

“NATIONAL POLICY INSTRUMENTS AND EU APPROXIMATION PROCESS: EFFECTS ON FARM HOLDINGS IN THE WESTERN BALKAN COUNTRIES (EUEWB)”

1st Interim Meeting

22nd April 2016, Andrevlje, Serbia

Task 1:

Monitor and collect information on agricultural policy developments in the WB countries –

Overview of direct support schemes

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JOINT RESEARCH CENTRE

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Tasks

Three subtasks:

- ✓ Direct (income) support schemes inventory (by April 2016)
- ✓ APM Database update (by April 2016)
- ✓ Agricultural statistics Database update (by September 2016)

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Direct support schemes inventory; APM

National experts' tasks:

- ✓ Checking and adding of missing information for 2014
- ✓ Up-dating for 2015 (optional: from 2010 on)
- ✓ Cross-checking of consistency with allocation in APM database
- ✓ Up-dating of APM for 2015

Data provided so far:

	DP	APM 2015
Albania	2010-2015	Not complete
BH	2014-2015	Completed
Kosovo*	2011-2016	Not complete
Macedonia	not provided	Not provided
Montenegro	2010-2016	Completed (plan)
Serbia	2010-2015	Completed



Direct support schemes inventory

Number of support schemes by country, year and type:

	Albania	BH 14/15			Kosovo*	MN	Serbia
	10/14/15	FBH	RS	DB	11/14/16	10/14/16	10/14/15
Output	2/3/2	5/4	9/7	0	0/2/2	1/1(3)/1(3)	1/1/1
Area	0	9/10	1/1	8/8	2/6/9	6/6/5(9)	0/1/1
Animal	1/10/2	9/9	10/9	11/11	2/5/7	3/4/4	3/9/9
Input	0/2/1	1	1/1	1/1	0	1/1/1	8/3/3
AE	1/1/0	0	0	0	0/0/1	2/2/2	2/2/2
LFA	0	0	0	0	0	0	0

Big differences by country:

- ✓ Scarce and unstable schemes in Albania
- ✓ High number of different schemes in BH; big differences by Entity
- ✓ Increasing number of schemes in Kosovo*
- ✓ Rather stable schemes in Montenegro
- ✓ Changes in type of payments and specific requirements in Serbia

Agro-environment schemes not set on a larger scale (mostly organic farming, endangered breeds (Serbia), maintain pastures (Montenegro))

No specific LFA payments



Direct support schemes by country

Albania

2015

	Product	Limits	Unit value
Output	Milk	min 1,500 l/month; for max 15,000	0.073 €/l
	Fruits and vegetables	no limits	15%
Animal	Sheep and goats	min 100; for max 300	8.74 €/head
	Beehives	min 50	7.28 €/hive
Input	Phytosanitary measures - olives	Max per ha	250 €/ha

Main characteristics:

- ✓ no area payments
- ✓ payments per output for milk and fruits and vegetables
- ✓ headage payments for small ruminants and beehives
- ✓ rather high min. requirements; rather low max. (where set)

DE
RD
GMS

Direct support schemes by country

BH - FBH

2015

	Product	Limits	Unit value	
Output	Milk	min 500 l/month (300)	0.150 €/l	
	Seedlings	max no	0.18; 0.23 €/p	
Area	Wheat	1-200 ha; min 3.5 t	256 €/ha	
	Maize	2-400 ha	153 €/ha	
	Barley	1-100 ha; min 3 t	179 €/ha	
	Oilseeds	1-250 ha; min 2 t/ha	205 €/ha	
	Seed of cereals and oilseeds	max ha; min t/ha	409 €/ha	
	Seed potatoes	max ha	665; 869 €/ha	
	Tobacco	0.5-50 ha	767 €/ha	
	Medical and aromatic plants	1-50 ha (for market)	205 €/ha	
	Vegetables	0.5-20 ha; min 2-15 t	1023 €/ha	
	Fruits	2-250 ha; min 5 t/ha	460 €/ha	
	Grapes	1-250 ha; min 8 t/ha	460 €/ha	
	Olives	1-250 ha; min 2 t/ha	460 €/ha	
	Animal	System cow-calf	15-1,000	230 €/head
		Breeding heifers	2-20	230 €/head
		Cattle fattening	3-1,000	230 €/head
		Breeding sheep and goats	50(25)-750	18 €/head
Fattening lambs		min 20	? €/head	
Sows and boars		5-150	77 €/head	
Pig fattening		10-8,700	31 €/head	
Breeding poultry		10,000-50,000	0.61 €/head	
Beehives		20-550; min 10 kg honey	7.67 €/hive	
Input		Insurance	max	50%

