
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations implement Council Regulation (EC) No. 1257/1999 (O.J. L160, 26.6.1999, p.80) on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF) and amending and repealing certain Regulations (“the Rural Development Regulation”), as amended by Council Regulation (EC) No. 1783/2003 (O.J. No. L270, 21.10.2003, p.70), in so far as the Rural Development Regulation relates to less favoured areas. These Regulations also implement Chapter 9 of the England Rural Development Programme approved by the European Commission (Commission Decision No. C(2000) 3003) under Article 44 of the Rural Development Regulation.

In particular, these Regulations implement Articles 13, 14 and 15 of the Rural Development Regulation (which deal with support for less favoured areas) by defining the conditions of eligibility for hill farm allowance (*regulations 3-6*) and giving the rates at which it is to be paid (*regulation 7 and Schedule 2*).

One of the eligibility conditions is that the notional livestock density must be not less than 0.15, unless the Secretary of State exercises her discretion to allow a notional livestock density of less than 0.15 (*regulation 4*). In previous years, only suckler cows, heifers and ewes which had received suckler cow premium or sheep annual premium in the preceding year counted towards the notional livestock density. As these schemes were replaced in 2005 by the single payment scheme, the eligibility conditions for suckler cows, heifers and ewes are now set out expressly in Schedule 5.

The Regulations apply only in relation to holdings situated wholly or partly in England. Schedule 4 makes provision for holdings situated partly outside England. Paragraphs 1 and 2 of Schedule 4 enable the Secretary of State and the Scottish Ministers, in respect of holdings that are situated partly in Scotland, to agree that the Secretary of State’s functions under these Regulations be exercised on her behalf by the Scottish Ministers, and to agree that the Scottish Ministers’ functions under the regulations which implement the relevant provisions of the Rural Development Regulation in Scotland, be exercised on their behalf by the Secretary of State.

Paragraph 3 of Schedule 4 provides for the setting off of sums payable to the Secretary of State, as principal or agent, against hill farm allowance, or the equivalent in Scotland, Wales or Northern Ireland, payable by her as principal or agent. Paragraphs 4 and 5 of Schedule 4 provide for the apportionment of livestock units and individual reference quantity of milk in relation to the part of the holding situated in England.

These Regulations also amend the England Rural Development Programme (Enforcement) Regulations 2000 (S.I.2000/3044, amended by S.I. 2001/431) (“the ERDP Regulations”) by adding a reference to these Regulations to Part II of the Schedule to the ERDP Regulations. The ERDP Regulations thus apply to these Regulations and, amongst other things, give authorised officers powers of entry to verify compliance, give the Secretary of State power to recover payments in the event of a breach of requirements under the Rural Development Regulation and these Regulations, and create offences of, and stipulate penalties for, making false or misleading statements and obstruction of an authorised officer.

Copies of the England Rural Development Programme, and Commission Decision No. C(2000) 3003 approving it, are available for inspection at the offices of the Department for Environment, Food and Rural Affairs, 17 Smith Square, London SW1P 3JR or on the internet at <http://www.defra.gov.uk/erdp>.

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

A full regulatory impact assessment has not been prepared for this instrument as it has no impact on the costs of business.