#### I. IMPACT OF A CHANGE TOWARDS FLATTER RATES OF DIRECT PAYMENTS

#### **Executive summary**

The aim of this note is to analyse the impact of a move towards flatter rates of direct payments per hectare on the farmers' income and on the direct payments (DPs) distribution in comparison to the current policy implementation.

Therefore, a simulation has been carried out using FADN data comparing the current situation (historic and hybrid/dynamic model) with two different scenarios: (1) the application in the EU15 of a regional flat rate or (2) a unique EU flat rate of  $305 \notin$  ha (in the EU25).

From this analysis it can be concluded that milk specialists would be negatively affected by a general move towards a regional flat rate. On the contrary, grazing livestock specialists would be better off assuming that the partially coupled payments are maintained. The remaining types of farming would either experience no change or an increase of the DPs received and income. Moreover regionalisation would leave less favoured areas better of.

In general, with a regional flat rate, the differences between farmers in terms of DP paid per hectare are decreasing significantly. Nevertheless, the distribution of the DPs per farm at EU15 level would change only slightly (towards less concentration of the DPs per farm).

When the second scenario (unique EU flat rate) is compared with the *status quo* the average DPs per farm and income decrease in BE, DK, DE, EL, FR, IT, CY and NL and increase in the other MSs. Fieldcrops, milk and other permanent crop specialists would see their DPs and income diminished. A larger increase of DPs and income in LFA is registered when an EU flat rate is applied.

With an EU flat rate, the distribution of the DPs per ha is very even because all hectares are granted the same amount. Nevertheless, at EU15 level, the concentration of DPs per farm is slightly increasing with an EU flat rate. With a unique rate per ha the distribution of the DPs per farm follows the distribution of the area in the EU, which is uneven.

## **1. PROBLEM DEFINITION**

The introduction of the single payment scheme (SPS) rendered decoupled support the central element of the 2003 common agricultural policy (CAP) reform. In the implementation of the SPS, MSs could opt for different models: historic model, regional model or a hybrid model (mix of the previous two). These models of implementation mainly differ in their impact on the amount of direct payments (DP) paid per hectare. Most of the MSs chose to apply either a historic or a hybrid model.

In the framework of the Health Check of the 2003 CAP reform, it was proposed as an option to give to the MS the possibility to review their chosen implementation system by moving towards flatter rates of DP per ha. Therefore the aim of this note is to analyse the impact on the farmers' income and the DP distribution of a move towards a regional flat rate. As a second option, a change towards an "EU27" flat rate equal for all MSs will be analysed.

## 2. METHODOLOGY

## 2.1. Definitions

<u>Historic model</u>: the DP of each farmer depends on the farmer's historic reference, i.e. the payments he/she has received in the 2000-2002 period.

<u>Regional model</u>: the total amount of the regional ceiling is divided between all the farmers whose holding is located in the region concerned therefore each farmer in a region receives the same "regional" amount per hectare.

<u>Hybrid/dynamic model</u>: None of the MSs who chose the regionalisation option applies a complete regionalisation (except Slovenia & Malta): part of the SPS is still paid on a historic basis and part on a regional flat rate basis. In dynamic models, the share of historic payments is decreasing till 2013. Moreover, 3 MSs chose the possibility to give a specific premium for grassland<sup>1</sup> (Germany, Sweden and Denmark).

<u>EU flat rate</u>: each farmer in the EU receives the same amount per hectare.

<u>Eligible land</u>: Land eligible to DP includes all hectares except wine area from 2008 (as the wine reform has not been covered by the present study). At the time the study is carried out, it is not known if in the framework of the fruit and vegetables common market organisation (CMO) reform all the fruit and vegetables area will be eligible but in this analysis it is considered the case.

## 2.2. Simulation based on FADN data

## **Description of the model**

The simulation is based on a model developed in DG AGRI based on FADN data. This model is based on the structure of the FADN farms in 2004. The agricultural policy is

<sup>&</sup>lt;sup>1</sup> Permanent pasture (including rough grazing).

implemented as foreseen in  $2009^2$  including compulsory modulation (except in the EU10 and in outmost regions not submitted to modulation), the second package, the sugar and the fruit and vegetables reforms. The wine reform is not covered in this analysis.

In the EU10, the level of the direct payments is fixed at a 100% as foreseen in  $2013^3$ . Because of a lack of FADN 2004 data in Malta, this MS is excluded from this analysis.

The article  $69^4$  of Regulation No 1782/2003 is not taken into account because of the difficulty at targeting the beneficiaries of these subsidies.

For the purpose of this simulation, for the MS applying a <u>historic model</u>, the reference of each farmer is calculated based on its situation in FADN data 2004.

For the MS applying a <u>regional model</u>, the sum of the decoupled DP covered in the FADN data is divided by the eligible hectares represented in the FADN data 2004.

For the MS applying a <u>hybrid model</u>:

- (1) The part of the SPS paid on a historic basis is first estimated according to the farmer's situation in FADN data 2004.
- (2) The grassland payment is introduced: 125 €ha in Sweden, 67.11€ha in Denmark. In Germany the grassland payment is a regional flat rate estimated as the sum of 50% of the extensive premium, plus 100% of the adult slaughter premium and 100% of the national envelope for beef in a region divided by the permanent pasture represented in this FADN region.
- (3) The regional part of the SPS is calculated as the sum of the remaining DP ceilings (all decoupled payments minus "historic" SPS minus grassland payments) divided by the eligible hectares.
- (4) Finally, the direct payment received by a farmer in a region X is equal to the sum of the coupled payments plus the historic part of the SPS plus the grassland payment plus the regional flat rate in the region X times the eligible area.

The <u>eligible land</u> is estimated in FADN for each individual farmer on the basis of the area registered by product in the farm return<sup>5</sup>.

<sup>&</sup>lt;sup>2</sup> 2009 was chosen because in 2009 all the reforms are fully implemented (including fruit & vegetables and sugar common market organisations (CMOs) reforms). Moreover the options for the hybrid model are known for 2009. In this simulation the MS from EU9 receive 100% of the budget ceiling planned for 2013 already in 2009.

<sup>&</sup>lt;sup>3</sup> See Article 143a of Council Regulation (EC) No 1782/2003.

<sup>&</sup>lt;sup>4</sup> This article enables the MS to retain up to 10% of the component of their national DP ceilings per sector in order to grant additional payments to farmers for specific types of farming and quality production.

<sup>&</sup>lt;sup>5</sup> The farm return regroups all the data collected on a farm part of the FADN.

### The two scenarios:

(a) The regional flat rate

For the <u>regional model</u>, a "regional" flat rate per hectare is calculated as the sum of the decoupled payments in the region divided by the eligible area represented in this FADN region. This "regional" flat rate<sup>6</sup> is calculated by FADN region, which may differ from the regions chosen by the MSs. In England a "regional" amount is calculated for less favoured areas (LFA) and another one for non LFA. A farmer of a region *X* receives the coupled and re-coupled payments plus the regional flat rate in region *X* times his eligible area.

As the regional flat rate is calculated with the FADN data that cover only "commercial" farms, the regional premium may be slightly overestimated because the FADN data includes a larger share of the DP than of the area.

(b) The EU27 flat rate

The <u>**EU flat rate</u>** is estimated as the sum of all the DP recorded in FADN (coupled and decoupled) in the EU24<sup>7</sup> divided by all the eligible area. The EU flat rate calculated by the model is 305  $\clubsuit$ ha in the EU24. Limited to the EU15, its value would be 325  $\clubsuit$ ha.</u>

	Current model	Scenario 1:	Scenario 2:
	Status quo	Regional flat rate	EU flat rate
Year	2009	2009	2009
Coverage	EU15 / EU24	EU15	EU24
Coupled and re- coupled payments	Yes	Yes	No
Decoupled payments	Historic model (BE, FR, ES, EL, IT, NL, IE, PT, AT, Wales & Scotland) Hybrid/dynamic model (DA, DE, FI, SE, LU, England & Northern Ireland) Regional model (SI) 100% SAPS (CZ, EE, CY, LV, LT, HU, PL, SK)	Regional model	European flat rate (EU15: 2009 budget EU-9: 100% budget)

(c) The two scenarios analysed can be summed up as follows:

<sup>&</sup>lt;sup>6</sup> See in Annex 1 the regional flat rates estimated by the model.

<sup>&</sup>lt;sup>7</sup> Malta is not covered in this analysis because 2004 data are not reliable.

### The impact indicators:

(1) Income: The farm net value added (FNVA<sup>8</sup>) per annual working unit (AWU) is analysed as income indicator because it is the most comparable between MS. For this analysis, the output was corrected by the institutional prices decrease foreseen in the milk and sugar CMOs. Other price changes that could occur in the following years in link to markets evolution are not taken into account.

Moreover in the EU9, no top ups are added to the income because it is expected that at the time the MS will receive 100% of the EU direct payments they will stop to grant the complementary national direct payments<sup>9</sup>.

- (2) DP distribution: quartile analysis and Gini coefficients are used.
  - (a) Quartile analysis: the farmers are ranked according to the amount of direct payments (per ha, per farm or per AWU) they receive. The percentile 5 (P5) indicates the maximum of DP received by 5% of the first farmers in the rank. 50% of the farmers receive more than the median. The quartile 1 (Q1 = P25) indicates the maximum DP received by 25% of the farmers. The interquartile range is the difference between the maximum DP received by 75% of the farmers (P75 = Q3) and 25% of the farmers (P25=Q1).
  - (b) The Gini coefficient value is always between 0 and 1 (despite later in the text it might be expressed as a percentage and not as a proportion). A Gini coefficient at 0 means that the distribution of the DP is uniform (e.g. 50% of the DP are received by 50% of the beneficiaries). The Gini coefficient is moving to 1 with the increase of the DP concentration.

Data are only displayed if they are based on at least 15 holdings in the FADN database.

## 3. EU15: FROM THE CURRENT MODEL (HISTORIC OR HYBRID) TO A REGIONAL FLAT RATE

From those MSs that chose to implement the SPS based on the hybrid model, the majority of the DP ceilings still distributed on a historic basis corresponds to beef, sheep and dairy DP ceilings. In the simulation of the regional flat rate the partially coupled support options are not changed. Except in France and Spain, where 25% of the cereals, oilseeds and protein plants (COP) payments were kept coupled, the majority of the partially coupled support is in the beef and sheep sectors.

## **3.1.** Impact on income per type of farming

The impact on income of the different models cannot be approached at MS level because, as the direct payment ceiling remains unchanged, so does the income

<sup>&</sup>lt;sup>8</sup> FNVA = output + direct payments – intermediate consumption – depreciation – taxes

<sup>&</sup>lt;sup>9</sup> See Article 143c of Regulation No 1782/2003.

average<sup>10</sup>. On the contrary, there is a significant impact when the types of farming are considered.

