

Optional implementation of direct payments

First reactions

Estonia



Topics

- # Livestock sector
 - # Arable crops
 - # Cross compliance
 - # Timetable of analysis and discussions
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Livestock payment options

- o Only single payment
 - o 50% ewe premium
 - o 100% slaughter premium for calves
 - o 100% suckler cow premium
 - o 40% slaughter premium for adults
 - or 100% slaughter premium for adults
 - or 75% special beef premium
 - o 10% additional payment for specific type of farming
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Amounts of coupled beef payments, thousand EEK

	2006	2007	2008	2009	2010
Suckler cow 100%	36,6	20,4	27,8	36,8	47,0
Slaughter 100%	49,6	53,5	61,1	68,7	76,4
Special beef 75%	44,5	47,9	54,7	61,6	68,4
Suckler cow 100% /slaughter 40%	56,5	41,8	52,2	64,3	77,5

What to take into account?

- # Paying of slaughter premiums directs additional payments at least within 50% to dairy sector (slaughtered dairy cows and calves)
 - # Basically slaughter premium and special beef premium were designated to compensate for the reductions in the intervention price
 - # Payments for bulls would support both - quantity and quality
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What to take into account?

- # Keeping of suckler cows and ewes are mainly spread in less favoured areas and in environmentally important areas
 - # Keeping technologies in sheep and beef cattle sectors are more nature friendly as in other important livestock sectors
 - # Support producing of high quality products
 - # Suckler cows and ewes are mainly kept in small or medium size enterprises
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Livestock premiums

Premium scheme	Premium ceiling	Actual number of animals
Suckler cow premium	13 416	2 649
Slaughter premium - adults	107 813	61 000
Slaughter premium - calves	30 000	16 000
Special premium	18 800	24 000
Ewe premium	48 000	23 000

Crops payment options

- # Single payment
 - # Other aid schemes:
 - Protein crop premium
 - Aid for energy crops
 - Aid for starch potato
 - Seed aid
 - arable crops area payment (Partial implementation 25%)
 - Grain legumes aid
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Arable crops payment coupling/decoupling

Partial implementation (Section 2 in 1782/2003 art 66) and grain legumes aid

- Complicated administration
 - Ceiling (art 64(2)) 362 827 ha
 - Set a side (art 107)
 - Eligible land
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Seed aid coupling/decoupling (art 99 in 1782/2003)

- # Ceiling – 379 tonnes
 - # Production in 2004 – ca 300 tonnes
 - # Single Payment (100%) > Seed aid (100%) except *Phleum pratense L.* (if all aids decoupled)
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Other aid schemes

Likely apply

- Protein crop premium
 - Aid for energy crops
 - Aid for starch potato
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Cross-Compliance: experience so far

...single area payment scheme

- *Good Agricultural and Environmental Condition*

...rural development measures

(RDP 2004-2006: Agri-environment, Less-Favoured Areas):

- *Good Farming Practice (GFP-at least statutory management requirements)*

Preparation for next period

Analyse of current period;

For next period:

- # Agricultural policy of the country
 - # How to divide the requirements between measures?
 - # As a starting point – define the standards as simple as possible!
 - # Each requirement needs to be controlled
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