

SIXTH FRAMEWORK PROGRAMME
SPECIFIC TARGETED RESEARCH PROJECT n° SSPE-CT-2006-044403



AGRIGRID

**Methodological grids for payment calculations in rural development
measures in the EU**

**Questionnaire for
Animal Welfare Payments (215) including General
Framework and Methods for Data Collection**

Document number: WP6 (Final)

Authors' Institution: Lithuanian Institute of Agrarian Economics (LAEI)

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1. OBJECTIVE OF THE SUBTASK M6.1

The main objective of the subtask M 6.1 of WP6 is to provide summary review of methods for the calculation of *Animal Welfare Payments* in seven partner and two sub-contractor countries (and selected regions): Scotland (UK), Germany (DE) – 3 regions, Greece (GR), Finland (FI), Italy (IT) – 3 regions, Czech Republic (CZ), Lithuania (LT), Spain (ES) and Poland (PL) and deliver this review to WP1 for creation of the synthesis report (D2 “*Summary report on review of payment calculations for RD measures*“).

To fulfil the M6.1 objective, we have prepared a questionnaire based on the proposed general framework. The questionnaire was design to enable a realization of comparative analysis of payment calculation methods applied in mentioned above country / selected regions in the Rural Development Plans (RDPs) for 2007-2013.

This document contains:

- guidelines how to fill in the questionnaire – recommendations;
- the questionnaire for *Animal Welfare Payments*;

The main goal of the 1st draft of the questionnaire is to enable an implementation of necessary adaptation to national specificities and create final version.

Although the main attention will be paid to the *Animal Welfare Payments* calculation methods applied in the new RDPs valid for programming period (2007-2013), several questions (e.g. uptake or other statistical data, development of payment rate) will be focused on earlier RDPs as well.

If this questionnaire contains questions which do not fit to your own case, these of course need not to be included in your version and will be marked as not applicable in your country (not to let questions unanswered / blank and use “not applicable” mark) . On the other hand some other possible questions may be suitable in your country. In that case please add your country specific questions / answers directly into the final questionnaire on appropriate place or in box for additional comments in the end of questionnaire.

2. GUIDELINES HOW TO FILL THE QUESTIONNAIRE-RECOMMENDATION

Three data sources

- policy documents: EU regulations National legal acts, RDPs, etc...;
- literature reviews of key research studies and specialized literature deal with payment calculation issues as well as relevant grey literature and relevant statistical data;
- semi-structured interviews with key representatives of government agencies and organisations responsible for payment calculations in each specific field (*in addition interviews with beneficiaries can be provided to add their opinion of correctness of payment level – only as a voluntary complement.*)

The extent of the contribution of each of the approaches is left to the partners according to the different potentials of each approach in the different countries for contributing to the description of the current methods of payment calculations for *Animal Welfare Payments*. In some countries the policy documents / literature are so exhaustive that only few questions remain unanswered and only short interviews might be necessary while in other countries so detailed data are not available and interviews with key informants are very important.

Recommendation how to fill the questionnaire:

- translate the questionnaire into your language (*It is important that cultural bias through different interpretations of words is minimized. Therefore you should translate the questionnaire not strictly word by word, but first try to get the right idea of what is asked for and then look for the correct word in you language*);
- choose the appropriate approach for your country: If possible, a literature review should be carried out and remaining gaps of information can be filled in by information gathered in interviews with key informants. Else, interviews with key informants are carried out and the information thus gathered is accomplished by review of some literature;
- in the case of literature review: key policy documents should be gather, especially chapters about measures for *Animal Welfare Payments* from the new RDPs (2007-2013). *Since it is expected that these documents and RDPs chapters are not available in English in partner countries, selection of important text and translation into English and sending to us will be required here*;
- in the case of interviews: carry out interviews with the institutions / actors identified.

We propose to conduct up to 2-3 interviews with person responsible for payment calculation, a person responsible for implementation and with a person who have certain influence on final level of payments;

- in view of the fact that some questions / tables can be completed on the basis of various sources, it is necessary to mention particular sources of data under each question / table to be clear where data came from;
- do not leave unanswered questions and use the following notices:
 - not applicable (n.a.)** – questions / data is not relevant in your country,
 - data not available (n.d.)** - if there is no evidence / information.
- write down short overviews over the literature reviewed and attached selected texts of policy documents important for *Animal Welfare Payments* in English;
- write down short protocol of the interviews carried out indicating extra remarks and own observations which cannot be included in the questionnaire.

