

## SINGLE FARM PAYMENT SCHEME: REFERENCE AMOUNT STATEMENT

Name	
Address	
Address	
Address	
Address	
Postcode	Business I.D.

### Important notes:

This statement shows how the Single Farm Payment Reference Amount for your farm business has been calculated. The amount shown is the gross Reference Amount due to your farm business BEFORE any reductions that may be required for modulation, the regional ceiling or the establishment of a national reserve.

This statement is in 3 parts.

Part 1 - shows the value of the Reference Amount from LIVESTOCK claims.

Part 2 - shows the value of the Reference Amount from ARABLE claims.

Part 3 - is a summary of Parts 1 and 2 and gives the GROSS REFERENCE AMOUNT.

Before turning to Part 1 please carefully read the enclosed guide and then continue reading the following paragraphs which contain essential information to help you understand the detailed calculations.

### Explanation of the terms used in this statement.

#### Payment Entitlements

Aid under the Single Farm Payment (SFP) will be based on the number of Payment Entitlements you hold. In general, the number of Payment Entitlements available to you will be equal to the number of eligible hectares you declare for payment of SFP in your 2005 IACS form.

**The value of Payment Entitlements are made up of 2 elements: -**

- (1) A fixed rate **Area Amount**; and
- (2) An individual historic **Reference Amount**.

#### The Historic Reference Amount

This Statement deals with the second element of the Payment Entitlement – the historic Reference Amount. The Reference Amount has been calculated on the basis of the historic livestock and arable aid claims submitted by your farm business in the calendar years 2000, 2001 and 2002 (the Reference Period).

**For each individual aid scheme the Reference Amount is based on the average number of animals (hectares in the case of arable aid schemes) eligible for payment in the years 2000, 2001 and 2002 multiplied by a percentage of the 2002 rate of aid.**

The percentage and actual rate of aid for each individual scheme is shown in the table on Page 6 of this statement. Please note that the rates of aid used in the calculation of the Reference Amount are shown in Euro. This is because the Sterling / Euro exchange rate for the 2005 SFP has not yet been established.

## **Other important points**

**Animals / hectares eligible for payment** are those certified as having met all of the eligibility conditions of the relevant scheme. For Reference Amount purposes we have disregarded reductions and exclusions resulting from the application of IACS penalties.

**Extensification Premium (EP)** – The number of animals shown in this Statement is the number determined eligible for payment of EP in the reference years (ie 2000-2002). However, if your stocking density calculation in any of the reference years benefited from the application of co-efficient reductions to the cattle Livestock Units of your holding, the EU Regulations require the Department to reduce your Reference Amount. “Benefited” means that you may have received payment when your stocking density was too high to qualify under normal conditions, or you may have received a higher rate of Extensification Premium. If you fall into either category the number of determined animals for the year(s) in which the co-efficient applied cannot be higher than the average number of determined animals in the year(s) not affected by co-efficient. The European Commission has been asked to clarify how the adjustment is to be applied and a reply is awaited. **In the meantime, it is important to note that your EP animal numbers may require downward adjustment.** When the position has been clarified, the Department will write to you if your animal numbers have to be reduced.

**Beef Special Premium (BSP) Scaleback** - In scheme years 2000 and 2002 the UK national ceiling was exceeded resulting in the application of scaleback. For Reference Amount purposes **the number of eligible animals** for BSP in 2000 has been reduced by 1.69%. In 2002 **the number of eligible animals** for BSP has been reduced by 1.86% for those businesses claiming 30 animals or more. These reductions also apply to the number of eligible animals under the associated Extensification premium.

**Beef Special Premium (BSP) 2<sup>nd</sup> Stage Payment on Bulls Castrated Late** -In 2001 only, the UK was permitted to make a 2<sup>nd</sup> stage BSP payment on bulls castrated late provided they otherwise met the conditions of steers qualifying for a 2<sup>nd</sup> stage payment. The EU Regulation requires the exclusion of these animals from the Reference Amount calculation.

### **Further adjustments to your Reference Amount**

**The amount shown in this Statement is the gross Reference Amount due to your farm business BEFORE any reductions required to ensure that expenditure is kept within the limit of the regional ceiling, and BEFORE reductions for modulation and the establishment of a national reserve. The Department will issue further information should adjustment be required.**

**PART 1 LIVESTOCK CLAIMS**

1. The gross Reference Amount for each LIVESTOCK AID is shown in Column F. This has been calculated by multiplying the **total number of eligible animals** (Column C) by the rate of aid (Column D) and dividing the total (Column E) by three.

2. However, as Beef National Envelope (BNE) payments to Suckler Cow Premium were paid for only two years (2001 and 2002) Column E is divided by two. Similarly, as Sheep National Envelope (SNE) payment to the Sheep Annual Premium was paid in only one year (2002) the amount in Column E is due in full.

