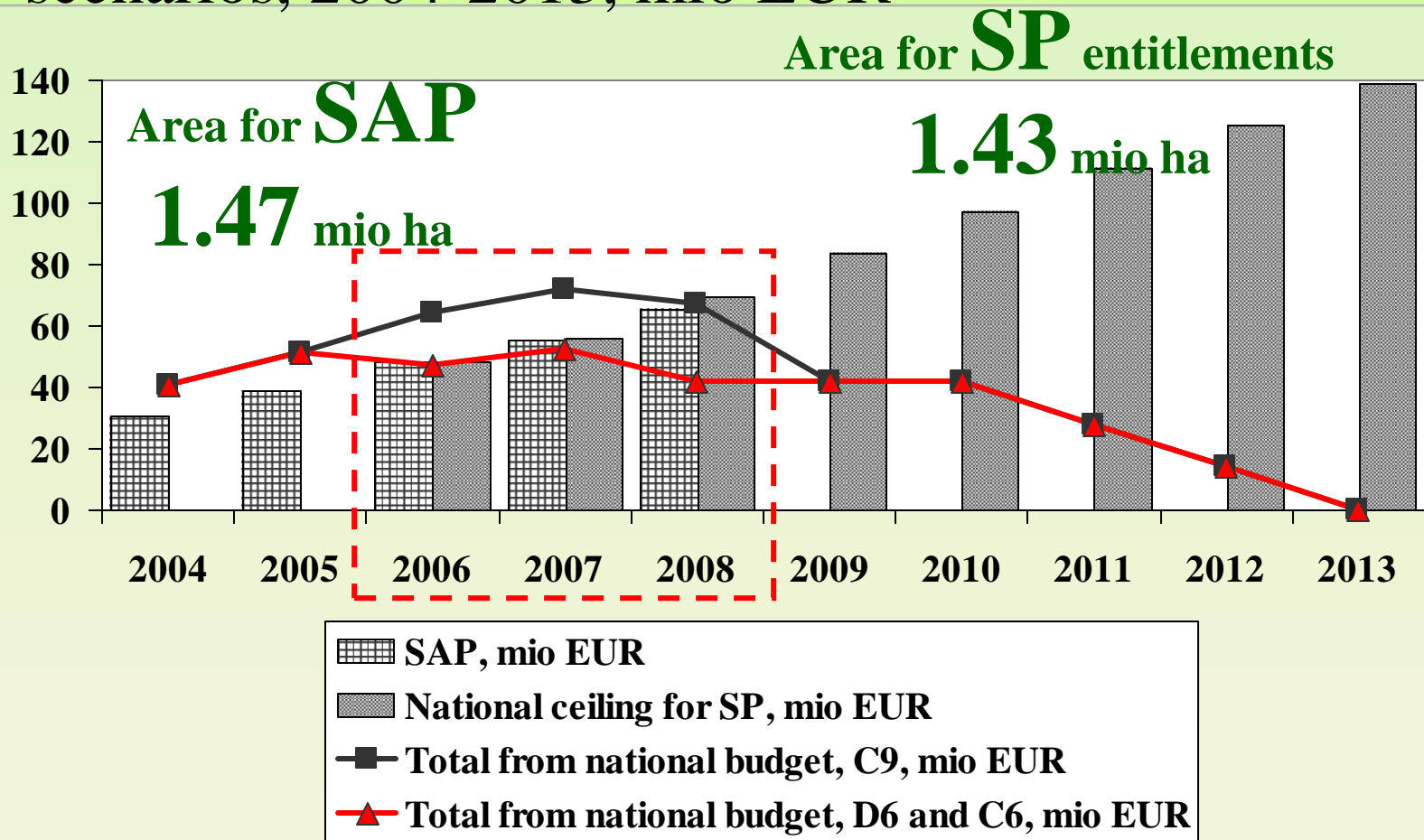
**Differentiated DP rates
for scenarios elaborated**



