

Impact of the Health Check on structural change and farm efficiency: A comparative assessment of three European agricultural regions

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Abstract

An assessment of the effect of regionalized single payment system on farm behaviour and farm economic performances is proposed for understanding the potential consequences for European farms. The methodology adopted for this purpose is based on the positive mathematical programming (PMP) integrated with a cluster analysis technique (CA). The PMP model is used for assessing farm responses towards changes in policy and market scenarios, while CA is implemented for mapping the characteristics of the farms before and after the regionalization introduction observing thus the dynamics in production composition and economic results. The simulations have demonstrated a different capability for farms to react to new policy and market scenarios, and how regionalization contributes to uniform the production and economic characteristics of the investigated farms.

Key words: CAP, Regionalization, Positive Mathematical Programming, Cluster Analysis.