How to conduct the interviews?

How to select respondents? The respondents should be selected applying the following criteria:

- respondents who are responsible for payment calculations in the *Animal Welfare Payments* - e.g. representatives of research institutes, representatives of universities, officers at the Ministry of Agriculture and / or Ministry of Environment, representatives of agencies for nature conservation and landscape protection, etc.;
- respondents who deal with the final payments implementation and can have certain influence on the final level of payment, e.g. officers at the Ministry of Agriculture and / or Ministry of Environment, representatives of paying agencies, expert groups, etc.

How to conduct the interview:

- please describe briefly what is the scope of AGRIGRID project and main objective of the actual subtask. (*While presenting the project please refer to the Internet site of the project <http://www.macauley.ac.uk/agrigrid/> as the source of the basic information on our activities*);
- you may give to the respondents the questions before the interviews to make them familiar with the issues we intend to investigate;
- mention that respondents can / will stay anonymous but only organization or institution which they represent will be mentioned in the final report;
- as the interviews deal with qualitative data it is indispensable to carefully take notes

on the course of the interview. It is not enough to fill in the questionnaire, but the interviewer should write down additional remarks and observations made. Therefore it is recommended to conduct the interviews by at least two researchers to be able to make the notes efficiently and to review the impressions and results of the interview in a team. It is preferable to supplement your hand written notes as soon as possible after the interview with additional remarks and observations on the respondents' comments. If there are two interviewers do this individually and discuss the results together;

- mention that if respondents will be interested in the results, they can look at the project's homepage, where final reports will be uploaded as soon as they are completed.

Protocol:

Each interview is documented in a protocol, which is only for internal use and contains the answers to the questions asked as well as the additional remarks made by the interviewee. The protocol should include:

- the name of the person interviewed and representing institution;
- date and place;
- remarks and comments of the interviewee that cannot be included in the questionnaire;
- own observations and reflections on the interview.

3. TIME TABLE FOR WORK TO DO

We expect partners (WP2-WP6):

1. ***Please, use guidelines*** describing how to fill in the questionnaire and to conduct the interviews mentioned in this document;
2. ***send the filed questionnaire*** for your country together with a ***list of literature reviewed*** and selected ***texts of policy documents important for Animal Welfare Payments*** in English language **by 6th of May 2007**
3. give critical and comprehensive ***feedback*** on the 1st draft of summary review of calculation methods for ***Animal Welfare Payments*** in English language **by 27th of May 2007;**

If any of the tasks are not clear to a partner or sub-contractor, please do not hesitate to contact us (P6) - personally: ***Irena Krisciukaitiene*** as person responsible for WP6.

By mail: irena @laei.lt; by telephone: +37052622459.

4. Questionnaire for *Animal Welfare Payments*

The proposed framework is structured in 4 parts:.

- I. Basic data about ***Animal Welfare Payments***;
- II. Information about the methodology of the payment calculation;
- III. Information about the data sources;
- IV. Contextual information;
- V. Annexes.

I. BASIC DATA ABOUT ANIMAL WELFARE PAYMENTS

From this part we would like to obtain basic information about the whole structure of the *Animal Welfare Payments*; sub-measures or categories; extent of their usage; existence of payment differentiation and changes with respect to the last programming period.