- The largest impact is for the <u>milk specialists</u>, whose average DP are decreasing by 11% and their income by 5% when the model changes from the current to the regional one. This negative evolution is common in all MSs except Austria. Milk payments are paid mainly on a historic basis even in the MSs applying a hybrid model. Therefore, a regionalisation of the DP involves a distribution of the milk DP ceilings among other farmers. In Austria, the DP increase may be explained by the lower density of dairy cows per ha resulting in less DP for milk per ha than in the other MSs.
- For the <u>grazing livestock specialists</u>, the regional model increases the average DP by 14% and the income by 8%. The DP increases in particular in those MSs where farmers benefit from the partially coupled payments and receive in addition the regional flat rate. Because of the numerous extensive producers with a large area, DPs per farm are increased with the regional model. The effects may be different in the case of intensive beef producers with a small area and previous high DP based on a historic basis. Special is the case of Greece, where the common land widely used, especially in the sheep sector, is not part of the utilised agricultural area (UAA) registered in FADN. Therefore, the regional flat rate in Greece and the DP per farm were calculated on the basis of the eligible land without including the common land. Therefore the results for this MS should be taken into account cautiously.
- The impact of the different models in the <u>fieldcrops sector</u> is not significantly different for the EU15 average, despite there are important differences per MS. For example, in Luxembourg the average DP is increasing by 48% whereas it is decreasing in Ireland by 16%. When the current model is applied in Luxembourg, the majority of the payments are still paid on a historic basis. In the case of a full regionalisation, part of the DP ceilings for milk and beef is distributed on the hectares of CROPS<sup>11</sup>. The income of the fieldcrops specialists is increasing by 26% in Luxembourg. In Ireland the regional flat rate (285 €ha) is less than the previous COP payment (around 380 €ha). Therefore, DP and income per farm are decreasing by 9%.
- For <u>granivores specialists</u>, the average DP increases a lot (+15%), but the income increase is limited to 1% because the DPs still do not represent a large share of the receipt.
- In <u>horticulture</u>, the average DPs per farm increase a lot (+89%) especially in the MSs, where currently a historical model is applied (vegetables area is not eligible). Nevertheless, the average DP per farm is still limited to 1 508 € because the average area in horticulture is small (4.9 ha). Therefore, the income is increasing only by 1%.

<sup>&</sup>lt;sup>10</sup> The income average is calculated as a global ratio, i.e. at MS level the sum of the national output, direct payments, intermediate consumption, etc. are added and divided by the total AWU in the MS.

<sup>&</sup>lt;sup>11</sup> The regional flat rate in Luxemburg is 282 €ha and the average cop payment was around 270 €ha with a reference yield at 4.26 t/ha.

- For the <u>wine specialists</u> the income remains unchanged, as the wine reform has not been covered in this simulation. No matter the model applied (historic & hybrid or regional), the vineyards are not eligible, except the area producing dried raisins. This is an important production in Greece, where this payment is decoupled. Moreover, olive trees production is usually associated to wine production. For dried raisins and olive trees, the former DP per hectare was very high, while with a regionalisation, the DPs received per hectare in these farms is reduced. In Greece the income of the wine specialists is decreasing by 22%.
- The average income of the <u>other permanent crops specialists</u> (producing mainly fruits and olives) is decreasing slightly in the EU15 (-1%) with differences per MS. The main producers of olives are currently applying a historic model. With the regionalisation, both the DPs and income per farm are decreasing (-2% income in Spain and Italy). In the other MSs applying a historic model, the regionalisation and the eligibility of all orchards would result in increased DPs and income (FNVA/AWU +9% in PT and +5% in AT).
- On the <u>mixed farms</u> there is no income increase at EU15 level. Nevertheless, the evolutions are very different per MS. These evolutions are the result of a mix of the previous remarks.

	Direct F	ayments ir	n €/farm	Income (FNVA/AWU)		
	Current	Regional		Current	Regional	
	model	Flat rate	Change	model	Flat rate	Change
Fieldcrops	15.526	15.378	-1%	22.686	22.577	0%
Horticulture	796	1.508	89%	23.221	23.433	1%
Wine	1.186	1.111	-6%	22.217	22.174	0%
Other perm. crops	3.037	2.863	-6%	14.060	13.931	-1%
Milk	16.667	14.849	-11%	22.477	21.441	-5%
Grazing livestock	14.161	16.163	14%	17.928	19.373	8%
Granivores	7.183	8.261	15%	42.782	43.333	1%
Mixed	20.582	20.599	0%	23.739	23.749	0%
EU 15	11.193	11.200	0%	21.017	21.022	0%

## Table 1: Impact of a change towards a regional flat rate per type of farming2009 – EU15

Source: DG AGRI EU FADN

Detailed tables and graphs per type of farming and MSs are displayed in Annexes 2 and 3.

## **3.2.** Impact on income per less favoured areas (LFA)

In this analysis, LFA payments remain unchanged and are part of the income. However, they are not part of the DPs mentioned below.

A regional flat rate with the same partially coupled support options would benefit to LFA. DPs would increase by 9% in LFA and income by 3%, whereas in non LFA zone the DP would decrease by 7%. Nevertheless, the FNVA/AWU would remain 5 500 €lower in LFA than in non LFA.

This positive evolution in LFA is in line with the DPs increase for grazing livestock specialists. The biggest impact is in the UK, especially in terms of income increase (+17%). In this simulation, the regional flat rate in England was differentiated by

LFA/non LFA region, but no distinction was made for LFA-moorland. Therefore, the farms area may be so huge that the average DP increases with the full implementation of the regional system, even with a lower flat rate in LFA.

	Average	Direct Payments in €/farm			Income (FNVA/AWU)		
	UAA per	Current	Regional		Current	Regional	
	farm in ha	model	Flat rate	Change	model	Flat rate	Change
Not LFA	36.7	13 264	12 350	-7%	23 817	23 275	-2%
LFA	37.1	9 343	10 149	9%	17 140	17 712	3%

## Table 2: Impact of a change towards a regional flat rate per LFA2009 – EU15

Source: DG AGRI EU FADN

A detailed table per LFA and MS is displayed in Annex 4.

#### 3.3. Impact per economic size class

The economic size of farms is measured in ESU (European Size Unit). One ESU equals  $1\ 200 \notin of$  standard gross margin (SGM). It is to be noted that MSs have different thresholds of economic size to define their FADN field of survey. For example in Greece and Spain the FADN represents all the farms with more than 2 ESU, whereas in Belgium and Netherlands only the farms with more than 16 ESU are represented.

With a regional flat rate, the income is decreasing for the largest farms (above 16 ESU), it is stable for the 40-100 ESU class and it is increasing in the lowest classes.

In the largest class (>= 100 ESU), a high share of the farms are milk specialists for which the switch to a regional flat rate implies a lower income. The share of milk specialists is also very high in the class 40 to 100 ESU, but in this class there is also a lot of grazing livestock specialists compensating the negative effect experienced by the milk sector. In the smallest classes, there are numerous grazing livestock specialists and other permanent crops producers. In these classes, grazing livestock specialists are not always numerous. However, as the income raise is more important than the income drop for other permanent crops producers, there is a net increase of the income in the lowest economic size classes.

Table 3: Impact of a change towards a regional flat rate per economic size class2009 – EU15

	Average	Direct F	Payments ir	n €/farm	Income (FNVA/AWU)		
	UAA per	Current	Regional		Current	Regional	
	farm in ha	model	Flat rate	Change	model	Flat rate	Change
2 - <4 ESU	5.4	1 714	1 920	12%	5 226	5 418	4%
4-<8 ESU	7.4	2 251	2 426	8%	7 965	8 139	2%
8 - <16 ESU	16.1	4 614	4 948	7%	11 601	11 882	2%
16 - <40 ESU	36.4	9 749	10 521	8%	17 702	18 219	3%
40 - <100 ESU	67.7	20 108	19 892	-1%	26 230	26 114	0%
>= 100 ESU	136.9	46 853	43 782	-7%	39 760	38 984	-2%
EU 15	36.8	11 193	11 200	0%	21 017	21 022	0%

Source: DG AGRI EU FADN

A detailed table per economic size classes and MS is displayed in Annex 5.

#### **3.4.** Impact on the DPs distribution

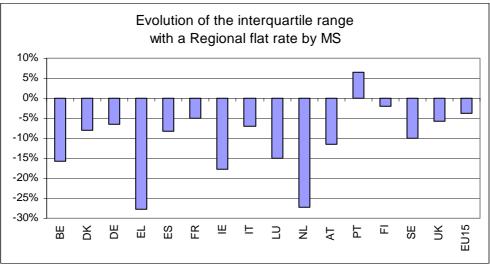
The current implementation of the CAP reform leads to an uneven distribution of the DP per hectare. Moreover the difference between the median DP/ha paid in each MS is less important than the difference of DP/ha paid to the farmers within a MS. This is illustrated in a figure in Annex 6.

The application of a regional flat rate in the EU15 results in a significant decrease of the DPs range per hectare: the interquartile range is reduced by 21% (from 317  $\notin$ ha to 250  $\notin$ ha). However, the interquartile range is only reduced by 4% for the DP per farm and by 2% for the DP per AWU. The impact on the payment distribution is therefore rather limited.

		Historic+	Regional	Change
		Hybrid	flat rate	with
		model		regional
				flat rate
Median	DP / farm	4 414	4 525	3%
	DP / AWU	4 114	4 064	-1%
	DP / ha	310	332	7%
P75 - P25	DP / farm	11 745	11 299	-4%
(Interquartile	DP / AWU	9 634	9 452	-2%
range)	DP / ha	317	250	-21%
P95 - P5	DP / farm	42 364	40 566	-4%
	DP / AWU	28 347	28 506	1%
	DP / ha	1 483	839	-43%

#### Table 4: Impact of a regional flat rate on the DP distribution

Nevertheless, the reduction of the interquartile range of DP per farm is much more significant per MS: from -28% in Greece and Netherlands to -2% in Finland. Only in Portugal the dispersion is increasing.



Source: DG AGRI EU FADN

With the current historic and hybrid models, 20% of the beneficiaries receiving the highest DPs per farm receive 69% of the DPs in the EU15. With a regional flat rate,

Source: DG AGRI EU FADN

the same group receive almost the same (67%). Annex 7 displays the results per MS.

Another method to measure the concentration of the DPs per farm is to calculate the Gini coefficient, which measures the concentration of DPs. With the current model, the distribution of DPs per farm in the EU-15 diverges from a uniform distribution line: the Gini coefficient is  $0.680^{12}$ . With a regional flat rate, the Gini coefficient is decreasing, but in a rather limited proportion to 0.663.

The effects are larger per MS: for a majority of MSs, the Gini coefficient is decreasing, i.e. the distribution is closer to the uniform distribution line (in particular in Ireland, Portugal and the Netherlands). But in the UK, the Gini coefficient is increasing moving to a higher concentration of the DP per beneficiary.

	Historic + Hybrid (%)	Regional flat rate (%)	Change with a regional flat rate (%)
BE	47,9	44,8	-3,1
DK	52,2	49,9	-2,2
DE	58,2	56,4	-1,8
EL	56,7	52,1	-4,6
ES	67,6	67,7	0,1
FR	49,9	47,4	-2,5
IE	48,5	38,4	-10,0
IT	73,7	69,3	-4,4
LU	40,1	35,6	-4,5
NL	59,6	51,1	-8,6
AT	40,8	36,8	-4,0
PT	82,1	71,2	-10,9
FI	36,3	36,2	-0,2
SE	45,3	44,8	-0,5
UK	48,1	52,1	4,0
EU15	68,0	66,3	-1,7

## Table 5: Impact of a regional flat rate on the concentration of theDP per farm (Gini index)

Source: DG AGRI EU FADN

#### 4. EU24: FROM THE CURRENT MODEL (HISTORIC OR HYBRID) TO A EUROPEAN FLAT RATE

#### 4.1. Impact on income per MS

There is a budget transfer among MSs when a European flat rate of 305 €ha is introduced, from the MSs with a current high average DP/ha to those with a lower average DP/ha. The average DP per farm and the income are decreasing in BE, DK, DE, EL, FR, IT, CY and NL, and they are increasing in the other MSs.

<sup>&</sup>lt;sup>12</sup> The Gini coefficient value is always between 0 and 1 (or between 0 and 100 when expressed as a %). A Gini coefficient at 0 means that the distribution of the DP is uniform (e.g. 50% of the DP are received by 50% of the beneficiaries). The Gini coefficient is moving to 1 with the increase of the DP concentration.