**Less Favoured
Areas
(LFA)**

**Constant rates
for all scenarios elaborated**

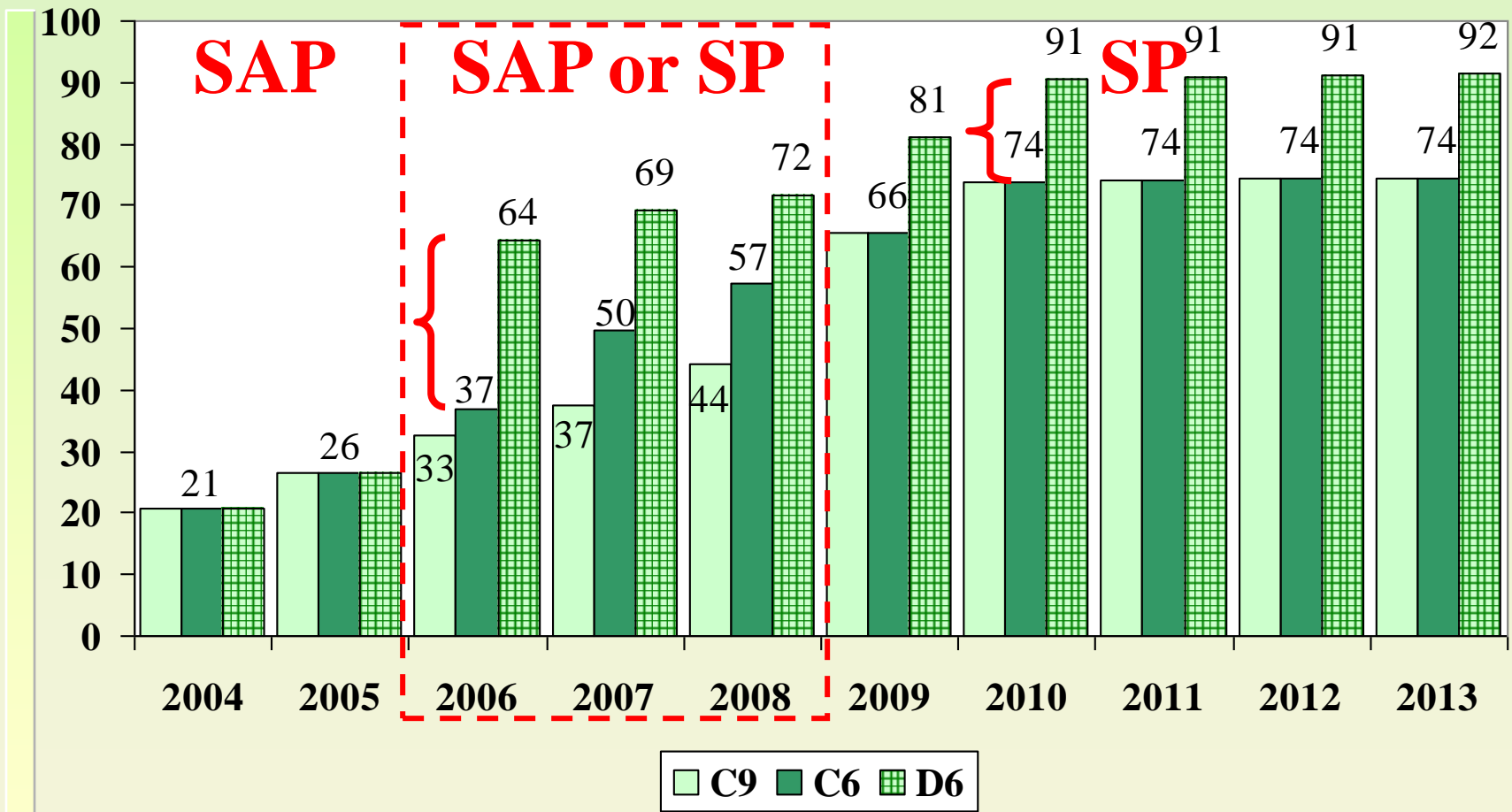
Maximal ceilings for direct support paid from the EU and national budgets under different policy scenarios, 2004-2013, mio EUR