1. Fill in following table „Overview of the *Animal Welfare Payments* ” according to the instructions below:

- a) name of sub-measures, schemes or categories of the RD measure (*it is expected to be described whole structure of the measure in detail according to separate payment rates existed*);
- b) differentiation of payment - as description of criteria which caused various payment levels – a lot of possibilities (*e.g.: by region, farm structure, time of commitments for OF, slope land etc.*); in this column write NO or YES according to existence of differentiated payments (also write their payment levels or intervals in the column c));
- c) level of payment according to *Animal Welfare Payments* (presumption is €/LSU, if different unit is used, please write it). *For countries, where EUR is not used write the level of payment as in national currency so in EUR. Eventually add exchange rate used*;
- d) the percentage level of confirmed payment compared with calculated payment (*presumption of the level is 100%; the lower means calculated payment is not paid in total / the higher means that the particular schemes are preferred or that transaction costs are applied in the case of AEM or animal welfare payments*);
If the level is differing from 100% write the reasons below the table;
- e) targeting of Animal Welfare Payments—as description of areas / sphere where it is possible to enter into measure and only minimum possibilities are suitable (horizontal, regional or mix = horizontal but only for specific localities) (e.g. integrated production of vineyards is horizontal = available for whole country);
- f) Existence of *Animal Welfare Payments* measure (single sub-measures, schemes, categories) before the year 2007, payment level and change of its payment level in the new RDP. The existence of measure is investigated in scope of the earlier RDP for programming period 2000/2004-2006 (0 measure didn't exist, ↑ increase of payment, ↓ decrease of payment, = same payment) and ***add the level of payment rate from the***

previous RDPs or percentage how much the payment amount decrease / increase compared to the new level. If there were some changes in comparison with previous period (increase or decrease of payment level) write the reasons below the table.

Table 1 Overview of the *Animal Welfare Payments*

a	b	c		d	e	f
Name of measure (i.e. sub-measures, schemes, categories)	Is payment somehow differentiated ? Yes/No	Level of payments		Targeting	If measure existed previously, fill in payment level (EUR*) and change 2007-2013/2000(4)-2006 (%) ***	
		EUR/L SU (national currency /ha)*	% in calculated level of payment **			

* National currency is valid only for countries where EUR is not used today (CZ, LT and PL). Write either both payments (in EUR and national currency) or write here exchange rate used

** If the level is differing from 100%, write reasons here below the table:

.....

*** If some changes in payment rates exist in comparison within previous RDP, write reasons here below the table:

.....

Data source:

2. Are in your country implemented any differentiated Animal Welfare Payments?

YES

NO

If YES, please describe reasons:

Data source:

3. Have differentiated approaches been implemented in the past, but not in subsequent programme?

YES

NO

If YES, write which and why do not continue?

.....
.....

Data source:

4. Have differentiated approaches been discussed in-house but not been implemented?

YES

NO

If YES, write which and why have not been implemented?

.....
.....

II. METHODOLOGY OF THE PAYMENT CALCULATION „HOW PAYMENT LEVELS ARE CURRENTLY CALCULATED“

From the second part of the questionnaire we would like to obtain information about the methodology of payment calculation for the Animal Welfare Measure. We are interested mainly in approaches using for the calculation, with identification of foregone income (losses), additional and transaction costs and possible savings. Regarding to the project aims limits of payments, problems with payment calculation and their solutions are also investigated.

It is important not to forget the connection between payments and so-called “baselines” (conditions resulting from the national law, GAEC and Cross-Compliance), which are not possible to pay out within the Animal Welfare payments. The aim is to establish and compare a list of GAEC and other baseline requirements which can not be paid out within RD measures.

5. Identification of commitments entering into the payment calculation for Animal Welfare and detail description of payments calculation process:

According to EU regulation payments should compensate foregone income / losses and additional costs, which are related to mention above measures:

- foregone income / losses
- additional costs;
- transaction costs.

Write in following sequence:

- a) write **name of particular sub-measures**, schemes or categories of **Animal Welfare Measure**;
- b) determination of **eligible criteria** (*fill if the sub-measure is limited for some specific areas, etc.*);
- c) describe **relevant commitments** of particular sub-measures, schemes or categories;
- d) describe necessary **land use /management practice changes** or maintenance resulting from these commitments and identification of those which are entering

into the payment (*for those which are not entering into the payments write reasons*);

- e) describe the **process of payment calculation** for chosen sub-measures, schemes or categories of the **Animal Welfare Measure**. The aim is to identify particular items of payment, its data source and used reference period;
- f) describe the process of payment calculation in more detail;

Note: Since this area is one of main objectives of the AGRIGRID project, it is necessary to provide an explanation for the payment calculations in maximum detail as possible - detail description of compensatory payment layout = what items were included in calculation and what is the rationale of including such items into the calculation.