A Direct Support Schemes	B Number of Eligible Animals in each year of the Reference Period			C Total Eligible Animals	D Actual Rate of Aid (Euro) (see Table 1 on Page 6)	E Rate of Aid x Total Eligible Animals (Column C x Column D)	F Reference Amount (Euro) (see notes 1 & 2 above)
	2000	2001	2002				
<b>BEEF SPECIAL PREMIUM SCHEME (BSPS)</b>							
Steer 1					€75.000		
Steer 2					€75.000		
Bulls					€105.000		
<b>Total</b>							
<b>SUCKLER COW PREMIUM SCHEME (SCPS)</b>							
SCPS					€200.00		
SCPS NIE					€24.150		
SCPS BNE					€13.883*		
<b>Total</b>							
<b>EXTENSIFICATION PAYMENT SCHEME (EPS) * see note on Page 2</b>							
EPS High					€80.000		
EPS Low					€40.000		
<b>SLAUGHTER PREMIUM SCHEME (SPS)</b>							
Adults					€40.000		
Calves					€50.000		
SLPS BNE					€25.709*		
<b>Total</b>							
<b>SHEEP ANNUAL PREMIUM SCHEME (SAPS)</b>							
SAPS Basic					€13.650		
SAPS LFA					€1.400		
SAPS SNE					€0.820		
<b>Total</b>							
<b>TOTAL REFERENCE AMOUNT – ALL LIVESTOCK SCHEMES =</b>							

**PART 2 ARABLE AID CLAIM**

The gross Reference Amount for ARABLE AID is shown in Column F. This has been calculated by multiplying the total number of eligible hectares (Column C) by the rate of aid (Column D) and dividing the total (Column E) by three.

A Direct Support Schemes	B Number of Eligible Hectares in each year of the Reference Period			C Total Eligible Hectares	D Actual Rate of Aid (Euro) (see Table 1 on page 6)	E Rate of Aid x Total Eligible Hectares (Column C x Column D)	F Reference Amount (Euro)
	2000	2001	2002				
<b>CEREALS</b>							
LFA					€253.512		
Lowland					€263.088		
<b>Total</b>							
<b>OILSEEDS</b>							
LFA					€253.512		
Lowland					€263.088		
<b>Total</b>							
<b>LINSEEDS</b>							
LFA					€253.512		
Lowland					€263.088		
<b>Total</b>							
<b>PROTEIN</b>							
LFA					€253.512		
Lowland					€263.088		
<b>Total</b>							
<b>SET ASIDE</b>							
LFA					€253.512		
Lowland					€263.088		
<b>Total</b>							
<b>TOTAL REFERENCE AMOUNT – ALL ARABLE AREA AID =</b>							

**PART 3 TOTAL GROSS REFERENCE AMOUNT**

Total Reference Amount-All Livestock Schemes =	
Total Reference Amount-All Arable Schemes =	
Total Reference Amount-All Schemes =	

**Sterling / Euro Exchange Rate –The conversion rate for the 2005 scheme has not yet been established. An exchange rate of £0.67 / Euro has been used for illustration purposes only**

If you are a Milk Producer, an additional amount may be added to your Reference Amount based on the Milk Quota held by your farm business at 31 March 2005. Any increase to your Reference Amount as a result of the inclusion of the Dairy Premia in the SFP will be notified in the Summer of 2005.

As explained on Page 1 of this Statement, the Reference Amount represents one of the two elements of the value of the Payment Entitlement for your business. The second element, the Area Amount, will be calculated by multiplying the **number of hectares of eligible land declared** for payment of SFP in your 2005 SFP/IACS application form by a standard Area Rate. The Area Rate is expected to be of the order of €68 (about £45.56) per hectare. Please note that this is not the definitive rate and, therefore, no business decisions should be made on the strength of this estimated amount. The Department will confirm the Area Rate in Autumn 2005 when the 2005 IACS land declarations have been processed and the total eligible land area for Northern Ireland is known.

An indication of the total amount of your gross Single Farm Payment can be calculated by entering the area you plan to include in your 2005 SFP/IACS form in the table below.

<b>A Total Reference Amount</b>	
<b>B Area Amount – Total eligible area declared for SFP in 2005 @ £45.56 per hectare</b>	
<b>C Total of Reference Amount &amp; Area Amount (A + B)</b>	
<b>D Unit Value of each Payment Entitlement Total at C ÷ number of hectares declared for payment of SFP on 2005 IACS</b>	

A blank Calculation Sheet has been provided with this Reference Amount Statement. You may wish to use it to record your own calculations for the purpose of comparing them with the Department's records.