The largest increase occurs in Latvia, where the average DP per farm is increasing by 254% (to 18 671  $\oplus$  and the income by 113% (9 855  $\notin$ AWU). Latvia is the MS with the lowest SAPS per hectare (96  $\notin$ ha)<sup>13</sup>, in comparison with the EU flat rate (305  $\notin$ ha).

	Average	Direct P	ayments in €	farm	Incom	ne (FNVA/A	WU)
	UAA per	Current	EU Flat	Change	Current	EU Flat	Change
	farm in ha	model	rate		model	rate	
BE	40.4	16 596	11 827	-29%	36 106	33 575	-7%
CY	7.0	2 376	2 141	-10%	4 557	4 372	-4%
CZ	266.2	66 268	81 316	23%	13 709	15 238	11%
DK	72.0	26 306	21 090	-20%	41 967	38 397	-9%
DE	72.3	24 072	21 063	-13%	27 681	26 273	-5%
EL	6.3	4 771	1 873	-61%	10 204	7 851	-23%
ES	30.0	6 814	8 467	24%	19 730	20 852	6%
EE	107.8	12 118	32 915	172%	8 934	15 878	78%
FR	73.7	22 483	20 874	-7%	24 438	23 606	-3%
HU	49.4	13 387	15 099	13%	13 117	14 030	7%
IE	41.6	11 464	12 299	7%	17 850	18 569	4%
IT	16.3	5 791	4 513	-22%	21 320	20 376	-4%
LT	52.0	7 724	15 882	106%	8 031	11 857	48%
LU	74.1	19 889	21 506	8%	29 614	30 562	3%
LV	61.1	5 275	18 671	254%	4 628	9 855	113%
NL	31.2	12 450	8 876	-29%	34 835	33 355	-4%
AT	32.4	8 330	9 470	14%	18 345	19 042	4%
PL	15.7	3 551	4 803	35%	4 877	5 591	15%
PT	18.0	2 880	4 941	72%	5 203	6 594	27%
FI	46.5	11 858	13 610	15%	18 101	19 257	6%
SE	93.3	22 983	26 869	17%	17 626	20 366	16%
SK	550.9	110 320	168 264	53%	7 265	10 069	39%
SI	12.7	3 189	3 775	18%	2 888	3 184	10%
UK	148.8	38 474	42 749	11%	29 470	31 306	6%
EU24	34.3	9 911	9 934	0%	16 803	16 817	0%

Table 6: Im	pact of a change	towards an l	EU flat rat	te per MS

Source: DG AGRI EU FADN

#### 4.2. Impact on income per type of farming

Before the decoupling, the highest DPs per hectare were paid for COP, olive trees and milk. After the decoupling, a large share of these payments remained distributed on a historic basis. Indeed, those MSs with decreasing DP ceilings with an EU flat rate are among the largest COP and milk producers. Therefore, with the application of a EU flat rate, the average DP and the income are decreasing for fieldcrops, milk and other permanent crop specialists.

On the contrary, grazing livestock specialists' income is increasing even in France and Italy. In the UK, the large increase of grazing livestock specialists income may be linked to the large average area of these farms (194 ha) and the replacement of a reduced single farm payment in LFA regions by a higher EU flat rate.

<sup>&</sup>lt;sup>13</sup> Single area payment scheme (SAPS) level with a 100% of the envelope and applying the 2006 coefficient of reduction.

			n €/farm	Income (FNVA/AWU)		
UAA per	Current	EU Flat		Current	EU Flat	
farm in ha	model	rate	Change	model	rate	Change
46.5	14 399	13 585	-6%	18 881	18 334	-3%
4.7	808	1 392	72%	19 342	19 517	1%
12.2	1 206	1 206	0%	21 459	21 459	0%
8.4	2 950	2 352	-20%	13 139	12 705	-3%
45.9	14 880	13 546	-9%	19 462	18 724	-4%
54.4	12 949	16 019	24%	15 672	17 778	13%
22.5	5 618	6 673	19%	25 702	26 214	2%
38.0	10 633	11 261	6%	11 758	12 101	3%
34.3	9 911	9 934	0%	16 803	16 817	0%
	farm in ha 46.5 4.7 12.2 8.4 45.9 54.4 22.5 38.0	farm in hamodel46.514 3994.780812.21 2068.42 95045.914 88054.412 94922.55 61838.010 63334.39 911	farm in hamodelrate46.514 39913 5854.78081 39212.21 2061 2068.42 9502 35245.914 88013 54654.412 94916 01922.55 6186 67338.010 63311 26134.39 9119 934	farm in hamodelrateChange46.514 39913 585-6%4.78081 39272%12.21 2061 2060%8.42 9502 352-20%45.914 88013 546-9%54.412 94916 01924%22.55 6186 67319%38.010 63311 2616%34.39 9119 9340%	farm in hamodelrateChangemodel46.514 39913 585-6%18 8814.78081 39272%19 34212.21 2061 2060%21 4598.42 9502 352-20%13 13945.914 88013 546-9%19 46254.412 94916 01924%15 67222.55 6186 67319%25 70238.010 63311 2616%11 75834.39 9119 9340%16 803	farm in hamodelrateChangemodelrate46.514 39913 585-6%18 88118 3344.78081 39272%19 34219 51712.21 2061 2060%21 45921 4598.42 9502 352-20%13 13912 70545.914 88013 546-9%19 46218 72454.412 94916 01924%15 67217 77822.55 6186 67319%25 70226 21438.010 63311 2616%11 75812 10134.39 9119 9340%16 80316 817

#### Table 7: Impact of a change towards an EU flat rate per type of farming – EU24

Source: DG AGRI EU FADN

Detailed tables and graphics per MS are displayed in Annexes 8 and 9.

#### 4.3. Impact on income per LFA

In this analysis, LFA payments remain unchanged and are part of the income. However, they are not part of the DPs mentioned below.

With an EU flat rate, the increase of the average DP (+19%) and income (+8%) in LFA is larger than with a regional flat rate at EU level.

Nevertheless, the evolution differs according to MS. In the MSs with a general DP decrease because of the move towards an EU flat rate, DPs and income are decreasing in LFA too, except in France and Italy. The largest negative impact is in Greece, where the income in LFA zone is decreasing by 22% to 7 353  $\notin$ AWU, which is very low in comparison to the EU average in LFA (14 814  $\oplus$ ). These results for Greece have to be considered cautiously because common land is not recorded in FADN, and these Greek farms may use common land and activate entitlements on it.

	Average	Direct Payments in €/farm			Income (FNVA/AWU)		
	UAA per	Current	EU Flat		Current	EU Flat	
	farm in ha	model	rate	Change	model	rate	Change
Not LFA	34.5	11 588	9 911	-14%	19 075	18 130	-5%
LFA	34.7	8 459	10 088	19%	13 755	14 814	8%

Table 8: Impact of a change towards a EU flat rate per LFA-EU-22\*

\* without Netherlands and Cyprus, in these 2 MSs the information on LFA zone is not available Source: DG AGRI EU FADN

Detailed data per MS is displayed in Annex 10.

#### 4.4. Impact on income per Economic size class

With an EU flat rate, the farms in the lower economic size classes (less than 40 ESU) receive higher DP per farm and have a higher income. On the contrary, the biggest farms in terms of economic size have an income decrease.

In the smallest class, the majority of the MSs represented belong to theEU10, benefiting of the switch towards an EU flat rate. Moreover, the share of grazing

livestock specialists and mixed producers (benefiting of an income increase with a flat rate) is higher in the lowest classes. On the contrary, the share of milk specialists is higher in the largest economic size classes.

	Average	Direct F	Direct Payments in €/farm			Income (FNVA/AWU)		
	UAA per	Current	EU Flat		Current	EU Flat		
	farm in ha	model	rate	Change	model	rate	Change	
2 - <4 ESU	7.6	1 797	2 279	27%	3 705	4 111	11%	
4-<8 ESU	9.3	2 401	2 747	14%	5 745	6 030	5%	
8 - <16 ESU	17.6	4 655	5 131	10%	9 500	9 847	4%	
16 - <40 ESU	37.1	9 738	10 722	10%	16 601	17 224	4%	
40 - <100 ESU	69.7	20 383	20 044	-2%	25 383	25 210	-1%	
>= 100 ESU	162.0	52 337	46 615	-11%	33 916	32 752	-3%	
EU 24	34.3	9 911	9 934	0%	16 803	16 817	0%	

## Table 9: Impact of a change towards an EU flat rate per economic size class – EU24

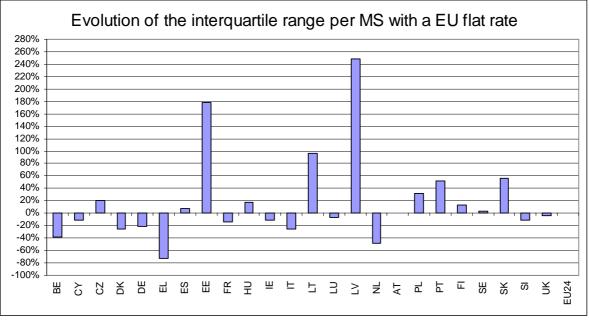
Source: DG AGRI EU FADN

Detailed data per MS is displayed in Annex 11.

#### 4.5. Impact on the DP distribution

#### 4.5.1. Impact of an EU flat rate applicable on the eligible land

At EU level, the median DP per ha with an EU flat rate is increasing by 17% (from 262  $\notin$ ha to 305  $\notin$ ha). The DP per ha is the same for all farmers. Nevertheless, the interquartile range of the DP per farm is increasing slightly (1%) to  $\notin$ 8 697. However the range between P95 and P5 is decreasing by 7%.

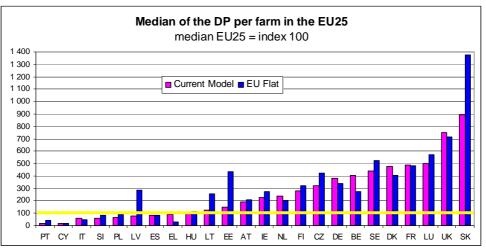


Source: DG AGRI EU FADN

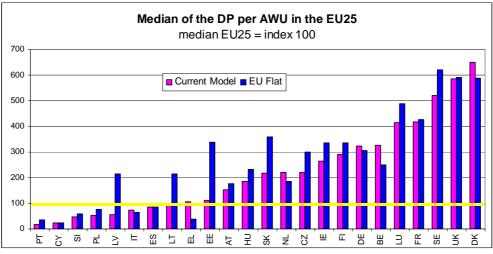
		Historic+	EU Flat	Change
		Hybrid	rate	with EU
		model		flat rate
Median	DP / farm	4 414	3 665	-17%
	DP / AWU	4 114	3 220	-22%
	DP / ha	310	305	-1%
P75 - P25	DP / farm	11 745	11 094	-6%
(Interquartile	DP / AWU	9 634	8 999	-7%
range)	DP / ha	317	9	-97%
P95 - P5	DP / farm	42 364	38 791	-8%
	DP / AWU	28 347	27 143	-4%
	DP / ha	1 483	13	-99%

 Table 10: Impact of an EU flat rate on the DP distribution

With an EU flat rate, the hierarchy of the median DP/farm between MSs is not changing significantly, except for Latvia, Lithuania and Estonia that experience a drastic increase. Slovakia has the highest median of DP per farm with both SAPS and an EU flat rate, which is 14 times higher than the EU median (only considering an EU flat rate). It is linked to the huge size of the Slovakian farms. Nevertheless, Denmark and the UK have the highest median per AWU, while Slovakia occupies the sixth position.