Main characteristics:

- ✓ all types of direct support (+ additional schemes on cantonal level)
- ✓ payments per output for milk and seedlings (soft fruit; fruit trees, wine grape)
- ✓ area payments for all main crop sectors
- ✓ headage payments for all main livestock sectors
- ✓ rather high min. requirements (except milk); max. set in area or animal number

Direct support schemes by country

BH - RS

2015

	Product	Limits	Unit value
Output	Milk	no limits	0.153 €/l
	Wheat	spring; max 6 t/ha	0.026 €/kg
	Rape	min 0.5 ha; max 5,000 €	15 %
	Tobacco	max 12,500 €	20 %
	Seeds	registered producers	15; 50 %
	Medical and aromatic plants	min 0.3 ha; max 5,000 €	15 %
	Fruits	min 500 kg per variety for sale	15 %
Area	Wheat	min 1.5 ha (winter); min 4 t/ha	128 €/ha
Animal	System cow-calf	min 5; max 15,000 €	?
	Breeding heifers	no limits	102 €/head
	Cattle fattening	min 4; max 50,000 €	?
	Breeding sheep and goats	min 100(50); max 12,500 €	?
	Sows and boars	min 20; max 12,500 €	?
	Pig fattening	min 60; max 50,000 €	?
	Breeding poultry	min 2,000; max 25,000 €	?
	Broilers fattening	min 5,000/turnus; max 50,000 €	?
	Breeding fillies	pure breed	?
	Beehives	min 50; max 2,500 €	?
Input	Fuel	max 100 l/ha	0.31 €/l

Main characteristics:

- ✓ all types of direct support
- ✓ payments per output for milk and several crops (mostly as a % of selling price)
- ✓ area payment only for winter wheat
- ✓ headage payments for all main livestock sectors
- ✓ rather high min. requirements (except milk); max. mostly set in value per beneficiary

SWGRRD



Direct support schemes by country

BH - DB

2015

	Product	Limits	Unit value
Area	Wheat	min 1.5 ha	153 €/ha
	Maize	min 1.5 ha	128 €/ha
	Barley	min 1.5 ha	128 €/ha
	Oilseeds	min 1.5 ha	205 €/ha
	Fodder sown in autumn	min 1.5 ha	250 €/ha
	Tobacco	min 1.5 ha	511 €/ha
	Vegetables	min 0.3 ha (0.02 ha)	358-7,669 €/ha
	Fruits	min 1 ha (0.2 ha)	256-409 €/ha
Animal	Dairy cows	min 2; min 2,000 l/cow	205 €/head
	System cow-calf	no limits	102 €/head
	Breeding heifers	min 2	153 €/head
	Cattle fattening	min 5	153 €/head
	Breeding sheep and goats	min 20(10)	26 €/head
	Sheep and goats fattening	min 20(10)	15 €/head
	Sows and boars	min 5	51 €/head
	Pig fattening	min 20	26 €/head
	Laying hens	min 1,500	0.77 €/head
	Broilers fattening	min 5,000	0.10 €/head
Beehives	min 30	10.23 €/hive	
Input	Insurance	max	70 %

Main characteristics:

- ✓ no payments per output
- ✓ area payments for all main crop sectors
- ✓ headage payments for all main livestock sectors
- ✓ rather different min. requirements (high for arable crops); max. not set

