#### **POLICY NOTE**

# THE DIRECT PAYMENTS (CROP DIVERSIFICATION DEROGATION) (SCOTLAND) REGULATIONS 2020

#### SSI 2020/135

The Direct Payments (Crop Diversification Derogation) (Scotland) Regulations (the "2020 Regulations") are made in exercise of the powers conferred by Article 69(1) of the Direct Payments Regulation<sup>1</sup>. The 2020 Regulations are subject to the made affirmative procedure and come into force on 1 May 2020.

# **Purpose of the Instrument**

The amendment made by this instrument will allow farmers in Scotland to derogate from crop diversification requirements for the claim year 2020. This derogation is a necessary response to problems caused by the recent prolonged period of wet weather and low levels of sunshine. As a result, farmers in Scotland will not be required to plant more than one crop for the claim year 2020.

#### 1. Policy Objectives

Across Scotland we have seen fluctuations in temperature and total rainfall that is well above average since September 2019, with particularly high rainfall in December 2019 and January 2020. The number of days in which Scotland received more than 1 millimeter of rain was above the expected average from August 2019 through to January 2020. Daily duration of sunshine was significantly below average from November 2019 until January 2020.

This increase in rain, coupled with the decrease in sunshine has led to an unsuitable environment for farmers in Scotland to meet the crop diversification requirements contained in Article 44 of the Direct Payments Regulation.

# 2. Explanation of the law being derogated from by the 2020 Regulations

The 2020 Regulations make amendments to provide a derogation from all of the crop diversification requirements of Article 44 of the EU Direct Payments regulation for the claim year 2020.

# 3. Reasons for and effect of the proposed change

The crop diversification rules require that:

(a) on holdings with between 10 and 30 hectares of arable land, at least two different crops must be grown on that land and the largest crop must not cover more than 75% of that arable land; and

<sup>&</sup>lt;sup>1</sup> Regulation (EU) No 1307/2013, as amended by SI 2020/91, which became part of domestic law by virtue of the Direct Payments to Farmers (Legislative Continuity) Act 2020.

(b) on holdings with more than 30 hectares of arable land, at least three different crops must be grown on that land, the largest crop must not cover more than 75% of that arable land and the two largest crops together must not cover more than 95% of that arable land.

As a result of the recent adverse weather detailed above, farming stakeholders have reported that farmers have been experiencing difficulties cultivating crops. The two overriding issues for Scottish farmers have been (1) the inability to establish areas of winter crops as part of their preparations for the 2020 season and (2) the failure of crops that were established, due to the on-going wet weather.

Having considered the evidence, the Scottish Government has concluded that it is not reasonable to expect farmers to meet the crop diversification requirements given the detrimental impact which extreme weather has had on their crops so far this year.

The 2020 Regulations will apply to the whole of Scotland and will remove all crop diversification requirements for the claim year 2020.

# **Further information**

#### Consultation

The 2020 Regulations do not amount to a change in policy and are being made to provide a temporary derogation from crop diversification requirements for the claim year 2020 in response to recent adverse weather conditions. There has been no formal public consultation regarding this instrument.

# **Impact Assessments**

Full impact assessments have not been prepared for the 2020 Regulations. The temporary derogation does not diverge from the Scottish Government's current environmental policies and priorities and, therefore, will not have a significant impact on the environment. No impact on business, charities or voluntary bodies is expected.

#### **Financial Effects**

The Cabinet Secretary for the Rural Economy and Tourism, Fergus Ewing, confirms that no BRIA is necessary as the 2020 Regulations have no financial effects on the Scottish Government, local government or on business.

Scottish Government Agriculture and Rural Economy Directorate

28 April 2020