- a) Name of sub-measure: ...
- b) Eligible criteria including specification of eligible area: ...
- c) Relevant commitments – contractual obligations:...
- d) Land use /management practice changes:...
- e) Table of process of payment calculation

Table 2 Process of Animal Welfare Payment calculation

	EUR/LSU (national currency/LSU)*	Data source	Reference period
Income foregone			
Total income foregone			
Additional costs			
Total additional costs			
Proposed amount of support			

* National currency is valid only for countries where EUR is not used today (CZ, LT and PL). Write either both payments (in EUR and national currency) or write here exchange rate used

- f) Detail explanation of payment calculation: ...

6. Do you involve into the **Animal Welfare** payment calculation the transaction costs?

YES

NO

If YES, describe the methodology of their calculation including the level of these costs, data sources and write the name of the sub-measure where they are used:

.....
.....

7. If it is not possible to describe the process of payment calculation for **Animal Welfare** measure / chosen sub-measures in your country, explain used methodologies of calculation more detailed here:

(It is expected to provide here something like "instruction manual". In addition an existence of any other alternatives to standard costs methods for payment calculations used (e.g. tenders) should be mentioned here as well.)

.....
.....
.....

8. Please describe commitments defined in the baseline and additional requirements which have impact on payment calculation:

a) describe requirements included in your system of Good Agricultural and Environmental Conditions (GAEC) which have impact on payment calculation of Animal Welfare measure

.....
.....

b) describe any other conditions resulting from the national law or Cross-Compliance which can not be paid out within and Animal Welfare payments:

.....

9. Are in your country provided payments which levels exceed limits given in EC Regulation nr. 1698/2005 (eventually any national limits)?

YES

NO

If YES, describe them and write reasons:

.....

10. Are in your country applied any maximum criteria (e.g.: farm size, amount turnover) which limits level of payment within the Animal Welfare measure?

YES

NO

If YES, describe the limits, particular sub-measures / schemes by which are used and reasons for setting these limits:

.....

11. What problems did you encounter during the payment calculations? (What problems have been encountered?)

.....

.....

12. What solutions did you derive for these problems? (What solutions have been derived for these problems)?

.....

.....

13. Which issues remain unsolved and why?

.....

.....

14. Is potential over- and under-compensation an issue when designing new measures and payment schemes?

.....

.....

15. Are in your country offered / used any other forms of support which compensate the limitation of economic activities in the Animal Welfare Measure?

You can choose and tick appropriate support from the prepared list below or provide own

short description.

- supporting measures within EAFRD;
- State Aid (e.g. national support for protected areas from Ministry of Environment);
- Other structural funds (e.g. ERDF, ESF...);
- Other funds (e.g. EFF, LIFE+...);
- Indirect support (e.g. land tax incentive, options of land exchange or sales to the state...);
- Other, which.....

If any of possibility was ticked, please describe / specify measures, funds, state aid in more detail:

.....
.....

Data source:

16. Are there any linkages or interdependencies between Animal Welfare and other rural development measures, which affect the payment level?

(e.g.: due to importance to guarantee that no overcompensation of certain land maintenance activities occur from parallel implementation of less-favoured areas, agri-environment or forest-environment measures - the combination with some sub-measures are not allowed .)

.....
.....

17. Are there any mechanisms in place which limit possible combinations of Animal Welfare payment schemes with other rural development measures?

.....
.....

(e.g.: due to importance to guarantee that no overcompensation of certain land maintenance activities occur from parallel implementation of less-favoured areas, agri-environment or forest-environment measures - the combination with some sub-measures are not allowed .)

III. DATA SOURCES

This part aims at data, which are used for payment calculation of **Animal Welfare Payments**. The objective is to compare availability of data and to found out which data sources are used and for which purposes.

18. Fill in following table according to the instructions below:

- a) specify data sources used for calculation for **Animal Welfare Measure and submeasures** (*try to provide whole list*);
- b) write organisation responsible for data source
- c) periodicity (*it means how frequently are they up-dated, published*);
- d) spatial aggregation level (*it means how data are used within payment calculation, not in which form exist*);
- e) purpose of the source usage (*write briefly the main range of usage within payment calculation*).