SWG RRD



Direct support schemes by country

Bosnia and Herzegovina

2015

	FBH	RS	DB		FBH	RS	DB
Output (€/l, kg, piece)				Animal (€/head)			
Milk	0.15	0.15	-	Dairy cows	-	-	205
Seedlings	0.18; 0.23	-	-	System cow-calf	230	?	102
Wheat	-	0.03	-	Breeding heifers	230	102	153
Rape	-	15%	-	Cattle fattening	230	?	153
Tobacco	-	20%	-	Breeding sheep and goats	18	?	26
Seeds	-	15%; 50%	-	Sheep and goats fattening	?	-	15
Medical and aromatic plants	-	15%	-	Sows and boars	77	?	51
Fruits	-	15%	-	Pig fattening	31	?	26
Area (€/ha)				Laying hens	-	-	0.77
Wheat	256	128	153	Breeding poultry	0.61	?	-
Maize	153	-	128	Broilers fattening	-	?	0.10
Barley	179	-	128	Breeding fillies	-	?	-
Oilseeds	205	-	205	Beehives	7.7	?	10
Seed of cereals and oilseeds	409	-	-	Input			
Seed potatoes	665; 869	-	-	Insurance	50%	-	70%
Tobacco	767	-	511	Fuel	-	0.31 €/l	-
Medical and aromatic plants	205	-	-				
Vegetables	1023	-	358-7,669				
Fruits	460	-	256-409				
Grapes	460	-	-				
Olives	460	-	-				
Fodder sown in autumn	-	-	250				

Main characteristic:

- ✓ Different schemes (products, types, limits, amounts ...)

Direct support schemes by country

Kosovo*

2016

	Product	Limits	Unit value
Output	Milk (quality premium)	min 1,500 l/month	0.02-0.06 €/l
	Seedlings	min 0.5 ha	0.10-0.20 €/p
Area	Wheat	min 2 ha	150 €/ha
	Maize	min 1 ha	150 €/ha
	Barley	min 1 ha	100 €/ha
	Rye	min 1 ha	100 €/ha
	Wheat seed	min 5 ha	250 €/ha
	Oilseeds	min 1 ha	150 €/ha
	Vegetables	min 0.5 ha	300 €/ha
	Fruits	min 0.5 ha (0.2 ha)	400 €/ha
	Wine grapes	min 0.1 ha	400-1,000 €/ha
	Animal	Dairy cows	min 5
Cattle slaughter		no limits	30 €/head
Breeding sheep and goats (milk)		min 30(20)	15 €/head
Sows		min 2	20 €/head
Laying hens		min 2,000	0.40;0.50 €/head
Quails		min 100	1 €/head
Beehives		min 30; for max 500	10 €/hive

Main characteristics:

- ✓ no input subsidies
- ✓ payments per output for milk and seedlings (fruit trees, vine grape)
- ✓ area payments for all main crop sectors (9 products; 6 different amounts)
- ✓ headage payments for all main livestock sectors (including dairy)
- ✓ rather different min requirements (high for milk, dairy cows, wheat); generally no max.

Direct support schemes by country

Montenegro

2016

	Product	Limits	Unit value
Output	Milk	min 400 l/month	0,06 €/l
	Milk - quantity addition	min 5,000 l/month (paid above)	0,01 €/l
	Milk - quality addition	quality class	0.01-0,03 €/l
Area	Arable crops	min 0.5 ha (1 ha for cereals)	160 €/ha
	Forage crops	min 0.5 ha	160;100 €/ha
	Cereal seed	min 0.5 ha	300 €/ha
	Potato seed (elite)	min 0.5 ha	700 €/ha
	Tobacco	min 17,000 plants/ha	1.000 €/ha
	Medical and aromatic plants	no limits	160 €/ha
	Fruits	no limits	160 €/ha
	Grapes	no limits	160 €/ha
	Olives	no limits	160 €/ha
	Animal	Cows and hifers	paid for above 4
Organised cattle fattening		no limits	120 €/head
Beef slaughter		male; no limits	140 €/head
Breeding sheep and goats		paid for above 40(30)	8 €/head
Input	Insurance	max	50%

Main characteristics:

- ✓ all types of direct support
- ✓ payments per output only for milk (3 different payments)
- ✓ area payments for all main crop sectors (9 different products; 5 different unit values)
- ✓ headage payments for cattle and small ruminants (including dairy)
- ✓ rather different min. requirements (high for cows; unusual limits); generally no max.

