

Briefing 1992

CAP greening and cross compliance - Ministerial statement

Summary

The new CAP greening measures require farmers with more than 15 ha of arable land to maintain 5% of it as Ecological Focus Areas. The EU regulations provide a range of options which Member States can choose to offer. The Minister has announced that he will limit the options to land lying fallow, buffer strips, catch and cover crops, nitrogen fixing crops and hedges. He has done this to minimise the complexity of the controls which would be needed. Even so farmers adding hedges may get delayed SFPs. Also the number of GAEC requirements placed on farmers is to be reduced from 17 to 11.

The full ministerial statement is at: <http://t.co/a7FYD87roQ>

Growing the rural economy and improving the environment remain two of my absolute priorities. In December I announced an initial range of decisions about how we will distribute £15 billion of funds in England over the next CAP period from 2015. Today, I am announcing some further decisions about how we will implement two key aspects of last year's CAP Reforms: Greening and cross compliance.

One of the three components of the new greening measure under the CAP requires farmers with more than 15 hectares of arable land to maintain 5% of that arable land as 'Ecological Focus Area' (EFA).

The European Regulations provide a range of options which Member States can choose to offer their farmers for the purpose of meeting the 5% EFA requirement. The more EFA options we offer, the more complex and difficult it will be to deliver and control those options in accordance with the EU rules.

Whilst I would like to give our farmers the widest choice of EFA options, I have assessed that the complexity of introducing all the necessary controls to manage them in accordance with the EU regulations would place a high risk on the Rural Payments Agency to the extent that it would jeopardise our ability to make all CAP basic payments to farmers on time.

I am therefore announcing today that the options that we will make available for farmers to choose from in order to meet their EFA obligations in 2015 will be as follows:

- Land lying fallow
- Buffer Strips
- Catch and Cover Crops
- Nitrogen Fixing Crops
- Hedges

I fully acknowledge that some farmers may be disappointed that we are not able to offer a wider list of EFA options. This is not a decision I have taken lightly. The EFA rules are the most complex single aspect of the new CAP given the associated verification, control and mapping requirements.

We must learn from the lessons from the past. We know from previous experience about the difficulties which can arise from introducing new CAP measures and systems, particularly those reliant upon

mapping. I do not want to jeopardise the successful delivery of the Basic Payment Scheme for all our farmers.

I am pressing the European Commission hard to clarify what flexibility exists for adding additional EFA options to this list in future years. If the Commission can confirm that such phasing-in is possible, then we will look to add further options to our EFA offer once they have been mapped and digitised on our new system. So I am urging the Commission to look closely at the greening rules to ensure they operate as pragmatically and flexibly as possible in a way that suits our needs in England.

Allowing hedges to count towards the EFA requirement will have implications for those claimants who wish to take up this option. This may include work by people having to map their hedges. Farmers taking this option will be encouraged to submit claims earlier and may expect payments towards the end of the payment window.

I have decided that we will make maximum use of the weightings and coefficients provided for in the EU regulation for the EFA options we are offering in England. This will make it easier for our farmers to comply with the regulatory requirements. I have decided that we will not take up the option within the regulations to make additional designations of environmentally sensitive grasslands in England where a no-plough rule would operate. I have also decided that within the Nitrogen-fixing Crops option in EFA we will allow the broadest range of qualifying crops and will not impose any additional restrictions on the cultivation of these crops.

We have been mindful of the assurances given at the start of the CAP Reform negotiations that those farmers in existing agri-environment agreements should not be disadvantaged by greening. I can also announce that only a small proportion of ELS agreements (including Uplands and Organic variants) which started on or after 1 January 2012 will have to have their payments reduced to account for double funding with greening. Affected agreement holders will have the choice to make good the shortfall through an amendment or exit the scheme without penalty.

I am also announcing my intentions for how we will implement the cross compliance requirements of the new CAP from 2015. Last year's reform package resulted in limited changes to existing EU regulation on cross compliance, so our flexibility to move from our current approach is constrained. However, I am determined to ease the burden of regulation on farm business whilst maintaining environmental protection and we will be streamlining the implementation of cross compliance.

Overall, the number of requirements placed on farmers to keep their land in Good Agricultural and Environmental Condition (GAECs) will reduce by a third from 17 to 11. I am also ensuring that our new rules reflect existing legal requirements so that we avoid adding complexity for farmers by implementing new or alternative rules. The deletion of some Statutory Management Requirement rules will lead to a reduction in burden on farmers compared to the current situation.

I am removing the requirement for farmers to keep a Soil Protection Review and to focus inspections on outcomes rather than paperwork. This is a key ask of farming organisations and was a recommendation in the MacDonald Farming Regulation Taskforce.

I am retaining and rationalising existing GAECs on Water, Boundaries, Public Rights of Way, Trees, Sites of Special Scientific Interest (SSSIs) and Scheduled Monuments. I am extending the hedge trimming ban by one month (to end August) in order to provide protection throughout the bird breeding and rearing season as required by the EU legislation. There will also be extra protection for earth and stone banks.

I have also asked my officials to review the implementation of the penalty system for cross compliance with a view to making it more proportionate.

Today, I can also announce that we will now be submitting our draft new Rural Development Programme to the European Commission for approval. Under our plans, we will be investing at least £3.5 billion in rural development schemes from 2014 to 2020. This money will improve the environment, grow the rural economy and create jobs.

Throughout the EU negotiations on CAP Reform, the UK has argued for simplicity and flexibility. It is clear that some aspects of CAP implementation will be difficult and complex to deliver. The announcements I

am making today build upon those already made and will deliver better value for taxpayers, fairness to English farmers, and support the Government's continued commitment to improving our natural environment

Alan Spedding, 10 June 2014

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