

POLICY NOTE

THE DIRECT PAYMENTS TO FARMERS (CONTROLS) (CORONAVIRUS) (SCOTLAND) REGULATIONS 2020

SSI 2020/244

The Direct Payments to Farmers (Controls) (Coronavirus) (Scotland) Regulations 2020 (the “2020 Regulations”) are made in exercise of the powers conferred by Article 62(2)(a) and (b) of the Horizontal Regulation¹. The 2020 Regulations are subject to the negative procedure and come into force on 30 September 2020.

Purpose of the Instrument

This instrument will amend Commission Implementing Regulation (EU) No 809/2014 laying down rules for the application of the Horizontal Regulation in order to make changes to inspection requirements and reduce control rates for direct payment schemes in Scotland for claim year 2020, as a result of the coronavirus pandemic.

1. Policy Objectives

These Regulations have been made in response to difficulties caused by the coronavirus pandemic in Scotland. The 2020 Regulations allow for physical on-farm checks to be replaced by other forms of evidence, including new technologies. The 2020 Regulations also reduce the control rate for on the spot inspections for the 2020 claim year direct payments schemes. These provisions will enable inspections and controls to be carried out for the claim year 2020, while also protecting both officials carrying out the inspections and farmers and crofters being inspected.

2. Explanation of the changes

The 2020 Regulations make amendments to provide a derogation for the 2020 claim year from the inspection requirements contained in Commission Implementing Regulation (EU) No. 809/2014² laying down rules for the application of the Horizontal Regulation with regard to the integrated administration and control system and cross compliance.

3. Reasons for and effect of the proposed change

The 2020 Regulations allow for physical checks to be replaced by other forms of evidence, including new technologies.

The 2020 Regulations reduce the control rate for on-the-spot inspections for the basic payment scheme (from 5% to 3%), for redistributive payments (from 5% to 3%), for young farmer payments (from 3% to 5%) and for area-related payments under voluntary coupled support (from 5% to 3%). Inspections for greening payments are reduced from 5% to 3% and cross compliance checks are reduced from 1% to 0.5%.

¹ Regulation (EU) No. 1306/2013, as amended by SI 2020/90, which became part of domestic law by virtue of the Direct Payments to Farmers (Legislative Continuity) Act 2020.

² This Regulation was incorporated into domestic law, insofar as it relates to the CAP direct payment schemes for claim year 2020, by the Direct Payments to Farmers (Legislative Continuity) Act 2020 (c.2) and was amended by S.I. 2020/90.

The 2020 Regulations also provide that any requirement to increase the inspection rate for claim year 2020 due to a high level of non-compliance in the previous year is deferred to claim year 2021.

The 2020 Regulations will enable inspections and controls to be carried out for the 2020 claim year while also protecting both officials carrying out the inspections and farmers and crofters being inspected, from risks posed by the coronavirus pandemic.

The 2020 Regulations will apply to the whole of Scotland.

Further information

Consultation

The 2020 Regulations do not amount to a change in policy and are being made to enable inspections and controls to be carried out for the claim year 2020 while also protecting both officials carrying out the inspections and farmers and crofters being inspected, from risks posed by the coronavirus pandemic .

Similar changes to those introduced by the 2020 Regulations already apply to other Common Agriculture Policy (CAP) schemes in the UK, as a result of the Commission Implementing Decision 2020/532 which is directly applicable in the UK insofar as it applies to CAP schemes to which EU law applies during the implementation period.

There has been no formal public consultation regarding this instrument.

Impact Assessments

Full impact assessments have not been prepared for the 2020 Regulations. The 2020 Regulations do 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

18 August 2020