

**Draft overview of national implementation of MTR reform  
(1 July 2004)**

<b>Country</b>	<b>Main Aim</b>	<b>Decoupled?</b>	<b>Approach</b>	<b>When?</b>	<b>Other Issues</b>
		<i>Full or partial decoupling? Which sectors?</i>	<i>Historical? Regionalised? Hybrid?</i>	<i>By when? 2005?</i>	<i>e.g. use of national envelopes?</i>
Austria	- As little redistribution as possible - Caring for sensitive areas which make up much of the national territory (especially anxious about beef and dairy sectors)	Suckler cow premium remains 100% coupled, slaughter premium remains 40% coupled	Historic	2005	No national envelope as this would reduce payments for other farmers and mix first and second pillar
Belgique (Flanders)		Total decoupling except for suckler cow and slaughter premium stay 100% coupled	Historic	2005	
Belgique (Wallonie)		Total decoupling (100% decoupling for seeds) except for suckler cow which stays 100% coupled	Hybrid (Historic until 2009; thereafter historic payments or a part of them will be used for regionalised payments for grasslands and arable lands)	2005	
Denmark		Full decoupling, except for ewe and beef special premium. Beef 25%, ewe 50%	Hybrid	2005	Until now no interest in using nat. envelope NGOs are fighting for it.
Finland (to be confirmed (tbc))	As little changes for farmers as possible; keep current balance between regions and sectors	hybrid system of flat-rate hectare payments for around 85% of the total current amount of direct subsidies, and additional payments for dairy and male beef premium based on historical levels (male beef premium will remain 75% coupled).	Dynamic hybrid (?)	2006	Finland plans to use the national envelope to support extensive quality beef production.
France	Maintain activity everywhere, keep the regulation tool (fallow, dairy quota), maintain good economic condition for farmers	Partial decoupling: - arable 25% - Livestock: - Sheep and goats: 50% - 100% suckler cow and calf slaughter premium - 40% beef slaughter premium - 100% decoupling for fodder seeds	Historical	2006	
Germany	Redistribution of subsidies between farmers (35% of money going to regions will be pooled in a federal pot and redistributed amongst the regions. This will lead to a maximum adjustment of	Some payments to remain coupled to farm until the end of 2012	Dynamic hybrid Transition period 2010 – 2013 Full area payment by 2013	2005	Possibility to top up payments for grassland Fischler has doubts on whether this scheme is ok

	5% between the regions)				
Greece (tbc)	Concern expressed for poorer regions	Some coupling maintained:beef 25% , ewe 50%	Historic	2007	
Ireland (tbc)		Full decoupling	Historic	2005	No use of the National envelope
Italy (under discussion)	Socio-economic, concerns about quality of products and protection of certain seeds and livestock breeds	Full decoupling (?)	Historic	2005	May use national envelope for durum wheat and suckler cows.
Lux. (tbc)		May decouple fully (?)	Hybrid model with emphasis on historic model	2005	
NL	Avoid redistribution of income	Full decoupling, except for: 100% for beef and calf slaughter premia, 100% for flax and 60% for starch potatoes.	Historic	2005	No use of national envelope Wants to keep open the option of moving to a flat rate system
Portugal (under discussion)	Maintaining farming in rural areas Socio economic rather than environmental	100% decoupling of cereal payments,but aid for durum wheat maintained, suckler cow and calf premium remain 100% coupled to production, beef slaughter premium 40% coupled. Concern about loss of sheep and goat farmers means premia in this sector will remain 50% coupled.	Historic	2005	No national envelope.
Spain (under discussion)	Maintaining some links to assist disadvantaged areas Necessity to balance freedom given by decoupling with the risk of land abandonment	Partial or total decoupling still being discussed (Previous government suggested: 50% sheep and goat, 100% suckler cow premium, 40% slaughter premium.Possibly full arable decoupling, but 60% durum wheat)	Historic(?) New socialist government might choose regional approach	2006 (?)	
Sweden	Keen not to create large redistribution among farmers, which could jeopardise production.	Arable fully decoupled and distributed on regional basis Partial coupling: bull 75%, suckler cow 50%, milk 60%	Hybrid with emphasis on historic	2005	Marginal use of national envelope: 0.5% for quality products and marketing
UK					
England (decision on 12 Feb 2004)	Flat rate single payment only way to justify the use of public money to support agriculture in the long run; it is equitable and simple.	Full decoupling	Hybrid model (transition 2005-2012; England divided in 3 regions	2005	No use of national envelope as 10% reduction of premia would make hardship in some areas even worse.
Scotland		Full decoupling	Historic	2005	National envelope to support the beef sector
Wales		Full decoupling	Historic	2005	
Northern Ireland		Full decoupling	Static hybrid	2005	