EXECUTIVE NOTE

THE FARM WOODLAND PREMIUM SCHEMES AND SFGS FARMLAND PREMIUM SCHEME AMENDMENT (SCOTLAND) SCHEME 2007 SSI/2007/146

The above instrument is to be made in exercise of the powers conferred by section 2 of the Farm Land and Rural Development Act 1988. The instrument is subject to affirmative resolution procedure.

Policy Objectives

The purpose of this instrument is formally to close the existing SFGS Farmland Premium Scheme which came into force on 1 April 2003 under the SFGS Farmland Premium Scheme 2003 ("the 2003 Scheme") to new applicants and to amend that Scheme and the Farm Woodland Premium Schemes 1992 and 1997 with regard to the basis upon which payments are made to those scheme participants who claim their land against their set-aside obligation under the Single Payment Scheme introduced by Council Regulation (EC) 1782/2003 ("the Single Payment Scheme").

As it is a condition of the 2003 Scheme that an applicant be accepted into Forestry Commission Scotland's Scottish Forestry Grants Scheme (SFGS), the closure of the SFGS as of 31 August 2006 means that, in practice, no new applications can be accepted under the 2003 Scheme. The present instrument gives legislative recognition to this existing situation and formally closes the 2003 Scheme to new applicants.

The present instrument amends the 2003 Scheme and the Farm Woodland Premium Schemes 1992 and 1997 following the replacement of previous European Community direct funding scheme with the Single Payment Scheme. Where applicants count any of their converted woodland against their set-aside obligation under the Single Payment Scheme their annual payment under the 2003 Scheme or Farm Woodland Premium Schemes will be reduced by the amount of the set-aside payment made under the Single Payment Scheme in respect of that land. This implements the rule in Article 38 of Council Regulation (EC) 1257/1999 which prohibits double funding of the same measure.

Consultation

This instrument makes technical amendments required as a result of changes to Community law. There was no public consultation carried out during the preparation of this instrument.

Financial Effects

The instrument will have minimal effect on the Scottish Executive as any revised work associated with this instrument will be carried out by existing SEERAD staff who are familiar with the procedures and on an existing database. There is not expected to be any impact on the costs to business as while the amendments made by the present instrument alter the basis upon payments are made, reducing the amount payable under the Farm Woodland Premium Schemes or 2003 Scheme by the amount of the relevant set-aside payment, this will not result in a reduction of the overall level of payment received.

Scottish Executive Environment and Rural Affairs Department
December 2006