Source: LSIAE calculations according to R1782/2003



DP rates decoupled from production in scenarios elaborated, 2004-2013, EUR/ha

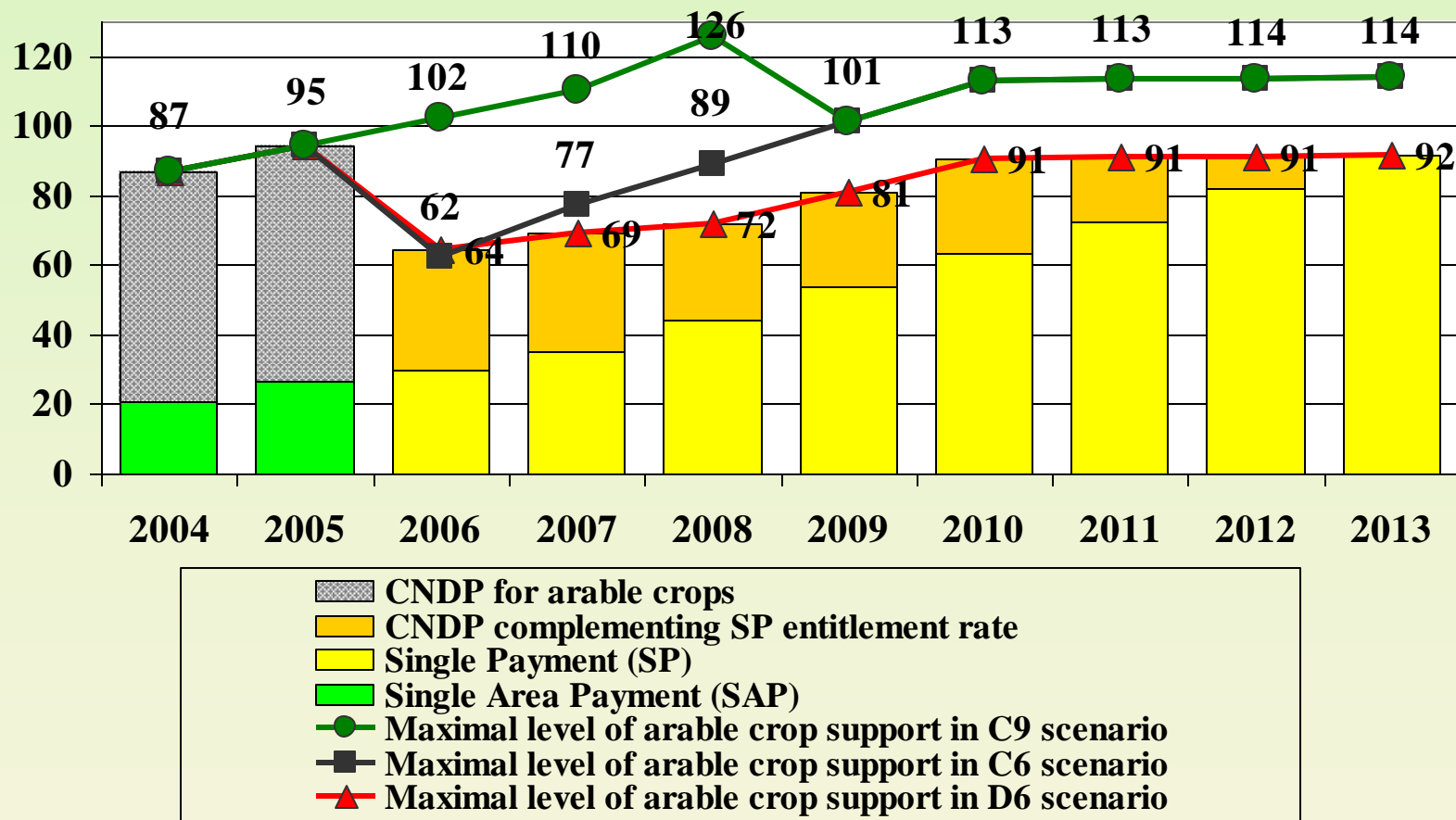


Source: LSIAE calculations according to R1782/2003



Arable crops (1)

Structure of DP in scenario D6 and maximal support levels according to the scenarios elaborated, EUR/ha