Source: DG AGRI EU FADN



Source: DG AGRI EU FADN

Source: DG AGRI EU FADN

With the current historic and hybrid models, 20% of the beneficiaries receiving the highest DP per farm receive 71.5% of the DP in the EU24. With an EU flat rate they receive 70.5%, being a very limited change. In Annex 7, the results are displayed per MS.

An EU flat rate impacts slightly on the Gini coefficient which decreases in the EU24 from 0.701 to 0.690 for the DP per farm. On the contrary, focusing on the EU15, the concentration of the DP per farm is even more important with an EU flat rate (the Gini coefficient is slightly increasing).

The effects are more contrasted per MS: for a majority of MSs, the Gini coefficient is decreasing, i.e. the distribution is closer to the uniform distribution line (in particular in Slovenia, Ireland and the Netherlands). But in the UK, Spain and Cyprus, the Gini coefficient is increasing, moving towards a higher concentration of the DP per farm.

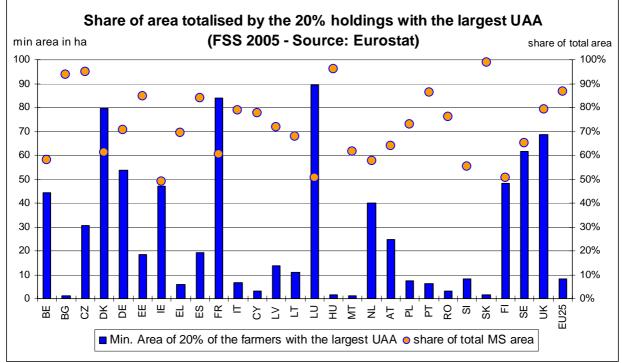
	Historic +	EU flat rate	Change with
	Historic + Hybrid (%)		a EU flat rate
	Hybrid (%)	(%)	(%)
BE	47,9	42,8	-5,1
CY	73,1	73,6	0,5
CZ	81,6	80,4	-1,2
DK	52,2	49,5	-2,7
DE	58,2	56,5	-1,8
EL	56,7	50,7	-6,0
ES	67,6	69,8	2,2
EE	64,1	61,6	-2,6
FR	49,9	45,7	-4,3 -1,3
HU	78,3	77,0	-1,3
IE	48,5	38,4	-10,0
IT	73,7	68,1	-5,6
LT	54,0	52,2	-1,8
LU	40,1	35,6	-4,5
LV	59,6	54,9	-4,7 -9,5
NL	59,6	50,1	-9,5
AT	40,8	38,4	-2,4 -1,6
PL	48,0	46,4	-1,6
PT	82,1	75,6	-6,4
FI	36,3	34,8	-1,5
SE	45,3	44,1	-1,2
SK	69,1	68,3	-0,9
SI	50,3	39,7	-10,6
UK	48,1	53,5	5,4
EU15	68,0	68,4	0,4
EU24	70,1	69,0	-1,1

# Table 11: Impact of an EU flat rate on the concentration of theDP per farm (Gini index)

Source: DG AGRI EU FADN.

#### 4.5.2. Impact of a EU flat rate applicable on all UAA

In case the same EU flat rate would be distributed on all the UAA, the distribution of the DP would correspond to the UAA distribution in the EU27. In the FSS 2005, 20% of the farmers with the largest area had more than 8.2 ha and 87% of the EU27 UAA. The situation widely varies per MS. However, some holdings of certain MSs may be so small that only 20% of the largest holdings have more than 1.2 ha, as is the case of Malta and Bulgaria.



Note: This graph shows the share of land owned by the 20% largest holdings of a MS or EU25. In the case of EU25, almost 90% of the land is owned by 20% of the holdings and the minimum area of these large holdings is 8.2 ha.

#### 5. CONCLUSIONS

From this analysis it can be concluded that milk specialists would be negatively affected by a general move towards a regional flat rate (decreasing both average DPs per farm and income by 11% and 5%, respectively). On the contrary, grazing livestock specialists would be better off with a regional flat rate (assuming that the partially coupled payments are maintained) if they are extensive producers. The remaining types of farming either experienced no change or increased the DPs received and income.

With a regional flat rate, the average situation of the farmers located in less favoured areas better would improve (increase of the DPs by 9% and of the average income by 3% at EU level). The income is decreasing for the largest farms (>=100 ESU), is stable for medium farms and is increasing for the smallest farms.

In general, with a regional flat rate, the differences between farmers in terms of DP paid per hectare are decreasing significantly. Nevertheless, the distribution of the DPs per farm at EU15 level changes only slightly. Moreover, larger concentration of DPs per beneficiary can be registered for the UK, in contrast with what can be seen in the other MSs.

When the second scenario (unique EU flat rate) is compared with the *status quo* the average DPs per farm and income decrease in BE, DK, DE, EL, FR, IT, CY and NL and increase in the other MSs. Fieldcrops, milk and other permanent crop specialists would see their DPs and income diminished. A larger increase of DPs and income in LFA is registered (+19% and +8%, respectively) when an EU flat rate is applied at EU level. Similarly as in the scenario 1, smaller holdings (<40 ESU) would receive higher DPs per farm and have higher income.

With an EU flat rate the distribution of the DPs per ha is very even because all hectares are granted the same amount. Nevertheless at EU15 level, the concentration of DPs is slightly increasing with an EU flat rate. With a unique rate per ha, the distribution of the DPs per farm follows the distribution of the area in the EU, which is uneven. Moreover, in UK, ES and CY an EU flat rate promotes higher DPs concentration, diminishing it in the rest of the MSs.

## Annex 1: Flat rates used in the simulation – EU 15 - 2009

		Regional model	Hybrid Model	Grassland			Regional model	Hybrid Model
		Flat rate	Flat rate	Flat rate			Flat rate	Flat rate
BE	(341) Vlaanderen	385			FR	(164) Poitou-Charentes	240	
	(343) Wallonie	318				(182) Aquitaine	246	
DK	(370) Denmark	361	302			(183) Midi-Py rénées	200	
DE	(10) Schleswig-Holstein	367	316	83		(184) Limousin	128	
	( 20) Hamburg	367	316	83		(192) Rhônes-Alpes	179	
	(30) Niedersachsen	360	267	106		(193) Auv ergne	173	
	(50) Nordrhein-Westfalen	397	288	154		(201) Languedoc-Roussillon	130	
	(60) Hessen	312	299	52		(203) Provence-Alpes-Côte	148	
	(70) Rheinland-Pfalz	276	248	51		(204) Corse	52	
	(80) Baden-Württemberg	308	280	57	IE	(380) Ireland	285	
	(90) Bayern	349	296		IT	(221) Valle d'Aoste	79	
	(100) Saarland	266	252	55		(222) Piemonte	354	
	(112) Brandenburg	268	249			(230) Lombardia	553	
	(113) Mecklenburg-Vorpommern	324	300			(241) Trentino	107	
	(114) Sachsen	379	329			(242) Alto-Adige	135	
	(115) Sachsen-Anhalt	366	339			(243) Veneto	588	
	(116) Thueringen	349	337	55		(244) Friuli-Venezia	391	
EL	(450) Makedonia-Thraki	612	007			(250) Liguria	155	
	(460) Ipiros-Peloponissos-Nissi Ioniou	522				(260) Emilia-Romagna	298	
	(470) Thessalia	831				(270) Toscana	308	
	<b>、</b> ,	968				(281) Marche	308	
ES	(480) Sterea Ellas-Nissi Egaeou-Kriti	230					330	
E2	(500) Galicia					(282) Umbria	245	
	(505) Asturias	202				(291) Lazio	-	
	(510) Cantabria	149				(292) Abruzzo	260	
	(515) Pais Vasco	173				(301) Molise	338	
	(520) Navarra	189				(302) Campania	374	
	(525) La Rioja	303				(303) Calabria	511	
	(530) Aragón	151				(311) Puglia	529	
	(535) Cataluna	208				(312) Basilicata	303	
	(540) Baleares	149				(320) Sicilia	297	
	(545) Castilla-León	148				(330) Sardegna	131	
	(550) Madrid	112			LU	(350) Lux embourg	282	77
	(555) Castilla-La Mancha	136			NL	(360) The Netherlands	389	
	(560) Comunidad Valenciana	45			AT	(660) Austria	237	
	(565) Murcia	57			PT	(610) Entre Douro e Minho/Beira litoral	384	
	(570) Ex tremadura	99				(620) Tras-os-Montes/Beira interior	58	
	(575) Andalucia	279				(630) Ribatejo e Oeste	220	
FR	(121) Île de France	307				(640) Alentejo e do Algarve	106	
	(131) Champagne-Ardenne	278			FI	(670) Etela-Suomi	257	220
	(132) Picardie	331				(680) Sisa-Suomi	255	
	(133) Haute-Normandie	306				(690) Pohjanmaa	243	198
	(134) Centre	253				(700) Pohjois-Suomi	242	177
	(135) Basse-Normandie	262			SE	(710) Slattby gdslan	270	230
	(136) Bourgogne	214				(720) Skogs-och mellanbygdslan	186	135
	(141) Nord-Pas-de-Calais	325				(730) Lan i norra	196	138
	(151) Lorraine	237			UK	England - LFA	219	131
	(152) Alsace	370				England - non LFA	343	205
	(153) Franche-Comté	189				(421) Wales	285	285
	(162) Pays de la Loire	252				(431) Scotland	160	160
	(163) Bretagne	293				(441) Northern Ireland	281	53
		· · · · ·		· · · · · · · · · · · · · · · · · · ·	SI	(820) Slovenia	258	

