

Planning of unit amounts

- review of key points



1) Unit amounts

The role of the unit amounts in planning

- **Each intervention** of the CAP Strategic Plans should contain at least one unit amount (art. 99(g))
(corresponding to the planned public (or Union) support per unit of output)
- There can be **different unit amounts within the same intervention**, where the amount to be granted for one output differs depending on, e.g.:
 - territory,
 - severity of constrains,
 - type of operation/practice to be carried-out,
 - Category of investments,
 - Size of projects,
 - Etc.

This differentiation matters ! It is an important mean of targeting the support.



The role of the unit amounts and support amounts/range

➤ Uniform or average?

- “uniform” unit amount of support is expected mostly for IACS interventions (with exceptions), corresponding to the planned public support for each unit of output
- « average » unit amounts are used where a uniform unit amount cannot be provided (typically, DP with differentiated values of payment entitlements based on historic references, or Investments, or Cooperation projects etc.). It correspond to the average public support per output.

➤ What is the link of an average amount to the support provided to the beneficiary?

- The unit amount corresponds to the support of beneficiaries in the case of uniform unit amounts.
- For average unit amounts, it needs to be differentiated from the support amount/ranges for beneficiaries.

➤ The unit amount should be explained

- ⇒ For certain types of interventions, the **link with the SWOT/needs assessment and the description of the intervention** (or actions within an intervention) will need to be shown (notably direct payments)
- ⇒ In certain cases, the **amount should result from the certified method referred to in art. 76** (certain eco-schemes, management commitments, ANC payments etc.) – the “explanations” are superfluous in that case

Examples of unit amounts under art. 65: Grassland Management

Including
transaction
costs

Menu of possible commitments

- (a) Delayed mowing - €130/ha
- (b) Obligation to leave 20% of the parcel unmown - €140/ha
- (c) Removal of the cut biomass - €130/ha
- (d) No use of pesticides - €140/ha
- (e) Limited nitrogen fertilization - €150/ha
- (f) Use of organic instead of mineral fertilizers - €140/ha

Option 1: Type of operation where all commitments are obligatory

Unit amount: value of commitments {a}-{f} summed up to arrive to the unit amount

**1 Unit amount
Most common!**

Option 2: 'sets' of obligatory commitments

Unit amount for set 1: {a}+{b}+{c}

Unit amount for set 2: {d} + {e} + {f}

Unit amount for set 3: {a} + {b} + {d} + {e}

...

3 Unit amounts

Option 3: 'pick and choose' with a unit amount per commitment

Unit amount: 6 unit amounts (one per commitment)

6 Unit amounts

Option 4: 'pick and chose' of at least an x number of commitments

Unit amount: average unit amounts (lumpsum) depending on the x number of commitments undertaken

Unit amount for at least 3 commitments, Unit amount for at least 5 commitments, etc.
[NB: only possible in case of comparable commitments]

**1, 2 or more Unit
amounts
(« forfaits »)**

2) Planned outputs

- Role of planned outputs
- Planned outputs number are always indicative !
- They represent the expected number of units (projects, hectares, farmers, ...) supported in a given financial year
- In the planning, they shall be provided as full outputs (e.g. '30.000' should represent the number of projects, of hectares, of farmers – no “partial outputs”)
- In terms of annual planning - for outputs expected to be paid over several years (e.g. investment projects):
 - They should be counted only once in the period (i.e. the total of outputs per year for the period should not include double-counting)
 - Therefore they should be planned in the year when they are expected to receive the first payments.

EXAMPLE - Intervention – LEADER implementation – planning output indicators (financial table), example
O. 27 N° LDS implemented

100 selected LDS,
getting a first
payment in FY2

Each output
planned only
once (but
payments
continue)

Financial year	FY 1	FY 2	FY 3	FY 4	FY 5...	TOTAL
Planned output (LDS implemented)	-	100	-	σ	-	100
Financial allocation		X	X	X	X	X

No payment
foreseen in
first
financial
year
(selection)

Flexibilities in the level of planning outputs

	Unit amounts	Planned outputs
Commitment/type of operation A	A	108 000
Commitment/type of operation A	B	
Commitment/type of operation A	C	
Commitment/type of operation A	D	
Commitment/type of operation A	E	
Commitment/type of operation A	F	
Commitment/type of operation A	G	

Why providing more desaggregated outputs (optionally)

- ❖ To make clearer links with different result indicators (support the justification of targets)
- ❖ Reflect different types of operations and their expected quantification.
- ❖ Reflect regional planning
- ❖ Etc.

