

PROPOSAL FOR A MODIFICATION TO THE OPERATIONAL PROGRAMME FOR EAFRD

Decisions required

1. The JPMC is invited to offer a formal opinion on the proposed modifications to the EAFRD operational programme.

Background

2. Since the approval of the SRDP 2014 -2020, SRDP schemes have been kept under review and a number of issues have been identified which will require some technical adjustments to the Programme text. Details of the key changes are attached at Annex 1. Changes to the AECS rates have been sent for independent verification. This modification will need to be submitted to the European Commission in December 2015 to meet the calendar year deadline.

3. The European regulations allows for a single 'technical' modification to the programme annually through the course of the programme and also up to 3 'major' modifications over this period. Technical modifications to the programme can include the introduction or withdrawal or changes in the description of measures or types of operations as well as a transfer of funds between measures. A major modification would be triggered if there is a change in the programme strategy through a change of more than 50 % in the quantified target linked to a focus area. Following submission to the RDOC and JPMC the modification is formally submitted to the European Commission for approval.

4. Modification 2 will not include changes to the co-financing rate. However, it is expected that, following the autumn UK budget announcement, there will be a financial impact on the programme. It is expected that a more detailed modification (3), will be submitted in 2017, which will be brought to the JPMC for an opinion.

JPMC Secretariat
30 November 2016

Annex 1

SRDP 2014 – 2020 MODIFICATION 2

Indicators (Page 750)

- Forest table - M15 – *figure has been incorrectly recorded as 200,000 and should be 201,000*
- Minor change to Focus Area within the indicator tables with all forestry expenditure now against Focus area 5E to improve reporting of projects. Under previous version expenditure was equally split between Focus Areas 4 and 5E. (Request being considered but may be held over for Modification 3)

Broadband

- amend the references under 7.3 and 7.4 to:

SA.40720 - National Broadband Scheme for the UK for 2016-2020

Commission Regulation (EC) No 1407/2013 of 18 December 2013 Industrial de-minimis

(SA.40720 is a UK wide scheme approved May 2016 and therefore cover under the GBER Articles currently listed is no longer required).

- Editorial change to measure 7 text – description not making sense.

AECS

Rate changes:

Replacement or Planting of Individual Trees within Ancient Wood Pasture or Hedgerows

Cutting of Rush Pasture

Wader grazed grassland

Species-rich Grassland Management

Retention of Winter Stubbles for Wildlife and Water Quality

Habitat Mosaics

Irrigation lagoons (rate being considered)

Text changes:

Ancient Wood Pasture

Forage brassica crops for farmland birds

Muirburn & Heather cutting

Pond Creation for Wildlife

Stubbles followed by green manures in an arable rotation

Creation of species rich grassland

Restoration of species rich grassland
 Stock disposal
 Restoring (Protecting) River Banks
 Cattle management on small units (introduction/retention)
 Conservation management of small units

ECAF

Text changes for clarification of scheme

Young Farmers start up grant

Review funding to Young Farmer start-up grant (ahead of Modification 3 review)
 (if so indicators will need to be adjusted)

	Name	Management Option or Capital Item	Revised wording (Text in red added)	Reason for change
2	Ancient Wood Pasture	Management option	Inspections You have grazed the area subject to payment with cattle only or <u>sheep</u> and adhered to an approved grazing regime defining the livestock units and dates	Sheep grazing is permitted
3	Replacement or Planting of Individual Trees within Ancient Wood Pasture or Hedgerows	Capital item	Eligibility You must combine this item with one of the following management options: <ul style="list-style-type: none"> • <u>Ancient Wood Pasture</u> • <u>Management or Restoration of Hedgerows</u> Creation of Hedgerows Payment You can claim £100 <u>£3</u> for every tree planted.	Requiring standard trees too onerous. Woodland Specialist has advised that using same rate as Small-scale Tree and Shrub Planting (capital item) is acceptable

			<p>Inspections</p> <p>The inspectors will check:</p> <p>the location and extent of the work</p> <ul style="list-style-type: none"> • trees are at least half standard, or standard. They must therefore have a clear stem height of at least 1.2 metres before the canopy starts • you have protected the new plants from damage by wild and domestic herbivores. <ul style="list-style-type: none"> ○ For ancient wood pasture trees this protection must be a post and rail <u>tree guard as specified in the Supporting Guidance for Post and Rail Tree Guards.</u> <p>For hedgerow trees, this protection must be by either a tube and stake, with a tube of at least 1.2 metres high, or a post, strut, spacer and tree tie</p>	
5	Forage brassica crops for farmland birds	Management option	<p>Add text in red to:</p> <p>Inspections</p> <ul style="list-style-type: none"> • the correct a forage brassica crop has been sown (an invoice check may be required) for chosen management and has not been harvested, grazed, sprayed (unless with prior written notification or approval as appropriate) or ploughed down before 1 March the following year 	Clarification
6	Muirburn & Heather cutting	Capital item	<p>Add text in red to:</p> <p>Aim Well-managed muirburn or cutting will help provide year-round forage and cover for livestock, birds and other wildlife <u>and forage for livestock.</u></p>	Make sure emphasis is on wildlife benefits not livestock benefits.