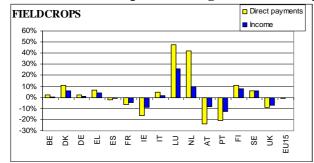
		Average UAA	Direct	Payments in €	≣/farm	Inco	ome (FNVA/AW	U)
		per farm in	Current	Regional Flat			Regional Flat	
		ha	model	rate	Change	Current model	rate	Change
	BE	52.9	18 280	18 712	2%	47 729	48 022	1%
	DK	61.8	20 637	22 879	11%	40 247	42 768	6%
	DE	111.1	36 569	37 506	3%	35 640	36 082	1%
F	EL	9.1	6 867	7 330	7%	11 015	11 440	4%
i	ES	53.9	11 859	11 614	-2%	22 792	22 603	-1%
е	FR	98.0	34 450	32 274	-6%	27 835	26 515	-5%
1	IE	72.9	23 937	20 017	-16%	37 888	34 612	-9%
d	IT	20.5	8 280	8 679	5%	21 566	21 891	2%
с	LU	58.3	10 805	15 957	48%	16 510	20 785	26%
r	NL	51.1	13 982	19 883	42%	29 449	32 225	9%
0	AT	47.5	14 202	10 829	-24%	30 234	27 729	-8%
р	PT	15.0	3 751	2 967	-21%	4 266	3 733	-13%
s	FI	53.8	11 910	13 189	11%	20 481	22 098	8%
	SE	92.5	22 144	23 460	6%	23 133	24 460	6%
	UK	176.2	55 696	50 678	-9%	32 680	30 430	-7%
	EU15	47.1	15 526	15 378	-1%	22 686	22 577	0%
<u> </u>	BE	5.2	640	1 949	205%	24 807	25 177	<b>0</b> % 1%
н			3 500	4 108	17%	37 034	37 117	0%
°	DE	3.9	1 161	1 309	17 %	21 203	21 236	0%
r	EL	2.4			55%		13 292	
t	ES	5.3	1 201 734	1 861	55% 62%	12 994 24 613	24 759	2%
i				1 192				1%
c	FR	7.6	988	1 943	97%	17 916	18 133	1%
u	IT	2.6	417	873	109%	22 355	22 566	1%
	NL	7.8	423	2 856	574%	34 050	34 476	1%
t	PT	3.9	64	839	1217%	4 622	5 073	10%
u	FI	3.6	721	846	17%	19 243	19 275	0%
r	UK	14.5	3 132	4 292	37%	23 219	23 355	1%
е	EU15	4.9	796	1 508	89%	23 221	23 433	1%
	DE	11.7	1 149	1 015	-12%	23 660	23 602	0%
	EL	3.8	4 408	1 487	-66%	10 881	8 489	-22%
	ES	17.5	804	1 064	32%	15 838	16 028	1%
W	FR	22.3	2 006	2 029	1%	34 427	34 436	0%
i	IT	6.9	613	758	24%	17 406	17 511	1%
n	LU	10.0	1 012	1 175	16%	35 640	35 714	0%
е	AT	14.2	1 097	1 235	13%	27 014	27 072	0%
	PT	7.0	258	291	13%	6 523	6 543	0%
	EU15	12.4	1 186	1 111	-6%	22 217	22 174	0%
	BE	15.8	510	5 203	920%	33 082	34 349	4%
	DK	20.1	4 327	5 181	20%	29 558	29 888	1%
р	DE	17.0	4 146	4 708	14%	20 403	20 571	1%
е	EL	4.0	2 761	2 853	3%	8 426	8 506	1%
Orc	ES	11.6	3 536	3 092	-13%	13 030	12 715	-2%
tmr	FR	26.1	4 954	7 379	49%	17 836	18 435	3%
hao	IT	7.0	2 934	2 483	-15%	17 678	17 292	-2%
enp	NL	9.7	412	2 156	423%	42 675	43 105	1%
res	AT	13.9	874	3 077	252%	20 219	21 136	5%
n	PT	13.2	921	1 390	51%	4 125	4 502	9%
t	UK	26.3	5 236	7 383	41%	25 542	25 791	3 <i>%</i> 1%
	EU15	20.3 <b>8.4</b>	3 037	2 863	-6%	25 542 14 060	13 931	-1%
		EU FADN	3 037	2 003	-0 %	14 000	13 931	-170

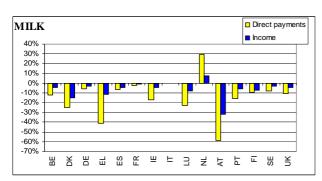
## Annex 2\_1: Impact of a regional flat rate per type of farming – EU15

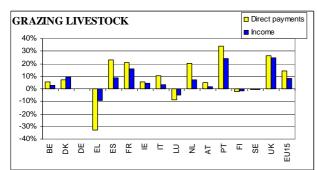
		Average UAA	Direc	t Payments in €	€/farm	Inco	ome (FNVA/AW	U)
		per farm in	Current	Regional Flat			Regional Flat	
		ha	model	rate	Change	Current model	rate	Change
	BE	41.3	16 745	14 675	-12%	30 767	29 452	-4
	DK	96.2	45 496	34 178	-25%	40 077	34 069	-15
	DE	53.1	18 936	17 770	-6%	23 260	22 588	-3
	ES	19.0	7 539	4 459	-41%	18 920	16 785	-11
	FR	67.7	19 768	18 435	-7%	17 702	16 905	-5
	IE	48.8	13 793	13 457	-2%	26 913	26 694	-1
M	IT	27.0	12 240	10 159	-17%	24 191	23 122	-4
i	LU	82.9	22 488	22 479	0%	27 883	27 878	C
	NL	44.4	23 042	17 864	-22%	38 823	35 667	-8
k	AT	29.8	6 180	7 996	29%	13 956	15 027	8
	PT	11.0	6 703		-59%	6 753	4 593	-32
	FI	41.8	12 307	10 371	-16%	16 291	15 339	-6
	SE	99.5	25 039	22 713	-9%	15 719	14 568	-7
	UK	88.8	27 075	24 853	-8%	30 583	29 578	-3
	EU15		16 667			22 477		
	_	49.3			-11%		21 441	-{
	BE	56.6	27 774	29 326	6%	36 185	37 161	3
	DK	56.3	21 653	23 238	7%	18 996	20 717	9
	DE	68.8	22 574	22 513	0%	20 016	<u>19 979</u>	(
1	EL	5.6	5 541	3 708	-33%	11 899	10 760	-1(
Gi	ES	54.4	11 169	13 768	23%	23 225	25 214	ç
rv	FR	82.6	20 990	25 375	21%	18 626	21 598	16
ae	IE	37.0	9 692	10 225	5%	12 173	12 685	4
zs	IT	48.0	9 817	10 831	10%	21 720	22 382	3
it	LU	91.4	27 050	24 737	-9%	29 156	27 731	-{
no	NL	25.9	10 186	12 245	20%	22 347	23 993	7
	AT	32.7	9 005	9 437	5%	15 135	15 405	2
g c k	PT	48.7	5 632	7 550	34%	5 660	7 023	24
ĸ	FI	41.4	17 404	17 057	-2%	15 072	14 805	-2
	SE	89.7	23 323	23 231	0%	9 572	9 499	-1
	UK	194.0	33 769	42 725	27%	23 852	29 716	25
	EU15	59.1	14 161	16 163	14%	17 928	19 373	8
	BE	14.3	4 229	5 445	29%	58 006	58 826	
	DK	83.4	24 303	28 901	19%	52 031	53 725	:
G	DE	43.2	11 968	14 952	25%	41 274	43 012	2
r	ES	14.4	2 789	3 022	8%	44 236	43 012	(
а	FR	32.6	10 029	10 987	10%	21 793	22 268	
n								
i	IT	21.9	8 052	9 467	18%	73 724	74 135	
v	NL	7.7	2 344	2 764	18%	49 197	49 464	
ο	AT	23.2	6 222	5 510	-11%	21 557	21 082	-2
r	PT	25.1	1 654	4 334	162%	11 745	12 843	9
е	FI	55.5	11 219		19%	26 846	27 971	4
S	SE	50.9	10 089	11 741	16%	15 806	16 839	1
	UK	24.5	6 816		2%	44 696	44 730	(
	EU15	26.7	7 183	8 261	15%	42 782	43 333	
М	BE	48.6	21 380	19 681	-8%	40 671	39 663	-2
i	DK	86.7	30 795	32 325	5%	45 612	46 630	2
x	DE	97.2	32 254	32 340	0%	28 996	29 032	(
еl	EL	8.3	5 065	5 760	14%	10 077	10 517	4
di	ES	70.9	15 640	17 313	11%	30 729	31 910	4
v	FR	97.4	32 791	32 152	-2%	23 849	23 506	-*
, e	IE	65.7	23 433	18 012	-23%	30 614	27 030	-12
c s	IT	32.1	10 254	11 007	7%	22 770	23 221	
rt	LU	86.4	22 616	23 420	4%	29 850	30 360	
0 0	NL	30.5	11 362	11 727	3%	29 030	24 649	
рс	AT	33.5	11 362	8 704	-17%	19 267	18 148	-(
s k	PT		3 945					
5 N		30.6		5 216	32%	5 353	6 221	16
2	FI	55.4	13 706	14 838	8%	17 911	18 693	
a n	SE	94.5	23 612	24 339	3%	15 180	15 665	
n	UK	147.9	47 078		-16%	29 587	26 432 23 749	-11
d	EU15	65.3	20 582	20 599	0%	23 739		

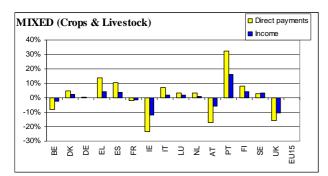
### Annex 2\_2: Impact of a regional flat rate per type of farming – EU15

## Annex 3: Impact of a regional flat rate per type of farming - EU15

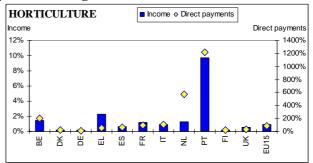


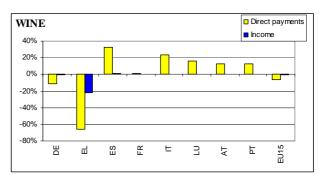


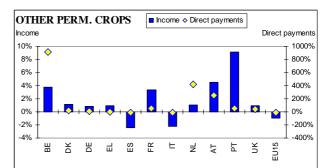


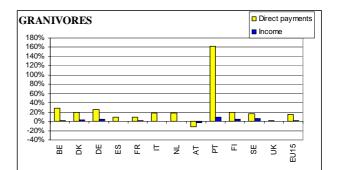


Source: DG AGRI EU FADN







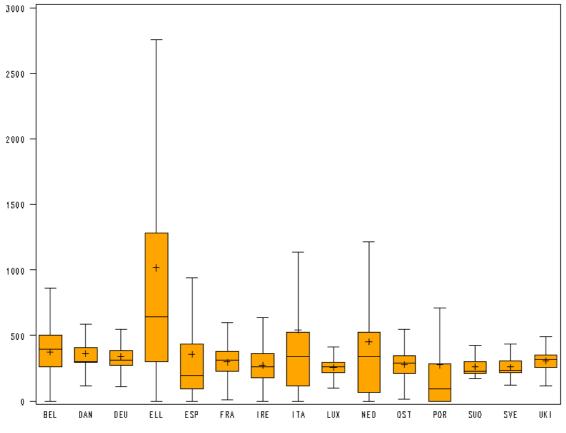


	Annex	4: Impact				– EU15				
		Average	Direct F	Payments ir	n €/farm	Income (FNVA/AWU)				
		UAA per	Current	Regional		Current	Regional			
		farm in ha	model	Flat rate	Change	model	Flat rate	Change		
	BE	35.8	15 120	14 357	-5%	36 120	35 727	-1%		
	DK	71.9	26 319	26 297	0%	42 064	42 049	0%		
	DE	72.6	25 873	24 938	-4%	31 064	30 661	-1%		
	EL	6.1	5 215	5 099	-2%	11 591	11 496	-1%		
	ES	20.0	6 615	5 502	-17%	17 045	16 388	-4%		
	FR	68.8	23 212	22 379	-4%	27 549	27 148	-1%		
Not in LFA	IE	48.0	15 973	13 218	-17%	24 930	22 799	-9%		
	IT	14.3	6 279	5 624	-10%	23 185	22 722	-2%		
	LU	6.2	73	269	269%	36 008	36 103	0%		
	AT	36.9	11 669	8 745	-25%	25 317	23 398	-8%		
	PT	7.7	2 489	1 968	-21%	3 704	3 362	-9%		
	SE	89.7	23 496	23 551	0%	22 677	22 721	0%		
	UK	130.4	41 855	37 731	-10%	30 765	29 227	-5%		
	EU14*	36.7	13 264	12 350	-7%	23 817	23 275	-2%		
	BE	65.6	24 766	29 098	17%	36 009	38 760	8%		
	DK	75.3	24 880	27 615	11%	30 645	32 628	6%		
	DE	71.9	22 036	23 100	5%	23 080	23 631	2%		
	EL	6.5	4 534	4 608	2%	9 475	9 534	1%		
	ES	35.1	6 916	7 483	8%	21 432	21 849	2%		
	FR	80.9	21 421	22 651	6%	18 956	19 671	4%		
	IE	39.8	10 220	11 004	8%	15 606	16 303	4%		
LFA	IT	19.5	4 998	6 091	22%	17 904	18 772	5%		
	LU	82.9	22 448	22 426	0%	28 595	28 581	0%		
	AT	30.6	6 932	8 170	18%	15 696	16 433	5%		
	PT	22.6	3 053	3 306	8%	5 892	6 064	3%		
	FI	46.5	11 858	11 858	0%	18 101	18 100	0%		
	SE	97.0	22 460	22 405	0%	13 622	13 588	0%		
	UK	182.3	32 285	39 836	23%	25 697	30 182	17%		
	EU14*	37.1	9 343	10 149	9%	17 140	17 712	3%		
* without Net	herland									

