## **EXPLANATORY NOTE**

This Scheme, made under section 106(1) of the Agriculture Act 1970, empowers the Minister of Agriculture, Fisheries and Food, and the Secretary of State for Scotland in relation to herds kept in Scotland, to make incentive payments in connection with the eradication of brucellosis to the owners of eligible herds (that is, of herds accredited as free from brucellosis which are the subject of a voluntary brucellosis incentives agreement).

The Scheme enables incentive payments to continue to be made in respect of herds which until 2nd January 1977, when beef cow subsidy ceased to be payable, could qualify for brucellosis incentive payments made under the Brucellosis (Beef Incentives) Payment Scheme 1972, as amended, as a supplement to that subsidy.

It also enables incentive payments to be made in respect of certain eligible herds which hitherto have not qualified for such payments, but does not provide for any retrospective payment.

The Scheme does not apply to herds which are eligible for such incentive payments under the Brucellosis (Beef Incentives) Payments Scheme 1972 as are payable as a supplement to compensatory allowances under the Hill Live-stock (Compensatory Allowances) Regulations 1975 (S.I. 1975/2210), or for incentive payments under the Brucellosis (Payments for Cows in Accredited Herds) (Scotland) Scheme 1970, as amended.

Under the Scheme, a payment of £5 may be made for each eligible cow which is in an eligible herd on a qualifying day and which has been comprised in that herd throughout the six months immediately before that qualifying day. In England and Wales a herd's qualifying days are the day six months after its date of accreditation as a brucellosis-free herd and the anniversaries of that day (in a few cases the qualifying day in 1977 is the operative date of the scheme). In Scotland, the qualifying days are the first day of January in the year 1978 and succeeding years. No incentive payments can, however, be made in respect of any qualifying day which falls outside a herd's incentive period (that is, the period of five years commencing with its date of accreditation) or which occurs before the operative date. Further, as regards any one herd, payments may be made in respect of no more than five qualifying days.

The Scheme also provides for-

(*a*) the reduction of the number of eligible cows in a herd in respect of milk produced by that herd for which milk incentive payments have been made under the Milk (Eradication of Brucellosis) Scheme 1970, and

(b) the disregarding of a temporary reduction, caused by slaughter in the course of brucellosis eradication, in the number of eligible cows in a herd on a qualifying day, and

contains provisions relating to applications for incentive payments and the recovery of payments wrongly made.