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7	Pond Creation for Wildlife	Capital item	Amend name to: Pond Creation & Restoration for Wildlife	Clarification
8	Stubbles followed by green manures in an arable rotation	Management option	<p>Add text in red to:</p> <p>Inspections</p> <p>The inspectors will check:</p> <ul style="list-style-type: none"> <u>you have established the green manure crop for at least 3 months before destroying</u> 	Clarification
9	Cutting of Rush Pasture	Capital item	<p>Add text in red to:</p> <p>Payment</p> <p>You can claim £358.45 per hectare <u>of rush within the field.</u></p>	Clarification
10	Wader grassland grazed	Management option	<p>Add text in red to:</p> <p>Eligibility</p> <p>Grassland that is<u>can provide nesting habitat for waders</u> is eligible. <u>This can be any type of grassland on the in-bye land, but not on hill rough grazings.</u></p> <p>Payment</p> <p>You can claim £114.29<u>£80</u> per hectare per year.</p>	Clarification

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12	Species-rich Grassland Management	Management option	<p>Add text in red to:</p> <p>Inspections</p> <p>The inspectors will check:</p> <p>where no species-rich grassland exists, or you wish to restore a species rich grassland, you have <u>either begun establishment</u> or begun restoration of a species rich sward by 1 June in the first year of your contract</p>	Ensure option requirements can be met if there is inclement weather
13	Creation of species rich grassland	Capital item	<p>Add text in red to:</p> <p>Inspections</p> <p>The inspectors will check:</p> <p>you have <u>removed any existing cover established the sward</u> by 1 June <u>and established the species rich grassland</u> in the first year of your contract</p>	Ensure option requirements can be met if there is inclement weather
14	Restoration of species rich grassland	Capital item	<p>Add text in red to:</p> <p>Inspections</p> <p>The inspectors will check:</p> <p>you have <u>established the sward begun restoration</u> by 1 June in the first year of your contract</p>	Ensure option requirements can be met if there is inclement weather

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15	Stock disposal	Management option	<p>Add text in red to:</p> <p>Inspections</p> <p>The inspectors will check:</p> <ul style="list-style-type: none"> • you have managed the same location and extent each year for the duration of your contract • <u>you have removed the agreed number of sheep before 1 March in the first year of your undertaking</u> and maintained the reduced number from both the area subject to payment • and • <u>you must not have exceeded the Reduced Flock Size in your</u> IACS business for the period of the contract. There may be a records check 	Clarification
16	Retention of Winter Stubbles for Wildlife and Water Quality	Management option	<p>Payment</p> <p>You can claim £299.44 <u>£96.18</u> per hectare.</p>	Option eligible on spring or autumn sown crops, so revised rate required which averages both.
17	Restoring (Protecting) River Banks	Capital item	<p>(New wording) Eligibility conditions;</p> <p>River banks which have been damaged by historic livestock poaching, historic grazing, and/or loss of deep rooted vegetation are eligible. The land management activity that has made the bankside vulnerable to erosion must have been addressed (e.g. through fencing to protect from livestock) to be eligible for payment.</p> <p>Inspections</p> <p>the location and extent of the work you have re-profiled the river bank(s) using at least one of the following:</p>	Clarification of eligibility requirements and removal of requirement for SEPA to endorse design to better suit the practical arrangements for land managers adoption the option, and repair flood damage, and mitigate climate change.

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			<ul style="list-style-type: none"> - willow spilling - plant roll revetment - hurdle and coir matting - engineered log jams, where the design has been approved by the Scottish Environment Protection agency 	
18	CATTLE MANAGEMENT ON SMALL UNITS (Introduction/Retention)	Management option	<p>Eligibility conditions Your eligibility for this option is based on the area of land in your IACS business permanent land which is not rough grazing. This area must be less than 30 hectares. This area would not take account of areas of land covering rocks, scree, water, dense bracken etc. We will check this using the same approach as we use to check land for the Basic Payment Scheme. If you are in the Crofting Counties, this limit includes the area of your croft, any in-bye apportionment and any arable cropped land on the common grazing, but not the remainder of the common grazing.</p> <p>The Inspector will check: ☑ your IACS business permanent land holding comprises less than 30 ha, including any inbye apportionment and any arable cropped land on the common grazing but excluding the remainder of the common grazing share(s) and any rough grazing.</p>	Clarification for technical inspection staff
19	CONSERVATION MANAGEMENT OF SMALL UNITS	Management option	<p>Inspectors will check: ☑ your IACS business permanent land holding comprises less than 30 ha, including any inbye apportionment and any arable cropped land on the common grazing but excluding the remainder of common grazing share(s) and any rough grazing.</p>	Clarification for technical inspection staff
20	Habitat Mosaics	Management option	<p>Payment rate change; £93.2 per ha</p>	This option combines the management of 3 habitats - species rich, wetland habitat and wader and wildlife grazing, therefore

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				the calculation is based on the average of the calculated payment rate for each option. Change due to change in rate for wader option.
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