Annex 4: Impact of a regional flat	rate per LFA– EU15
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	<b>5. m</b>	pact of a	regional	i nat rate	e per eco	nomic siz	ze class – I	EUIS
		Average UAA		t Payments in €	€/farm	Inc	ome (FNVA/AW	′U)
		per farm in	Current	Regional Flat	Ohanan	0	Regional Flat	0.
	1	ha	model	rate	Change	Current model	rate	Change
	EL	2.7	2 009	2 027	1%	5 396	5 415	0
2 - <4 ESU	ES	6.5	1 723	1 588	-8%	6 837	6 730	-2
2-4230	IE PT	18.8 6.5	2 726 683	5 269 1 175	93% 72%	5 108 2 400	8 370 2 810	64 17
	Total	5.4	1 714	1 920	12%	2 400 5 226	5 418	
	EL	4.3	3 283	3 242	-1%	7 937	7 898	(
	ES	10.2	2 053	2 191	7%	9 101	9 226	
	IE	23.1	5 145	6 475	26%	6 626	8 086	22
4-<8 ESU	IT	5.3	1 629	1 815	11%	8 511	8 729	:
	PT	11.4	1 288	1 610	25%	3 039	3 264	-
	Total	7.4	2 251	2 426	8%	7 965	8 139	:
	DK	17.1	5 584	6 429	15%	16 260	18 082	1
	EL	7.5	5 725	5 597	-2%	10 912	10 821	-
	ES	19.3	4 297	4 393	2%	14 777	14 854	
	FR	27.4	6 286	7 884	25%	10 492	11 841	1:
	IE	37.2	9 294	10 311	11%	12 692	13 631	
	IT	9.9	2 949	3 198	8%	10 733	10 959	
8 - <16 ESU	LU	40.5	9 139	11 098	21%	4 198	6 069	4
	AT	20.9	4 471	5 552	24%	12 820	13 604	
	PT	20.7	2 665	3 003	13%	5 606	5 834	
	FI	29.3	6 299	7 119	13%	8 274	9 734	1
	SE	45.0	10 739	11 364	6%	1 847	2 626	4
	UK	43.6	10 358	11 903	15%	5 966	7 525	2
	Total	16.1	4 614	4 948	7%	11 601	11 882	
	BE	21.5	8 822	9 979	13%	21 002	21 866	
	DK DE	35.2 30.2	12 319 8 839	13 314 10 015	8% 13%	19 694 15 139	21 055 15 974	
	EL	15.0	11 260	11 459	2%	16 222	16 327	
	ES	42.8	9 011	9 257	3%	23 617	23 778	
	FR	46.0	11 742	13 255	13%	15 547	16 707	
16 - <40 ESU	IE	54.4	15 594	14 968	-4%	19 043	18 557	-
	IT	20.7	6 123	6 845	12%	17 241	17 705	
	LU	52.9	13 278	14 290	8%	23 370	24 154	
	NL	15.1	5 327	6 161	16%	13 702	14 363	
	AT	35.2	8 824	9 087	3%	17 510	17 668	
	PT	35.8	6 016	5 261	-13%	8 628	8 259	-
	FI	43.9	10 986	11 210	2%	15 303	15 453	
	SE	68.6	16 195	17 209	6%	10 149	11 090	
	UK	95.5	19 590	23 154	18%	16 192	18 921	1
	Total	36.4	9 749	10 521	8%	17 702	18 219	
	BE	38.4	15 836	15 847	0%	31 730	31 737	
	DK	67.6	26 267	25 831	-2%	33 395	33 036	-
	DE	53.6	18 036	17 931	-1%	25 988	25 926	
	EL	28.7	21 882	22 469	3%	20 973	21 186	
	ES	82.0	19 261	18 329	-5%	35 461	34 999	-
	FR	75.9	23 427	23 108	-1%	21 952	21 774	-
	IE IT	67.7	22 742	18 570	-18%	31 749	29 193	-
40 - <100 ESU	IT	40.2	13 740	14 233	4%	27 670	27 896	
		73.4	19 897	19 668	-1%	30 027	29 897 28 131	
		24.2	8 757	9 484	8% -21%	27 736 27 538		-
	AT PT	50.4 104.4	15 839 19 137	12 548 16 383	-21% -14%	27 538	25 922 11 809	-
	FI	63.5	19 137	16 585	-14%	21 913	21 427	
	SE	101.1	24 853	24 591	-0%	18 132	17 966	
	UK	142.7	31 765	34 429	8%	25 630	27 093	-
	Total	67.7	20 108	19 892	-1%	26 230	26 114	
	BE	58.5	23 995	23 106	-4%	46 254	45 922	-
	DK	144.4	52 599	51 494	-2%	52 005	51 630	-
	DE	182.9	62 796	60 868	-3%	36 407	35 959	-
	ES	140.3	37 542	37 493	0%	34 901	34 892	
	FR	124.3	41 324	39 331	-5%	33 792	33 200	-
	IE	147.2	48 326	40 131	-17%	40 916	38 180	-
	IT	92.5	48 528	39 400	-19%	60 147	58 415	-
>= 100 ESU	LU	137.9	39 182	36 846	-6%	41 656	40 777	-
	NL	45.5	19 294	18 321	-5%	41 980	41 701	-
	AT	61.9	16 714	14 268	-15%	34 224	33 477	-
	PT	189.9	55 961	40 492	-28%	19 941	16 964	-1
	FI	87.1	22 829	21 324	-7%	26 594	26 180	-
	SE	235.5	60 407	57 372	-5%	31 398	30 436	
	UK	230.2	71 015	63 913	-10%	36 669	34 988	
	Total	136.9	46 853	43 782	-7%	39 760	38 984	-

## Annex 5: Impact of a regional flat rate per economic size class – EU15



## Annex 6: Distribution of the DP per ha in the EU15 under the current historic and hybrid models (*Status quo*)

Note: Whiskers represent percentiles 5 and 95 / Box represents percentiles 25 and 75 / --- represents median / + represents mean / outliers are not represented

Source: DG AGRI EU FADN

#### Hybrid + Regional flat Historic + EU flat rate rate SAPS BE CY CZ DK DE EL ES EE FR HU IE IT LT LU LV NL AT ΡL PΤ FI SE SK SI UK EU15 67.2 69.0 68.8 71.5 **EU24** 70.5

## Annex 7: Share of DP received by 20% of the beneficiaries with the highest DP

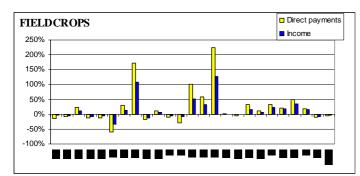
Γ	Annex					pe of far	U	
		Average UAA per farm in	Direct Current	t Payments in €	€/farm	Inco	ome (FNVA/AW	U)
		ha	model	EU Flat rate	Change	Current model	EU Flat rate	Change
	BE	52.9	18 280	15 401	-16%	47 729	45 775	-49
	CY	18.1	6 061	5 522	-9%	5 670	5 321	-6%
	CZ	271.9	68 041	83 056	22%	15 286	17 012	119
	DK	61.8	20 637	18 183	-12%	40 247	37 489	-7%
	DE	111.1	36 569	32 393	-11%	35 640	33 671	-6%
	EL	9.1	6 867	2 725	-60%	11 015	7 212	-35%
	ES	53.9	11 859	15 563	31%	22 792	25 640	129
F	EE	89.8	10 114	27 430	171%	8 934	18 681	109%
i	FR HU	98.0 59.0	34 450 16 256	28 436 18 027	-17% 11%	27 835 18 289	24 187 19 519	-13% 7%
е	IE	72.9	23 937	21 389	-11%	37 888	35 759	-6%
I	IT	20.5	8 280	5 918	-29%	21 566	19 641	-9%
d	LT	69.4	10 557	21 184	101%	10 399	15 683	51%
c	LU	58.3	10 805	17 174	59%	16 510	21 795	32%
r o	LV	78.9	7 443	24 099	224%	5 843	13 216	126%
p	NL	51.1	13 982	14 236	2%	29 449	29 568	0%
Р S	AT	47.5	14 202	13 596	-4%	30 234	29 785	-19
	PL	23.3	5 398	7 114	32%	6 075	7 037	16%
	PT	15.0	3 751	4 181	11%	4 266	4 558	7%
	FI	53.8	11 910	15 656	31%	20 481	25 221	23%
	SE	92.5	22 144	26 490	20%	23 133	27 515	199
	SK	392.0	80 794	119 727	48% 19%	9 022	12 181 1 739	35%
	SI UK	8.7 176.2	2 171 55 696	2 583 49 732	-11%	1 497 32 680	30 006	16%
	UK EU24	46.5	14 399	49 732 13 585	-11% -6%	32 000 18 881	18 334	-8% - <b>3%</b>
	BE	<b>46.5</b> 5.2	640	1 556	143%	24 807	25 066	-37
	CZ	27.1	6 921	8 276	20%	7 159	7 391	3%
	DK	11.4	3 500	3 359	-4%	37 034	37 014	0%
н	DE	3.9	1 161	1 165	0%	21 203	21 204	0%
o	EL	2.4	1 201	704	-41%	12 994	12 770	-2%
r	ES	5.3	734	1 556	112%	24 613	24 876	19
t i	EE	10.9	765	3 323	335%	2 133	2 672	25%
C I	FR	7.6	988	2 252	128%	17 916	18 203	2%
u	HU	5.3	1 292	1 619	25%	3 246	3 440	6%
I	IT	2.6	417	755	81%	22 355	22 512	19
t	LT	12.6	1 827	3 848	111%	5 295	5 933	129
u	NL PL	7.8 2.7	423 542	2 250 816	431% 51%	34 050 4 919	34 369 5 005	19 29
r	PT	3.9	64	1 171	1738%	4 919	5 266	149
е	FI	3.6	721	1 008	40%	19 243	19 317	0%
	UK	14.5	3 132	4 046	29%	23 219	23 326	0%
	EU24	4.7	808	1 392	72%		19 517	1%
	CY	4.6	1 579	1 396	-12%	3 521	3 352	-5%
	CZ	14.4	2 736	4 383	60%	12 700	13 611	7%
	DE	11.7	1 149	1 070	-7%	23 660	23 626	0%
	EL	3.8	4 408	693	-84%	10 881	7 839	-28%
w	ES	17.5	804	1 751	118%	15 838	16 532	4%
i	FR	22.3	2 006	2 040	2%	34 427	34 440	0%
n	HU IT	7.3 6.9	<u>1 915</u> 613	2 240 584	17% -5%	6 297 17 406	6 458 17 385	3%
е	LU	10.0	1 012	1 271	-5%	35 640	35 757	0%
	AT	14.2	1 012	1 578	44%	27 014	27 216	19
	PT	7.0	258	664	157%	6 523	6 779	49
	SI	5.3	237	580	145%	2 016	2 151	79
	EU24	12.2	1 206	1 206	0%	21 459	21 459	09
	BE	15.8	510	4 214	726%	33 082	34 082	39
ο	CY	1.8	615	539	-12%	47	-43	-1919
t	CZ	19.2	2 613	5 873	125%	5 684	6 774	199
h	DK	20.1	4 327	4 393	2%	29 558	29 583	00
е	DE	17.0	4 146	4 373	5%	20 403	20 471	09
r	EL	4.0	2 761	1 164	-58%	8 426	7 037	-169
C D T	ES FR	11.6 26.1	3 536	3 324	-6% /1%	13 030 17 836	12 880 18 333	-1º 3º
pr eo	FR HU	26.1 17.3	4 954 4 324	6 968 5 298	41% 23%	17 836 4 516	18 333 5 005	31
rp	IT	7.0	2 934	1 870	-36%	17 678	16 767	-59
ms	NL	9.7	412	1 697	312%	42 675	42 992	
a	AT	13.9	874	3 889	345%	20 219	21 474	6
n	PL	7.8	1 664	2 373	43%	3 631	3 935	8
е	PT	13.2	921	3 703	302%	4 125	6 357	549
n	SI	3.7	390	929	138%	8 534	8 854	49
t	UK	26.3	5 236	6 744	29%	25 542	25 717	19
			2 950	2 352	-20%	13 139	12 705	-3