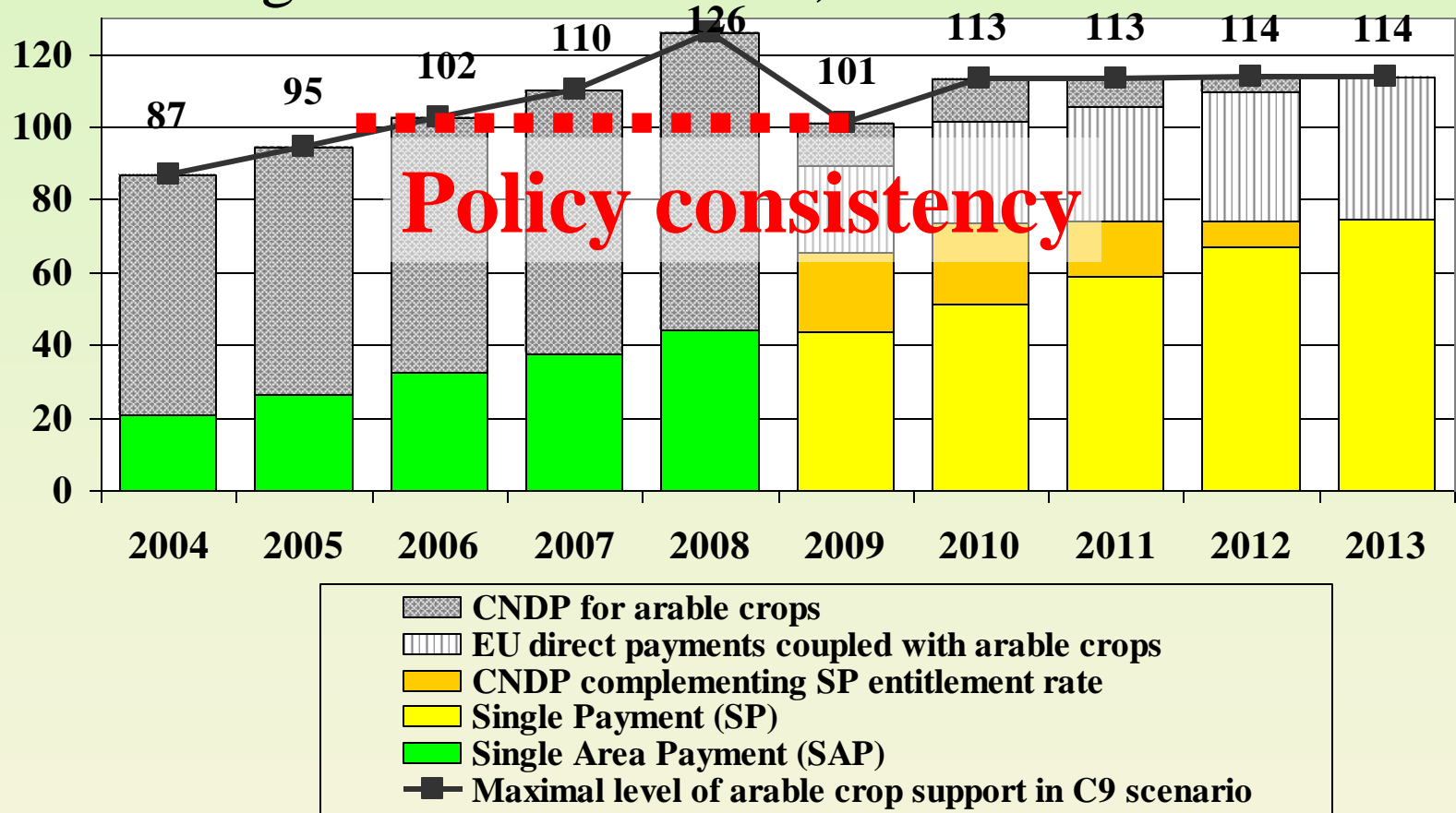


Source: LSIAE calculations according to R1782/2003



Arable crops (2)

Structure of DP and maximal level of support according to the scenario C9, EUR/ha

