EXPLANATORY NOTE

(This note is not part of the Scheme)

This Scheme which applies in England only is made pursuant to section 2 of the Farm Land and Rural Development Act 1988.

This Scheme makes amendments to the Farm Woodland Premium Scheme 1992 (SI 1992/905) and the Farm Woodland Premium Scheme 1997 (SI 1997/829), ("the Farm Woodland Premium Schemes"). These schemes apply in England, Wales and Scotland.

The Farm Woodland Premium Schemes comply with: -

- (a) in regard to agreements under the Schemes entered into on or after 1st January 2000:
 - (i) the forestry provisions (Articles 29-32) in Council Regulation (EC) No. 1257/99 (OJ L160, 26.6.99, p.80) of 17 May 1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund and amending and repealing certain Regulations, and
 - (ii) Commission Regulation (EC) No. 817/2004 (OJ No. L153, 30.4.2004, p.30) of 29 April 2004 laying down detailed rules for the application of Council Regulation (EC) No. 1257/99 on support for rural development from the European Agricultural Guidance and Guarantee Fund;
- (b) in regard to agreements entered into from 30th July 1992 until 1st January 2000, Council Regulation (EEC) No. 2080/92 (OJ No. L215, 30.7.92, p.96) instituting a Community aid scheme for forestry measures in agriculture; and
- (c) in regard to agreements under the Schemes entered into before 30th July 1992, Title VIII of Council Regulation (EEC) No. 2328/91 on improving the efficiency of agricultural structures (OJ No. L218, 6.8.91 p.1).

The Farm Woodland Premium Schemes provide for the payment of annual grants to abate financial losses incurred in consequence of the conversion of agricultural land to use for woodlands.

The amendments made by this Scheme, at paragraphs 2(5) and 2(6), implement changes required by the replacement of previous European Community direct payment schemes with the Single Payment Scheme under Council Regulation (EC) 1782/2003 of 29 September 2003 (OJ No. L 270, 21.10.2003 p.1). Where applicants with land converted under the Farm Woodland Premium Schemes count any of that land towards their set-aside requirement under the Single Payment Scheme, their payment under the Farm Woodland Premium Schemes in the year of that Single Payment Scheme application will be reduced by the set-aside payment received in respect of any of that land under the Single Payment Scheme. This implements the rule, in Article 38 of Council Regulation (EC) 1257/1999, which prohibits double funding of the same measure under different European Community provisions.

Minor amendments are also made, at paragraphs 2(2) and 2(3), to update the definitions in these Schemes.

This Scheme also closes the Farm Woodland Premium Scheme 1997 to new applicants, through paragraph 2(4), from the date this Scheme comes into force. Applications from new occupiers of land, where that land is already subject to a conversion plan under these Schemes, will continue to be considered.

A regulatory impact assessment has not been carried out as there is no impact on the costs of business.