Table 3 List of the data sources necessary for Animal Welfare payment calculation and their usage

a	b	c	d	e	f
Data sources *	Organisation responsible	Periodicity	Spatial aggregation level	Purpose of usage	Estimated extent of usage (%)

19. List all the interviewees and their positions and institutions.

Table 4 List of all the interviewees and their positions and institutions

Name	Position	Institution

20. Which additional data would have been required for a more thorough and precise calculation of payment levels and to what extent did the lack of such additional data restricts the choice of calculation methods? Please specify:

.....
.....

IV. CONTEXTUAL INFORMATION

This part of the questionnaire covers subsidiary information which make possible to provide statistical comparison as among RDP measures as among countries. Next a payment administration issue is added because of necessity investigate administrative complexity of the payment calculation (i.e. how many institutions are involved into the calculation).

21. Statistical comparison – indicators of “uptake”

Based on data in tables below, we can compare following indicators:

- share of areas under the **Animal Welfare Measure** as a whole / or particular sub-measures, schemes or categories / in the UAA (%);
- share of farms / holdings involved in the RD measure (in classification according to sub-measures, schemes or categories) in whole number of farms / holdings in agriculture (%);
- share of financial expenditure of the RD measure in the total budget of RDP (%);
- average payment in €/ha of the selected RD measure (eventually per farm,...).

Table 5 Indicators of “uptake” for Animal Welfare Measure

	2004	2005	2006
LSU (total)			
LSU in Animal Welfare Measure:			
Share of LSU in Animal Welfare Measure from total, %			
- 1 Submeasure			
<i>LSU in submeasure:</i>			
<i>Share of LSU in submeasure from total, %</i>			
<i>Share of LSU in submeasure from LSU in Animal Welfare Measure, %</i>			
- 2 Submeasure			
<i>LSU in submeasure:</i>			
<i>Share of LSU in submeasure from total, %</i>			
<i>Share of LSU in submeasure from LSU in Animal Welfare Measure, %</i>			
Number of holdings / farms (total)			
Number of holdings / farms entering in Animal Welfare Measure			
Share of number of holdings / farms			

entering in Animal Welfare Measure from total, %			
- 1 Submeasure			
<i>Number of holdings / farms entering in submeasure</i>			
<i>Share of number of holdings / farms entering in submeasure from total number of holdings / farms, %</i>			
<i>Share of number of holdings / farms entering in submeasure from entering in Animal Welfare Measure number of holdings / farms, %</i>			
- 2 Submeasure			
<i>Number of holdings / farms entering in submeasure</i>			
<i>Share of number of holdings / farms entering in submeasure from total number of holdings / farms, %</i>			
<i>Share of number of holdings / farms entering in submeasure from entering in Animal Welfare Measure number of holdings / farms, %</i>			
Financial expenditure for RDP (total), EUR*			
Financial expenditure for the Animal Welfare Measure, EUR*			
Share of financial expenditure for the Animal Welfare Measure from total, %			
...			
- 1 Submeasure			
<i>Financial expenditure for the submeasure, EUR*</i>			
<i>Share of financial expenditure for the submeasure from total expenditure for RDP, %</i>			
<i>Share of financial expenditure for the submeasure from total expenditure for the Animal Welfare Measure, %</i>			
- 2 Submeasure			
<i>Financial expenditure for the submeasure, EUR*</i>			
<i>Share of financial expenditure for the submeasure from total expenditure for RDP, %</i>			
<i>Share of financial expenditure for the submeasure from total expenditure for the Animal Welfare Measure, %</i>			
...			

* National currency is valid only for countries where EUR is not used today (CZ, LT and PL). Write either

both payments (in EUR and national currency) or write here exchange rate used

22. Could you consider administration complexity of calculation?

a) How many institutions are involved into payment calculation:

- 1
- 2 – 3
- more than 3

Write their names:

b) How many institutions are involved in making observations / controlling / testing of payments:

- 1
- 2 – 3
- more than 3

Write their names:

23. Write down state rules and regulations which define the Animal Welfare Measure:

23.1. European

,.....

23.2. National.....

.....

If you have any additional comments on the survey, please use this box:

(It is expected to add here: remarks and comments of the interviewee that cannot be included in the questionnaire, own observations and reflections on the interview, etc...)

V. ANNEXES

This part contains texts from gathered literature / regulation / RDP focused on RD measure in English language.

Thanks for your efforts