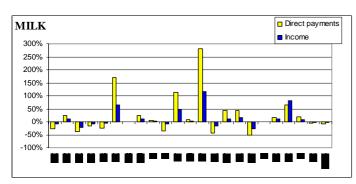
Impact of a change towards flatter rates of direct payments Annex 8 1: Impact of an EU flat rate per type of farming – EU24

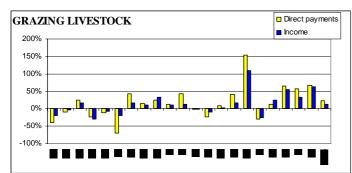
	8_2:						farming	
		Average UAA per farm in	Direct Current	Payments in	€/farm	Inc	ome (FNVA/AW	U)
		ha	model	EU Flat rate	Change	Current model		Change
	BE CZ	41.3	16 745	12 182	-27%	30 767	27 869	-9
	CZ DK	183.7 96.2	45 401 45 496	56 110 28 160	24% -38%	11 853 40 077	13 195 30 875	-23
	DE	53.1	18 936	15 659	-30%	23 260	21 372	-23
	ES	19.0	7 539	5 703	-24%	18 920	17 648	-7
	EE	173.6	19 618	53 038	170%	10 196	16 694	64
	FR	67.7	19 768	19 878	1%	17 702	17 768	0
	HU	60.0	14 856	18 330	23%	10 722	11 912	11
	IE	48.8	13 793	14 415	5%	26 913	27 318	2
м	IT	27.0	12 240	7 963	-35%	24 191	21 994	-9
i	LT	44.0	6 290	13 423	113%	8 224	11 916	45
i i	LU	82.9	22 488	24 312	8%	27 883	28 947	4
k	LV	63.9	5 121	19 514	281%	4 884	10 546	116
	NL	44.4	23 042	12 901	-44%	38 823	32 643	-16
	AT	29.8	6 180	8 851	43%	13 956	15 532	11
	PL	12.9	2 782	3 952	42%	4 303	4 994	16
	PT	11.0 41.8	6 703	3 255	-51% 0%	6 753	4 863 16 312	-28
	FI	99.5	12 307	12 350	15%	16 291		0
	SE SK	99.5 623.5	25 039 116 421	28 898 190 445	64%	15 719 3 994	17 629 7 238	12 81
	SI	13.8	3 541	4 207	19%	3 994	3 938	9
	UK	88.8	27 075	25 928	-4%	30 583	30 064	-2
	EU24	45.9	14 880	13 546	- <b>-</b> 9%	19 462	18 724	-4
	BE	56.6	27 774		-40%	36 185	29 192	-19
	CY	10.3	3 503	3 155	-10%	7 708	7 480	-3
	CZ	256.6	63 197	78 371	24%	19 259	22 394	16
G	DK	56.3	21 653	16 590	-23%	18 996	13 505	-29
r	DE	68.8	22 574	20 223	-10%	20 016	18 589	-7
а	EL	5.6	5 541	1 695	-69%	11 899	9 509	-20
z	ES	54.4	11 169	15 974	43%	23 225	26 902	16
i n	FR	82.6	20 990	24 214	15%	18 626	20 811	12
n	HU	46.5	11 313	14 201	26%	8 260	10 939	32
g	IE	37.0	9 692	10 953	13%	12 173	13 385	10
	IT	48.0	9 817	14 121	44%	21 720	24 532	13
i	LU	91.4	27 050	26 766	-1%	29 156		-1
v	NL	25.9	10 186	7 704	-24%	22 347	20 365	-9
е	AT	32.7	9 005	9 712	8%	15 135	15 576	3
s	PL	15.5	3 371	4 728	40%	4 788	5 571	16
t	PT	48.7	5 632	14 283	154%	5 660	11 810	109
o	FI SE	41.4 89.7	17 404 23 323	12 246 26 232	-30% 12%	15 072 9 572	11 095 11 883	-26 24
c	SK	658.7	122 323	20 232	64%	6 370	9 932	56
k	SI	19.3	3 730	5 877	58%	3 579	4 751	33
	UK	194.0	33 769	56 510	67%	23 852	38 740	62
	EU24	54.4	12 949	16 019	24%	15 672		13
	BE	14.3	4 229	4 162	-2%	58 006	57 961	(
	CY	3.1	736	940	28%	12 472	12 509	(
	CZ	43.0	10 646	13 140	23%	8 520	8 748	3
	DK	83.4	24 303	24 388	0%	52 031	52 062	(
G	DE	43.2	11 968	12 770	7%	41 274	41 741	1
r	ES	14.4	2 789	4 232	52%	44 236	45 196	2
а	FR	32.6	10 029	9 636	-4%	21 793	21 597	-1
n	HU	23.4	5 453	7 147	31%	8 596	8 942	4
i	IT	21.9	8 052	6 274	-22%	73 724	73 208	-1
v	LV	56.5	3 725	17 248	363%	4 407	5 284	20
o r	NL AT	7.7	2 344	1 992	-15% 11%	49 197	48 973	(
r e	AT PL	23.2 16.1	6 222 3 538	6 936 4 910	11% 39%	21 557 8 687	22 032 9 478	2
s	PL	25.1	3 538	4 910 7 215	39%	8 687	9 478	19
	FI	55.5	11 219	16 109	44%	26 846	29 398	10
	SE	50.9	10 089	13 772	37%	15 806	18 108	15
	UK	24.5	6 816	6 627	-3%	44 696	44 646	(
	EU24	22.5	5 618	6 673	19%	25 702	26 214	2
	BE	48.6	21 380	14 248	-33%	40 671	36 441	-1(
	CY	16.1	5 371	4 918	-8%	11 149	10 854	-3
	CZ	434.1	107 903	132 586	23%	13 251	14 763	11
	DK	86.7	30 795	25 412	-17%	45 612	42 030	-8
м	DE	97.2	32 254	28 417	-12%	28 996	27 372	-6
i	EL	8.3	5 065	2 448	-52%	10 077	8 423	-16
x	ES	70.9	15 640	20 692	32%	30 729	34 294	12
e I	EE	92.3 97.4	10 607 32 791	28 201	166%	8 041	14 746	-10
di	FR HU	97.4	32 791 19 274	28 461 21 650	-13% 12%	23 849 13 666	21 525 14 576	-10
v	IE	65.7	23 433	19 297	-18%	30 614	27 879	-9
<u>~</u> e		32.1	10 254	9 369	-18%	22 770	27 879	-2
c s	LT	40.1	5 809	12 257	111%	6 345	9 484	49
r t	LU	86.4	22 616	25 299	12%	29 850	31 552	
0 0	LV	47.7	3 808	14 581	283%	3 621	8 473	134
рс	NL	30.5	11 362	8 572	-25%	24 419	22 652	-7
e L	AT	33.5	10 491	9 892	-6%	19 267	18 893	-2
sk	PL	14.5	3 274	4 427	35%	4 026	4 739	18
~	-	30.6	3 945	8 842	124%	5 353	8 700	63
_ a	PT		40 700	16 296	19%	17 911	19 701	1(
~	PT Fl	55.4	13 706	10 200				47
a n		55.4 94.5	23 612	26 937	14%	15 180	17 397	15
a n	FI SE SK			26 937 328 037	52%	6 979	9 209	32
a n	FI SE	94.5	23 612	26 937				

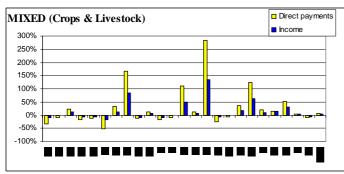
### Annex 8\_2: Impact of an EU flat rate per type of farming – EU24

## Annex 9: Impact of an EU flat rate per type of farming – EU24

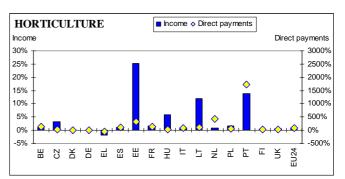


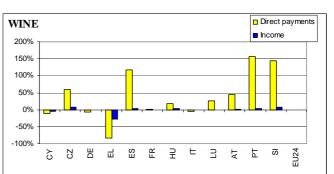


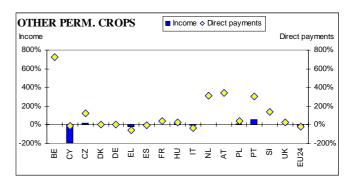


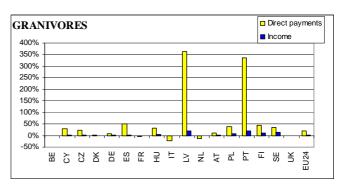


Source: DG AGRI EU FADN









38 077

14 814

48%

8%

	Anı	nex 10: Imp	pact of an ]	EU flat rai			towards flatter ra	tes of direct pay
		Average		ayments in			ne (FNVA/A	WU)
		UAA per	Current	EU Flat		Current	EU Flat	,
		farm in ha	model	rate	Change	model	rate	Change
	BE	35.8	15 120	10 484	-31%	36 120	33 731	-7%
	CZ	250.5	62 598	76 520	22%	13 511	14 844	10%
	DK	71.9	26 319	21 081	-20%	42 064	38 480	-9%
	DE	72.6	25 873	21 047	-19%	31 064	28 984	-7%
	EL	6.1	5 215	1 807	-65%	11 591	8 797	-24%
	ES	20.0	6 615	5 675	-14%	17 045	16 490	-3%
	EE	114.8	13 067	35 074	168%	8 644	14 878	72%
	FR	68.8	23 212	19 225	-17%	27 549	25 632	-7%
	HU	48.5	13 206	14 811	12%	12 494	13 367	7%
	IE	48.0	15 973	14 153	-11%	24 930	23 522	-6%
Not in LFA	IT	14.3	6 279	3 861	-39%	23 185	21 477	-7%
	LT	68.1	10 344	20 811	101%	9 025	13 272	47%
	LU	6.2	73	291	299%	36 008	36 114	0%
	LV	76.9	7 661	23 483	207%	5 532	10 097	83%
	AT	36.9	11 669	10 587	-9%	25 317	24 607	-3%
	PL	15.7	3 689	4 781	30%	5 149	5 754	12%
	РТ	7.7	2 489	1 994	-20%	3 704	3 379	-9%
	SE	89.7	23 496	25 670	9%	22 677	24 427	8%
	SK	363.8	80 810	111 120	38%	9 028	10 925	21%
	SI	13.4	5 033	3 957	-21%	3 098	2 620	-15%
	UK	130.4	41 855	37 077	-11%	30 765	28 983	-6%
	Total	34.5	11 588	9 911	-14%	19 075	18 130	-5%
	BE	65.6	24 766	19 255	-22%	36 009	32 509	-10%
	CZ	284.5	70 548	86 910	23%	13 973	15 762	13%
	DK	75.3	24 880	22 071	-11%	30 645	28 608	-7%
	DE	71.9	22 036	21 081	-4%	23 080	22 586	-2%
	EL	6.5	4 534	1 909	-58%	9 475	7 353	-22%
	ES	35.1	6 916	9 889	43%	21 432	23 618	10%
	EE	99.4	10 997	30 363	176%	9 445	17 644	87%
	FR	80.9	21 421	23 277	9%	18 956	20 036	6%
	HU	51.1	13 711	15 612	14%	14 169	15 146	7%
	IE	39.8	10 220	11 787	15%	15 606	16 999	9%
		19.5	4 998	5 573	11%	17 904	18 360	3%
LFA	LT	40.2	5 807	12 274	111%	7 082	10 506	48%
	LU	82.9	22 448	24 245	8%	28 595	29 677	4%
	LV	56.9	4 638	17 387	275%	4 268	9 758	129%
	AT	30.6	6 932	9 002	30%	15 696	16 928	8%
	PL	15.8	3 425	4 825	41%	4 614	5 435	18%
	PT	22.6	3 053	6 245	105%	5 892	8 071	37%
	FI	46.5	11 858	13 610	15%	18 101	19 257	6%
	SE	97.0	22 460	28 093	25%	13 622	17 146	26%
	SK	666.0	128 470	203 411	58%	6 529	9 712	49%
	SI	12.5	2 829	3 734	32%	2 816	3 285	17%