Direct support schemes by country

Serbia

2015

	Product	Limits	Unit value
Output	Milk	min 3,000 l/quarter	0.058€/l
Area	Arable crops	for max 20 ha	49.33 €/ha
Animal	Dairy cows	min 2; for max 300	205.54 €/head
	Suckler cows	min 2	164.43 €/head
	Young bulls fattening	no limits; delivered	82.22 €/head
	Breeding sheep and goats	min 10(5)	57.55 €/head
	Sheep and goats fattening	min 10(5) in fatt.; del.; max 50 kg/head (30)	16.44 €/head
	Sows and boars	min 3	57.55 €/head
	Pig fattening	min 10 in fatt.; del.; max 90 kg/head	8.22 €/head
	Parental poultry	no limits	0.49-2.47 €/head
Input	Beehives	min 10	4.11 €/hive
	Insurance	animals and plants; max 20 ha	40%
	Fuel	max 24.66 €/ha	0.41 €/l
	Fertilisers	max 24.66 €/ha	0.08 €/kg

Main characteristics:

- ✓ all types of direct support
- ✓ payments per output only for milk
- ✓ unique area payment for arable crops (max ha?) + input subsidies for fuel and fertilisers
- ✓ headage payments for all main livestock sectors (including dairy)
- ✓ rather low max. where set

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Direct support schemes

Overview of direct payment schemes:

- ✓ Output payments widely in place only in part of BH; in most countries used for milk
- ✓ Area payments used for wide range of products in most countries (except Albania, Serbia and part of BH)
- ✓ Headage payments used for all main livestock sectors (except Albania, Montenegro)
- ✓ Input subsidies mostly related to insurance and seldom to other inputs (Serbia, part of BH, Albania)

	Albania (2015)	FBH	BH (2015)		Kosovo* (2016)	MN (2016)	Serbia (2015)
			RS	DB			
Output	milk; f&v	milk; seedl.	milk; crops	/	milk; seedl.	milk	milk
Area	/	All main	wheat	All main	All main	All main	arable crops
Animal	sh&g; bees	All main	All main	All main	All main	cattle; sh&g	All main
Input	pest	insur.	fuel	insur.	/	insur.	insur.; fuel; fert.



Direct support schemes

Direct payment schemes in the light of EU accession – first reflection:

- ✓ The entrance gate (min) is generally rather high in most countries
- ✓ Topping (max) differ by country and product
- ✓ Pig and poultry sector are supported in most countries (problematic sectors)
- ✓ Payments per unit are rather high at least for some products (high value); for some products payment is set as % of selling price (problematic value)

	Albania (2015)	FBH	BH (2015) RS	DB	Kosovo* (2016)	MN (2016)	Serbia (2015)
Min	Generally high	Generally high	Generally high	High for arable crops	High for milk; cows; wheat	Generally high	
Max	Low where set			not set	not set	not set	Low where set
Problematic sectors		pig; poultry	pig; poultry	pig; poultry	pig; poultry		pig; poultry
High or problematic value	milk; %	milk; veg.; per.c.; cattle	milk; %	veg.; per.c.; sh&g., insur.	milk; veg.; per.c.	milk	milk; sh&g



Direct support schemes

Next steps:

- ✓ Final checking of DP inventory (revised files with comments)
- ✓ Cross-checking of consistency with allocation in APM database (corrections where needed)
- ✓ Finalisation of APM 2015

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