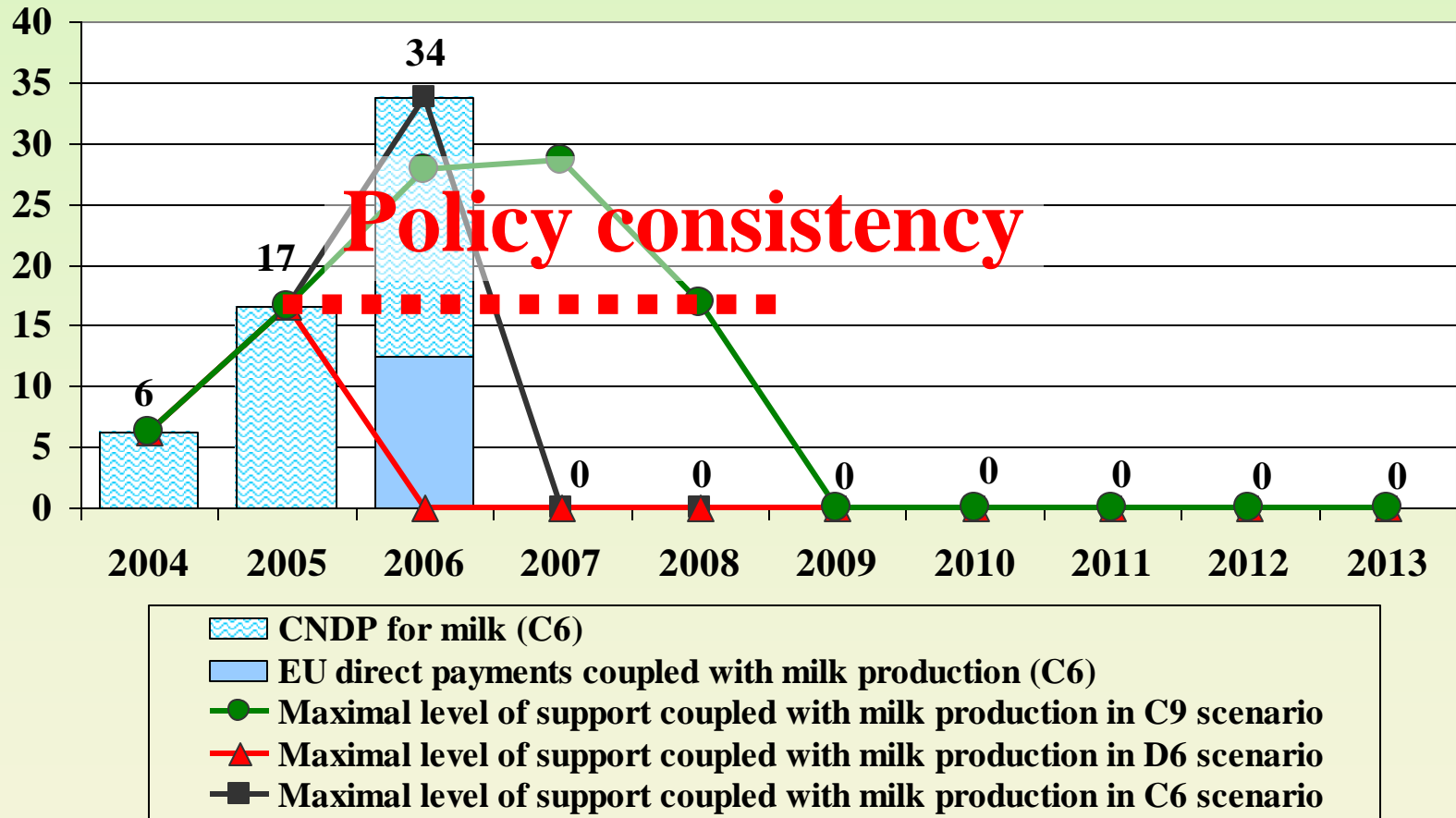


Source: LSIAE calculations according to R1782/2003



Milk

