

CAP Strategic Plans: Support targeted to the dairy sector

Disclaimer: Information provided in this presentation is preliminary only. Most of Member States' Strategic Plans are not yet approved. More complete analysis to be provided at a later stage.

CDG Milk
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DG AGRI B1



Support for dairy sector under the Strategic Plan Regulation (SPR) No. 2021/2115

- To encompass the whole picture, one needs to look at least at:
 - Basic income support and related decoupled payments (Chapter II, Section 2);
 - Payments for areas under Natural constraints (Article 71);
 - Eco-schemes (Article 31);
 - Coupled income support (to be further elaborated today);
 - Sectorial interventions under 'other' sectors (Articles 47/67);
 - Investments (Article 73);
 - Risk management tools (Article 76).

Dairy-sector related sectorial interventions under the SPR (2/2)

- Low uptake of flexibility provided to Member States in the SPR via sectorial interventions;
- Only 3 MSs (BG, LV, SK) created sectorial interventions for dairy sector's products:
 - Most common types of interventions are:
 - investments in tangible and intangible assets,
 - advisory services and technical assistance,
 - training, coaching and exchange of best practices,
 - sustainability and efficiency of transport and storage,
 - promotion, communication and marketing activities.
 - None of the interventions claimed refer to crisis prevention and risk management interventions.

Dairy-sector related coupled income support under the SPR. Legal Basis (1)

Section 3 - Coupled direct payments

Subsection 1 - Coupled income support

➤ **Article 32 - General rules**

2. The Member States' interventions shall help the supported sectors and productions or specific types of farming therein listed in Article 33 to address the difficulties encountered by improving competitiveness, sustainability or quality.

➤ **Article 33 - Scope**

Coupled income support may only be granted to the following sectors and productions or specific types of farming therein where they are important for socio-economic or environmental reasons:

<..>

(c) protein crops, including legumes and mixtures of legumes and grasses provided that legumes remain predominant in the mixture;

(i) milk and milk products;

(k) sheep meat and goat meat;

(l) beef and veal;

(o) dried fodder;

Dairy-sector related coupled income support under the SPR. Legal Basis (2)

- **Article 96** - Maximum financial allocations for coupled income support
1. The indicative financial allocations for the coupled income support interventions referred to in Title III, Chapter II, Section 3, Subsection 1, shall be limited to a maximum of 13 % of the amounts set out in Annex IX.

- **Article 109** – Intervention strategy
Para 2(c): "an explanation how the interventions under coupled income support as referred to in Title III, Chapter II, Section 3, Subsection 1, are consistent with Directive 2000/60/EC;"

Dairy-sector related coupled income support under the SPR. General

- Different strategies and support levels per MS;
- When comparing average CIS for CY2023-27 with the VCS for CY2022:
 - In total Member States earmarked very similar amounts – rather small increase from EUR 4,2 billion to EUR 4,55 billion;
 - Milk remains the 2nd most supported sector - around 18% of all CIS allocations (but actual support higher due to combination of milk and beef/meat interventions, which account for almost 9%, while under VCS – milk received 21% (remains at similar level);
 - 19 Member States continue providing interventions for milk (FR and FI has combined interventions for beef and milk) + DK introduced a combined intervention;
 - 18 MS provide support for protein crops, 3 of which (BE-W, PT and SI) newly introduced it. In most cases MS providing support to milk, also provide it to protein crops.

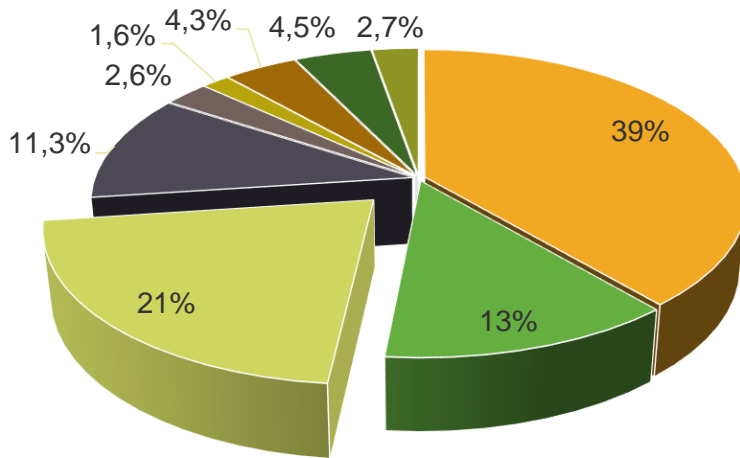
Dairy-sector related coupled income support under the SPR.

Planned unit amounts and outputs

- Average unit amount per cow varies strongly, however, Coupled support is only part (usually relatively small) of CAP support farmers receive (need to look at the whole picture);
- Comparing CIS for milking cows for 2023-2027 on average to VCS (2022), most Member States granting CIS for milking cows:
 - plans an increase in unit amounts;
 - foresee a reduction of milking cows. But overall, the number is positive when combining milk and milk/beef interventions.

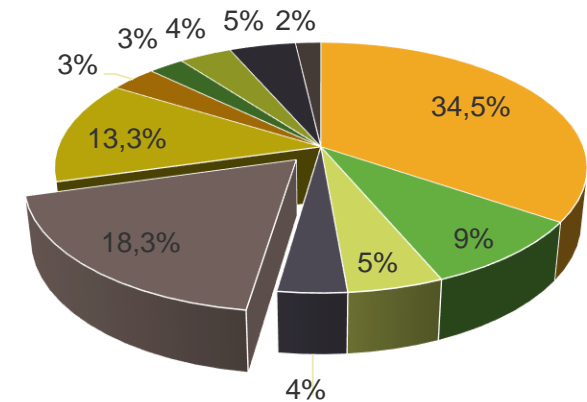
Financial allocations for coupled support according to Member States' notifications

VCS 2022



- Beef and veal
- Milk and milk products
- Cereals
- Sugar beet
- other
- Sheepmeat and goatmeat
- Protein crops + Grain legumes
- Rice
- Fruit and vegetables

CIS average 2023-2027



- beef and veal
- sheep meat and goat meat
- combined milk and beef
- combined milk and sheepmeat and goatmeat
- milk and milk products
- protein crops / legumes incl. mixtures of legumes and grasses
- cereals (excl. rice)
- rice
- sugar beet(, cane and chicory roots)
- fruit and vegetables
- other

More information on the CAP Strategic Plans

•CAP Strategic Plans

https://agriculture.ec.europa.eu/cap-my-country/cap-strategic-plans_en

Proposed CAP Strategic Plans – Key facts and figures

https://agriculture.ec.europa.eu/document/download/887efebf-2f4b-4015-bb35-ec0eb1f6d035_en?filename=csp-factsfigures-28-plans-overview-june-2022_en.pdf

Approved CAP Strategic Plans (DK, IE, ES, FR, PL, PT, FI, LU, AT)

https://agriculture.ec.europa.eu/cap-my-country/cap-strategic-plans/approved-csp_en