
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations, which apply to England only, are made pursuant to section 98 of the Environment Act 1995 and section 2(2) of the European Communities Act 1972(1).

The Regulations establish a scheme (known as Environmental Stewardship) under which the Secretary of State may make grants for the management of land. It comprises three elements, Entry Level Stewardship (“ELS”), Organic Entry Level Stewardship (“OELS”) and Higher Level Stewardship (“HLS”). The Regulations further provide as follows:

Regulation 3 enables the Secretary of State to make a grant to any person who enters into, and complies with, the conditions of an environmental stewardship agreement with the Secretary of State. The agreement must require the beneficiary to carry out an activity which is conducive to a specified purpose on land in which he has an interest. It also provides for the variation of the conditions of such agreements.

Regulation 4 provides that an application for such a grant shall include an application to enter into an environmental stewardship agreement. It also provides, with Schedule 1, for the making of a grant in respect of a plan identifying the features of environmental significance on the farm (or common), land from which is included in an application to enter into an environmental stewardship agreement containing an HLS element.

Regulation 5 provides that all environmental stewardship agreements must contain an ELS element, an OELS element, an HLS element or, exceptionally, a special project element, and may contain more than one such element. In relation to these four elements it further provides that:

- (a) the beneficiary of an environmental stewardship agreement with an ELS element must undertake to carry out on his conventional land sufficient ELS options to meet his ELS points target, which is calculated by reference to the area of his conventional land (paragraph 1 of Schedule 3);
- (b) the beneficiary of an environmental stewardship agreement with an OELS element must undertake to carry out on his organic land sufficient OELS options to meet his OELS points target, which is calculated by reference to the area of his organic land (paragraph 4 of Schedule 3);
- (c) the beneficiary of an environmental stewardship agreement with an HLS element must undertake to carry out on his agreement land at least one HLS option; and
- (d) the beneficiary of an environmental stewardship agreement with a special project element must undertake to carry out on the agreement land any activity which, in the Secretary of State’s opinion, would better or more fully achieve the specified purposes than an ELS option, an OELS option, an HLS option or an HLS capital works item (or more than one such option or capital works item).

Regulation 6 and Schedule 3 provide for the calculation of the amount of grant in respect of an ELS, OELS, HLS and special project element of an environmental stewardship agreement. Grant in respect of an ELS and OELS element is calculated by reference to the area of conventional land and organic land respectively. Grant in respect of an HLS element is calculated by reference to

(1) Section 2(2) of the European Communities Act 1972 is used for the purposes of making grant for the upkeep of the landscape and environmental features on agricultural land pursuant to Article 22(d) of Council Regulation (EC) No 1257/1999 (O.J. L 198, 22.07.1991, p. 124).

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

amounts set out in the environmental stewardship agreement for the HLS options and HLS capital works items included in it. Such amounts shall not exceed the maximum amounts specified in Parts 2, 3, 4 and 5 of Schedule 2. Grant in respect of a special project element is calculated by reference to the payment rates or amounts specified in the environmental stewardship agreement for the special project activities included in it. Such payment rates and amounts shall not exceed the amount specified in regulation 5(10).

Regulation 7 and Schedule 4 provide for the making of a conversion grant under an environmental stewardship agreement which contains an OELS element and sets out the requirements for land in respect of which such a grant may be made.

Regulation 8 provides for the making of a grant to a person who undertakes to carry out a detailed study of land in which that person has an interest which in the Secretary of State's opinion is conducive to any of the specified purposes.

Regulation 9 amends Part 1 of the Schedule to the England Rural Development Programme (Enforcement) Regulations 2000 ([SI 2000/3044](#)), thus giving the Secretary of State enforcement powers in relation to these Regulations.

A full regulatory impact assessment has not been produced for these Regulations as they have no impact on the costs of business.