3) Allocation and justification of financial resources

- **Financial allocations per intervention are always indicative !**
- They represent the expected level of payments for that intervention in a given financial year
- **Elements to consider:**
 - Consistency between units amounts, planned outputs and targets set (although no mathematical links, the values should plausibly hang together)
 - Ring-fencings obligations!
 - Prioritisation of needs (highest priorities => better “served” interventions)
 - Synergies between interventions
 - Use of financial instruments

Planning of unit amounts

- specific elements from the SFC CAP template

Support amounts and ranges – programming. **Relevant for beneficiaries.**

Section 5.1 (SFC) – Direct payments incl. eco schemes

5.1.7. Range and amounts of support - **range of support, targeting and related criteria, related analysis**

Information/explanation on :

- Form and amount/range of support/premia
- where applicable, the differentiation for groups of territories (e.g. BISS, CRISS).
- where relevant, brief explanation of why these are appropriate for achieving the planned outputs.
- the range of possible amounts notably in view of the targeting of the intervention to specific territories or beneficiaries

5.1.8. Additional questions related to DP interventions

Support amounts and ranges – programming. **Relevant for beneficiaries.**

Section 5.2 (SFC) – Sectoral interventions

5.2.6. Form and rate of support

- *range of support rate (s), range of support level and amounts to be applied at beneficiary level and the relevant basis/method for determining them.*
- *where relevant provide an explanation for differences, notably in relation to the targets and objectives to be reached and/or the priority needs to be addressed*
- *specifics related to maximum intensity rates related to **apiculture/wine/F&V** related to maximum intensity of public funding related to beneficiaries.*

5.2.7 Additional questions:

- *For apiculture - National co-financing rate in %*
- *For interventions in wine - information in relation to Art. 58 (7), para 2.*

Support amounts and ranges – programming. Relevant for beneficiaries.

Section 5.3 (SFC) – Rural Development

	If NON IACS	If IACS [Art.71 and 72 by default and by choice for Art 70 based on the O unit]
Form of support	Grant / Financial instruments	Non applicable
Type of payment	<p>For grants</p> <ul style="list-style-type: none"> (a) reimbursement of eligible costs actually incurred by a beneficiary (b) unit costs (c) lump sums (d) flat – rate financing <p>What is the basis for the establishment?</p>	<ul style="list-style-type: none"> - unit cost based on additional costs and income foregone - transaction cost included [can be selected only if at least one of the other options is selected too] - one off payment - lump sum
Range of support at beneficiary level	<p>Range of support rates and possible range of support levels .</p> <p><i>Explain the range of support rates where relevant, notably in relation to the targets and objectives to be reached and/or the priority needs to be addressed.</i></p> <p><i>Provide a justification for all rates exceeding 65%. (in case of Art. 73)</i></p>	<p>Range of amount (s) of support and relevant explanation</p> <p><i>If the intervention contains several uniform unit amounts or average unit amount(s):</i></p> <ul style="list-style-type: none"> - <i>provide a short explanation of these differences, notably in view of the targeting of the intervention and conditions related to the beneficiaries</i> - <i>Provide explanation if relevant for the link with different types of eligibility conditions</i>

Section Unit amount definition linked to the clearance exercise

Type of unit amount	AVERAGE or UNIFORM
Corresponding unit of output (if applicable)	From a list relevant to the Type of Intervention
Explanation and justification related to the value	<p>Justification of the value on the basis of the needs, on the possible flexibility of planned unit amounts per different years and the variation in terms of maximum and minimum levels.</p> <p>In the case unit amount is not uniform, explain.</p> <p>In the case of eco-schemes, the explanation and justification is requested only for units amounts based on Article 31(7)(a).</p> <p>Where payments are granted on the basis of additional costs and income foregone, a reference to the certified method for calculating the amounts - annex</p> <p>indicate if the payments correspond to a full or partial compensation</p>
Territorial group	If applicable
Regions	If applicable (more than one possible)
R.I	Optional – one or more out of those selected on intervention level
Contribution rate	If applicable from a list created in Section 4

Section 5. Financial table with outputs

Planned unit amount #1	Planned unit amount #1 (Specify Contribution EUR)						
	Minimum Amount for the Planned unit amount #1 (EUR) (only for DP)						
	Maximum Amount for the Planned unit amount #1 (EUR)						
	Planned Output #1 (optional)						
	Planned Output #1 * Planned unit amount #1 (optional for DP; not included for RD)						
TOTAL	Planned output (by group if more than one measurement for the O.I.)						
	Annual indicative financial allocation (specify contribution)						
	Additional sub categories						

KEY HINTS

- Planning of outputs from additional national financing (top ups)
- Unit amounts for grants and financial instrument are separate
- Outputs could be grouped
- Unit amount is linked to the unit of the output
- How much explanation and details are enough and at what level?
 - Range of support/rates and targeting
 - The unit amounts, incl the maxim. unit amounts – depending on the type and form of support. What is justifiable in terms of maximum amount?
 - **Maximum average** is not the same as maximum support level in terms of range per beneficiary

KEY HINTS

- Uniform vs average unit amounts
- Many vs fewer unit amounts
- Planning of outputs - planning vs reporting – the output is planned in full of the year of the first payment. Financial allocation is different
- Financial planning based on expenditure expected to be paid in the FY NOT based on multiplication (nr. of outputs x unit amount)
- Ring fencing vs reverse ceiling

Key resource material

- CAP SPR
- IA on the calculation methods
- IA CSP content
- SFC CSP Technical guidelines
- Cover note
- Indicator fiches