
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations, which replace the Less Favoured Area Support Scheme (Scotland) Regulations 2003 (“the 2003 Scheme”), make provision for the purposes of implementation of Council Regulation (EC) No. 1257/1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund and Commission Regulation (EC) No. 445/2002 laying down detailed rules for the application of Council Regulation No. 1257/1999.

They apply to holdings in respect of which the Scottish Ministers are the competent authority under the Integrated Administration and Control System Regulations 1993 (regulation 1(2)).

Applications for less favoured area support (“LFAS”) are to be made to the Scottish Ministers on a date which they shall determine each year. Failure to meet the deadline will result in reduction of the payment of support (regulation 3).

Eligibility for payment of LFAS is dependent upon the applicant meeting the criteria set out in regulation 4. It can only be paid to an applicant who carries out an eligible agricultural activity (defined in regulation 2(1)) on eligible land (defined in regulation 6). No payment will be made where the amount of eligible land is less than 3 hectares (regulation 5). There is provision at regulation 7 to determine to whom payment should be made where a holding is transferred during a Scheme Year.

LFAS is paid for eligible hectares on farms in Scottish less favoured areas at specified rates (regulations 8 and 12). The rate is fixed according to the grazing category (regulation 9 and Schedule 4) and the fragility of the parish in which the main farm of the applicant lies (regulation 12 and Schedule 7).

The area of land on which LFAS is paid is normally the area of eligible land which the applicant has, adjusted in accordance with a formula set out in regulation 9(1). The manner in which the area of eligible land is adjusted will depend on the grazing category of that land (regulation 9(2)). The grazing category is allocated according to the historical stocking density of the applicant’s land (regulation 9(3)).

A separate stocking density is calculated annually, and for the 2004 Scheme, is based upon eligible land and eligible agricultural activity in 2003. Where the applicant has a stocking density which falls above the maximum stocking density or below the minimum stocking density, then the area of land on which LFAS is to be paid is instead calculated in accordance with formulae set out in regulation 10. The maximum and minimum stocking densities are laid out in regulation 2. There is provision at regulation 10(4) to allow Scottish Ministers to determine the total number of livestock units where an applicant has not been able to achieve the minimum stocking density because of slaughter in consequence of foot and mouth disease.

Where more than 10% of the applicant’s livestock units are made up of cattle, the area of land on which LFAS will be paid will be increased in accordance with the adjustment set out in regulation 11 and Schedule 5.

Regulation 13 fixes a minimum payment of £350

Regulation 14 contains powers of enforcement. Regulation 16 provides for withholding or recovery of LFAS where there is a breach of the rules of the Scheme. Regulations 19 to 22 deal with offences and penalties.

Status: *This is the original version (as it was originally made).*

Regulations 23 to 25 deal with an applicant's right of appeal against decisions taken by the Scottish Ministers. Regulation 26 makes consequential amendments to the Agricultural Subsidies (Appeals) (Scotland) Regulations 2000.