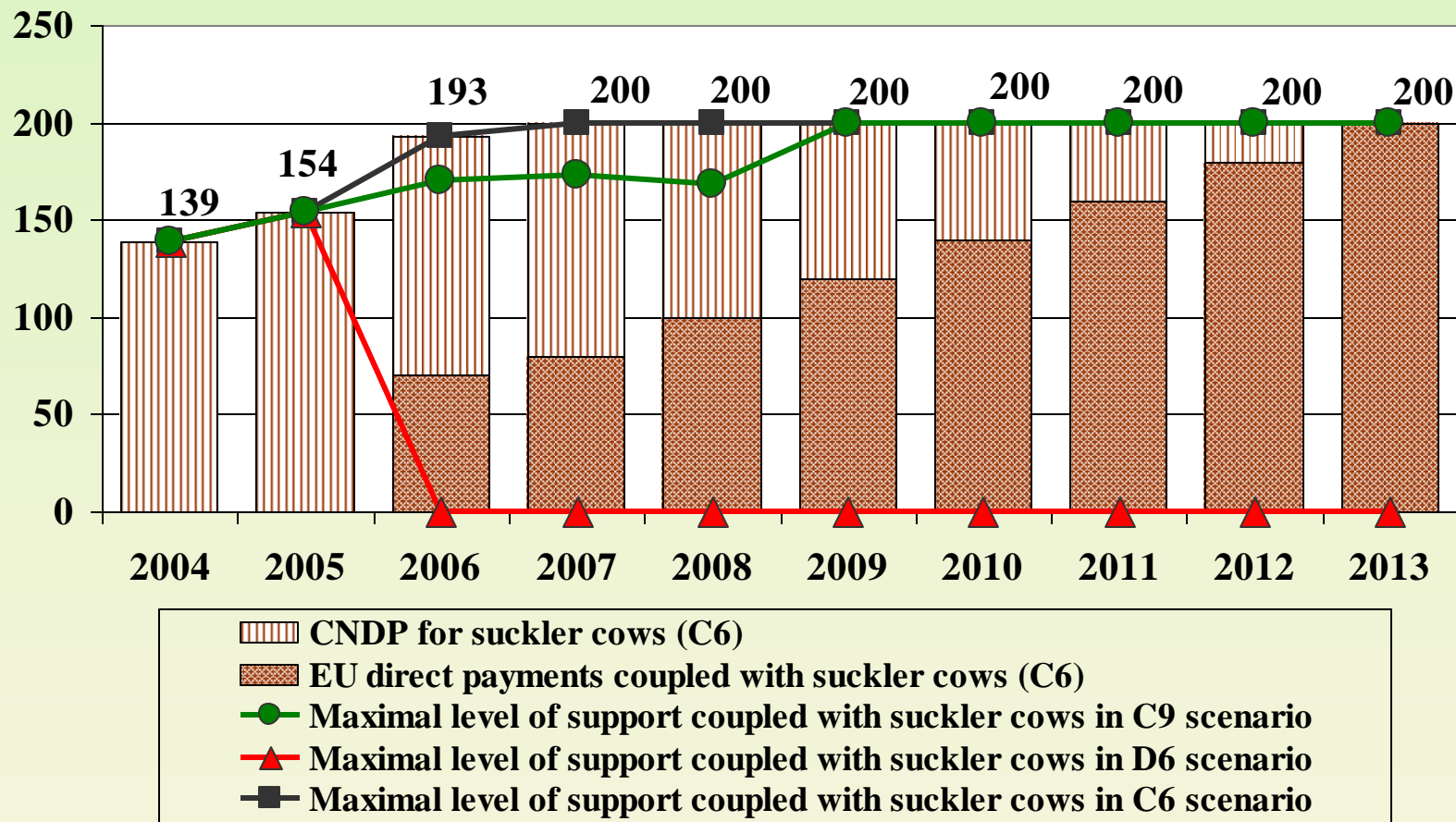
Structure of DP in scenario C6 and maximal support level in the scenarios elaborated, EUR/t