\* without Netherlands and Cyprus Source: DG AGRI EU FADN

Total

UK

182.3

34.7

32 285

8 459

53 131

10 088

65%

19%

25 697

13 755

A	nnex 11_	<u>1: Impact</u>	of an EU	flat rate p	er econom	ic size clas	s – EU24	
		Average	Direct	Inco	Income (FNVA/AWU)			
		UAA per	Current			Current		
		farm in ha	model	EU Flat rate	Change	model	EU Flat rate	Change
	CY	2.2	768	670	-13%	127	5	-96%
	EL	2.7	2 009	810	-60%	5 396	4 122	-24%
	ES	6.5	1 723	1 951	13%	6 837	7 018	3%
	EE	39.3	4 191	11 993	186%	4 415	9 422	113%
	HU	10.2	2 621	3 125	19%	4 721	5 432	15%
2 - <4 ESU	IE	18.8	2 726	5 644	107%	5 108	8 851	73%
2 - <4 E30	LT	27.1	3 888	8 277	113%	5 097	7 759	52%
	LV	31.1	2 389	9 497	298%	2 620	6 639	153%
	PL	7.2	1 558	2 206	42%	1 778	2 252	27%
	PT	6.5	683	1 777	160%	2 400	3 312	38%
	SI	9.4	2 042	2 824	38%	1 820	2 271	25%
	Total	7.6	1 797	2 279	27%	3 705	4 111	11%
	CY	4.4	1 500	1 328	-11%	2 160	2 008	-7%
	CZ	22.9	5 095	6 981	37%	6 944	8 491	22%
	EL	4.3	3 283	1 280	-61%	7 937	6 035	-24%
	ES	10.2	2 053	2 862	39%	9 101	9 831	8%
	EE	52.0	5 720	15 890	178%	5 648	11 497	104%
	HU	19.1	4 970	5 837	17%	7 319	8 236	13%
	IE	23.1	5 145	6 933	35%	6 626	8 588	30%
4 - <8 ESU	П	5.3	1 629	1 502	-8%	8 511	8 363	-2%
	LT	43.1	6 121	13 160	115%	7 834	11 878	52%
	LV	50.2	3 975	15 325	286%	4 499	9 714	116%
	PL	10.7	2 353	3 282	39%	2 995	3 559	110%
	PT	10.7	1 288	3 202	134%	3 039	4 246	40%
	SK	37.4	6 584	11 410	73%	4 329	4 240 6 957	40% 61%
	SI	12.2	2 679	3 665	37%	1 035	1 583	53%
	Total	9.3	2 079	2 747	37 % 14%	5 745	6 030	<u> </u>
	CY	9.3 7.6	2 401	2 747	-11%	5 745 4 646	4 425	5% -5%
	CZ	48.2	11 317	14 716	30%	11 982	14 353	20%
	DK	17.1	5 584	5 191	-7%	16 260	15 412	-5%
	EL	7.5	5 725	2 225	-61%	10 912	8 397	-23%
	ES	19.3	4 297	5 378	25%	14 777	15 655	6%
	EE	96.9	10 743	29 591	175%	9 869	18 601	88%
	FR	27.4	6 286	8 058	28%	10 492	11 988	14%
	HU	37.6	9 830	11 487	17%	11 595	12 769	10%
	IE	37.2	9 294	11 043	19%	12 692	14 306	13%
	П	9.9	2 949	2 743	-7%	10 733	10 544	-2%
8 - <16 ESU	LT	74.0	10 971	22 588	106%	13 105	19 417	48%
	LU	40.5	9 139	11 995	31%	4 198	6 926	65%
	LV	87.5	7 395	26 726	261%	5 853	12 571	115%
	AT	20.9	4 471	6 105	37%	12 820	14 005	9%
	PL	18.4	4 168	5 627	35%	5 330	6 098	14%
	PT	20.7	2 665	5 673	113%	5 606	7 633	36%
	FI	29.3	6 299	8 394	33%	8 274	12 006	45%
	SE	45.0	10 739	13 087	22%	1 847	4 776	159%
	SK	81.3	15 284	24 838	63%	7 806	11 928	53%
	SI	16.0	4 494	4 705	5%	3 975	4 067	2%
	UK	43.6	10 358	12 911	25%	5 966	8 541	43%
	Total	17.6	4 655	5 131	10%	9 500	9 847	4%

## Annex 11\_1: Impact of an EU flat rate per economic size class – EU2

Anne	x 11_2:						ass – EU2				
		Average         Direct Payments in €/farm         Income (FNVA/AWU)           UAA per         Current         Current									
		•	Current								
		farm in ha	model	EU Flat rate	Change	model	EU Flat rate	Change			
	BE	21.5	8 822	6 405	-27%	21 002	19 195	-9%			
	CY	18.3	5 881	5 581	-5%	7 299	7 160	-2%			
	CZ	81.8	19 294	24 997	30%	14 962	17 537	17%			
	DK	35.2	12 319	10 441	-15%	19 694	17 128	-13%			
	DE	30.2	8 839	8 916	1%	15 139	15 194	0%			
	EL	15.0	11 260	4 433	-61%	16 222	12 601	-22%			
	ES	42.8	9 011	12 034	34%	23 617	25 601	8%			
	EE	191.6	21 328	58 531	174%	11 599	21 787	88%			
	FR	46.0	11 742	13 234	13%	15 547	16 691	7%			
	HU	81.0	21 691	24 733	14%	15 881	17 237	9%			
	IE	54.4	15 594	16 036	3%	19 043	19 387	2%			
	Π	20.7	6 123	5 741	-6%	17 241	16 995	-19			
16 - <40 ESU	LT	141.8	21 753	43 300	99%	21 102	30 311	44%			
	LU	52.9	13 278	15 427	16%	23 370	25 034	7%			
	LV	179.9	16 042	54 936	242%	9 281	20 828	124%			
	NL	15.1	5 327	4 474	-16%	13 702	13 027	-5%			
	AT	35.2	8 824	10 284	17%	17 510	18 388	5%			
	PL	32.1	7 418	9 803	32%	9 593	10 616	119			
	PT	35.8	6 016	9 838	64%	8 628	10 499	22%			
	FI	43.9	10 986	12 945	18%	15 303	16 616	9%			
	SE	68.6	16 195	19 790	22%	10 149	13 484	33%			
	SK	139.8	27 272	42 705	57%	10 815	15 430	43%			
	SI	23.2	7 913	6 901	-13%	6 913	6 608	-4%			
	UK	95.5	19 590	27 649	41%	16 192	22 363	38%			
	Total	37.1	9 738	10 722	10%	16 601	17 224	49			
	BE	38.4	15 836	11 291	-29%	31 730	28 976	-9%			
	CY	22.4	7 499	6 828	-9%	7 661	7 510	-2%			
	CZ	193.0	45 528	58 937	29%	20 295	23 264	15%			
	DK	67.6	26 267	19 832	-24%	33 395	28 112	-16%			
	DE	53.6	18 036	15 659	-13%	25 988	24 575	-5%			
	EL	28.7	21 882	8 370	-62%	20 973	16 060	-23%			
	ES	82.0	19 261	23 160	20%	35 461	37 393	5%			
	EE	486.6	55 419	148 639	168%	13 770	23 317	69%			
	FR	75.9	23 427	21 639	-8%	21 952	20 957	-5%			
	HU	180.8	49 514		12%	18 261	19 399	6%			
	IE	67.7	22 742	19 892	-13%	31 749	30 003	-6%			
	Π	40.2	13 740	11 190	-19%	27 670	26 502	-4%			
40 - <100 ESU		296.4	47 264		92%	24 518	33 796	38%			
	LU	73.4	19 897		7%	30 027	30 800	3%			
	LV	413.5	40 199	126 301	214%	9 094	18 271	1019			
	NL	24.2	8 757	6 890	-21%	27 736	26 724	-4%			
	AT	50.4	15 839	14 705	-7%	27 538	26 981	-2%			
	PL	70.9	16 279	21 651	33%	14 816	16 226	10%			
	PT	104.4	19 137		53%	12 778	16 376	28%			
	FI	63.5	17 778	18 583	5%	21 913	22 273	2%			
	SE	101.1	24 853	28 974	17%	18 132	20 739	149			
	SK	371.7	70 587	113 525	61%	8 913	13 438	51%			
	SI	38.1	13 385	11 536	-14%	9 830	9 301	-5%			
	UK	142.7	31 765	41 214	30%	25 630	30 817	20%			
	Total	<b>69.7</b>	20 383	20 044	<b>-2%</b>	25 383	25 210	-19			
	BE	58.5	23 995	16 997	-29%	46 254	43 640	-6%			
	CY CZ	84.1	28 887	25 672 264 061	-11%	22 239	21 430	-49			
	CZ	1 191.9	301 327	364 061	21%	13 586	14 935	10%			
	DK	144.4	52 599	42 081	-20%	52 005	48 437	-7%			
	DE	182.9	62 796	53 024 20 021	-16%	36 407	34 140	-6%			
	ES	140.3	37 542	39 921	6% 160%	34 901	35 311	19			
	EE	1 089.5	127 851	332 763	160%	10 970	17 111	56%			
	FR	124.3	41 324	34 533	-16%	33 792	31 776	-6%			
	HU	1 037.9	289 847	317 027	9%	17 111	17 854	49			
	IE	147.2	48 326	42 966	-11%	40 916	39 126	-49			
		92.5	48 528	24 975	-49%	60 147	55 679	-79			
	Π				050/	0.000	11 984	439			
>= 100 ESU	LT	962.8	150 722	294 069	95%	8 362					
>= 100 ESU	LT LU	962.8 137.9	39 182	39 862	2%	41 656	41 912	19			
>= 100 ESU	LT LU LV	962.8 137.9 883.1	39 182 97 544	39 862 269 721	2% 177%	41 656 5 748	41 912 9 246	19 619			
≻= 100 ESU	LT LU	962.8 137.9	39 182	39 862 269 721 12 851	2%	41 656	41 912	19			

Annex 11 2: Impact of an EU flat rate per economic size class – EU2