**IF YOU WANT TO CHECK THE CALCULATION FOR YOURSELF THE REFERENCE AMOUNT FOR EACH SCHEME IS:**

- Livestock Schemes (BSP, SCP, SPS, EPS and SAPS)– the total number of eligible animals in the Reference Period x **percentage of 2002 premium rate** shown on Table 1 below ÷ three;
- SCP Beef National Envelope (BNE) is the total number of eligible animals in the Reference Period x **percentage of 2002 premium rate** shown on Table 1 below ÷ two
- SAP Sheep National Envelope (SNE) is the total number of eligible animals in the Reference Period x **percentage of 2002 premium rate** shown on Table 1 below
- Arable Schemes - total eligible hectares in the Reference Period x **percentage of 2002 premium rate** shown on Table 1 below ÷ three
- The total ‘Reference Amount’ is the sum of the amounts for each scheme

**TABLE 1  
Percentage of 2002 Premium Rates used in the calculation of the Reference Amount**

Scheme	Percentage of the 2002 rate of aid	Value (Euro)
Beef Special Premium (1 <sup>st</sup> & 2 <sup>nd</sup> stage)	50%	75
Beef Special Premium (Bull premium)	50%	105
Suckler Cow Premium	100%	200
Suckler Cow Premium (NI element)	100%	24.15
Beef National Envelope (top- up to suckler cow premium)	100%	13.883 *
Extensification Premium (High)	100%	80
Extensification Premium (Low)	100%	40
Slaughter Premium (adult)	50%	40
Slaughter Premium (calves)	100%	50
Beef National Envelope (top-up to beef heifers at slaughter)	50%	25.709 *
Sheep Annual Premium	65%	13.65
Sheep Annual Premium (milking flocks)	65%	10.92
Sheep Annual Premium (LFA Supplement)	20%	1.40
Sheep National Envelope	65%	0.820
Arable Area Aids (LFA)	80%	253.512
Arable Area Aids (Non LFA)	80%	263.088

**\*These rates are subject to confirmation**

**Explanation of how the 2002 rate has been calculated for arable aids**

The total number of hectares eligible for payment in 2000-2002, has been multiplied by the 2002 average regional yield x €63 per tonne x 80%, and divided by 3.

The average regional yields for arable aids are 5.03 t/Ha (LFA) and 5.22 t/Ha (non-LFA). Therefore, the value quoted in the table above has been calculated as follows:

LFA arable aids      5.03 x 63 x 80%      =      €253.512

Non-LFA arable aids 5.22 x 63 x 80%      =      €263.088

## SINGLE FARM PAYMENT - SELF CALCULATION LIVESTOCK PAYMENTS

A Direct Support Schemes	B Number of Eligible Animals in each year of the Reference Period			C Total Eligible Animals	D Actual Rate of Aid (Euro) (see Table 1 on Page 6)	E Rate of Aid x Total Eligible Animals (Column C x Column D)	F Reference Amount (Euro)
	2000	2001	2002				
<b>BEEF SPECIAL PREMIUM SCHEME (BSPS)</b>							
Steer 1					€75.000		
Steer 2					€75.000		
Bulls					€105.000		
<b>Total</b>							
<b>SUCKLER COW PREMIUM SCHEME (SCPS)</b>							
SCPS					€200.000		
SCPS NIE					€24.150		
SCPS BNE					€13.883*		
<b>Total</b>							
<b>EXTENSIFICATION PAYMENT SCHEME (EPS)</b>							
EPS High					€80.000		
EPS Low							
<b>SLAUGHTER PREMIUM SCHEME (SPS)</b>							
Adults					€40.000		
Calves					€50.000		
SLPS BNE					€25.709*		
<b>Total</b>							
<b>SHEEP ANNUAL PREMIUM SCHEME (SAPS)</b>							
SAPS Basic					€13.650		
SAPS LFA					€1.400		
SAPS SNE					€0.820*		
<b>Total</b>							€
<b>TOTAL REFERENCE AMOUNT – ALL LIVESTOCK SCHEMES =</b>							€
<b>Euro Total converted to Sterling</b>							£

\* These rates are subject to confirmation

**SINGLE FARM PAYMENT - SELF CALCULATION SHEET  
ARABLE PAYMENTS**

A  Direct Support Schemes	B  Number of Eligible Hectares in each year of the Reference Period			C  Total Eligible Hectares	D  Actual Rate of Aid (Euro) (see Table 1 on page 6)	E  Rate of Aid x Total Eligible Hectares (Column C x Column D)	F  Reference Amount (Euro)
	2000	2001	2002				
<b>CEREALS</b>							
LFA					€253.512		
Lowland					€263.088		
<b>Total</b>							
<b>OILSEEDS</b>							
LFA					€253.512		
Lowland					€263.088		
<b>Total</b>							
<b>LINSEEDS</b>							
LFA					€253.512		
Lowland					€263.088		
<b>Total</b>							
<b>PROTEIN</b>							
LFA					€253.512		
Lowland					€263.088		
<b>Total</b>							
<b>SET ASIDE</b>							
LFA					€253.512		
Lowland					€263.088		
<b>Total</b>							€
<b>TOTAL REFERENCE AMOUNT – ALL ARABLE AREA AID =</b>							€
<b>Euro Total converted to Sterling</b>							£