Source: LSIAE calculations according to R1782/2003

Suckler cows

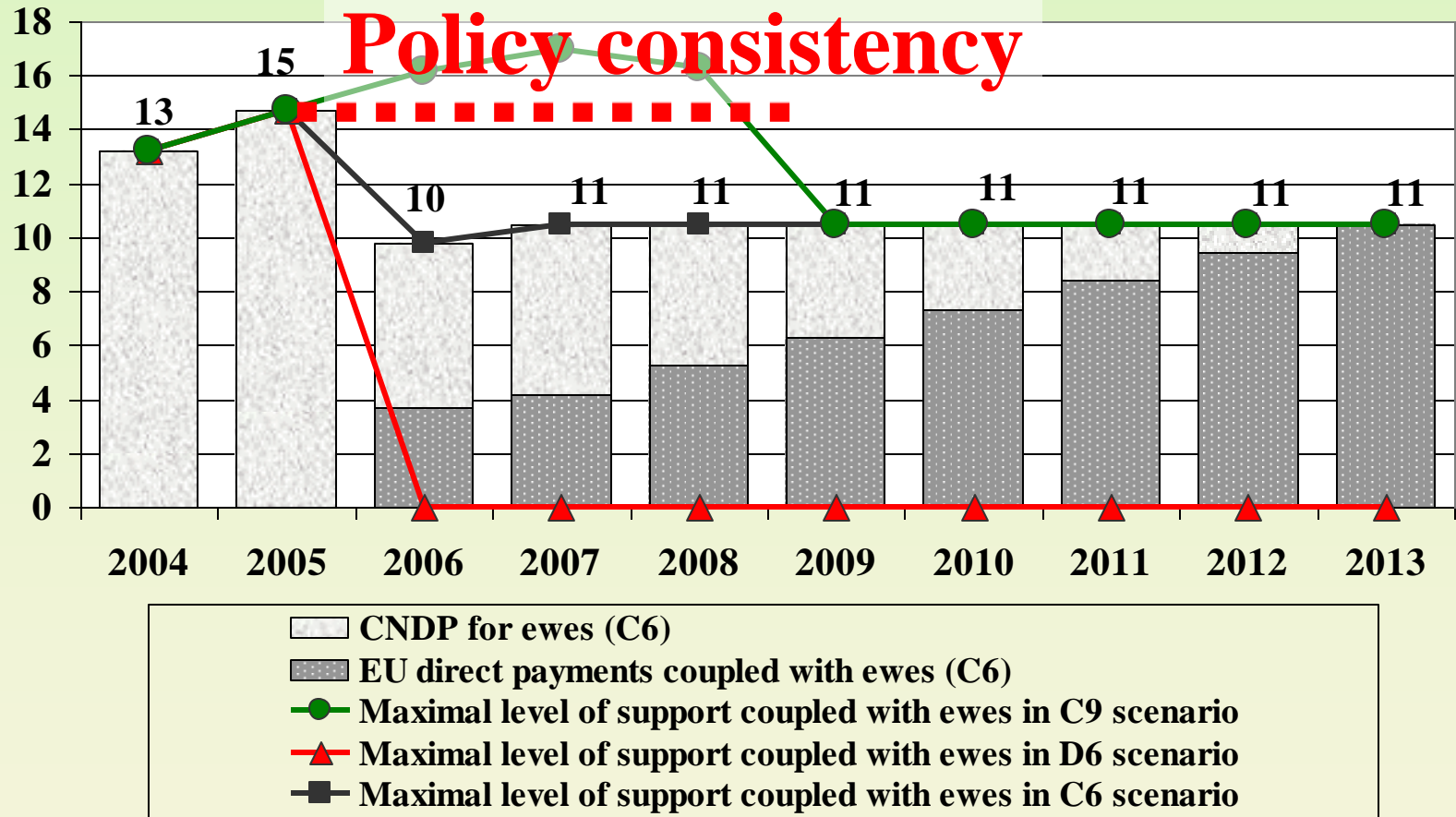
Structure of DP in scenario C6 and maximal support levels in scenarios elaborated, EUR/animal



Source: LSIAE calculations according to R1782/2003

Ewes

Structure of DP in scenario C6 and maximal support levels in the scenarios elaborated, EUR/animal



Source: LSIAE calculations according to R1782/2003



Final set of scenarios elaborated for Latvian agricultural sector

1. Degree of decoupling of direct support, time

Maximal coupling in 2006

Full decoupling in 2006

Maximal coupling in 2009

C6

D6

C9

C6c

C9c

Changes in support system:
Partial cut of CNDP rates for milk in 2006

Changes in support system:
Partial cut of CNDP rates from 2006 until 2008:
1. for arable crops;
2. for milk;
3. for ewes

C6d

2. Differentiation of entitlements' rates

SP – single rate of entitlements

SP – differentiated rates of entitlements according to directions of agricultural specialisation

