



SCOTTISH EXECUTIVE

Environment and Rural Affairs Department

ARABLE AREA PAYMENTS SCHEME 2004

Explanatory Booklet

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A A SUMMARY OF THE SCHEME

INTRODUCTION

1. The Arable Area Payments Scheme (AAPS) is a voluntary scheme, which was introduced as part of a series of measures reforming the Common Agricultural Policy of the European Union (EU). It offers area payments on eligible land to growers of cereals, linseed, oilseeds, proteins, flax and hemp.

2. This booklet describes the main AAPS rules and gives a checklist of the main dates on pages 6 and 7. You should read this booklet, and the Appendices that apply to you, carefully. You must not rely on this summary alone as a guide to the AAPS rules. If you have any questions on the AAPS rules, or you do not understand anything in this booklet, contact your local area office. For detailed advice on your **business** decisions, you should get professional advice. Staff at your local area office, or at our headquarters in Edinburgh, are **not allowed to give** this sort of detailed advice.

3. This booklet describes the rules in Scotland only. If you are farming elsewhere in the UK, please contact the relevant agriculture department (Appendix 9) for a copy of their booklet.

CHANGES

4. We will pay AAPS aid on field margins if the distance from the boundary to the edge of the crop is no more than three metres (see paragraph 26).

5. Internal features of 2 metres or less can now be accepted provided they are permanent features (see paragraph 27).

6. If you claim for flax or hemp grown on land which is eligible **only** for this purpose, you can meet the corresponding 10% obligatory **set-aside requirement from land which is eligible for AAPS or flax and hemp**.

YIELD REGIONS

7. Scotland is divided into two yield regions:

- the less-favoured area (LFA), made up of land that is classed as disadvantaged or severely disadvantaged; and
- the non-LFA, made up of all other agricultural land that can be used.

Payment rates are fixed on a regional basis using historic average yields. For details of the other parts of the UK, you should contact the relevant agriculture department.

SET-ASIDE REQUIREMENT

8. So that the whole of the cropping area you are claiming for can qualify for AAPS aid, you should meet the following minimum requirements.

If you are a main producer

- If you are claiming more than 17.66 hectares in the LFA, the obligatory set-aside requirement is 10%.
- If you are claiming more than 16.23 hectares in the non-LFA, the obligatory set-aside requirement is 10%.

If you are a small producer

- If you are claiming less than the areas set out above, the obligatory set-aside requirement is nil. (Please see Appendix 2 for the rules on small producers.)

These areas apply to Scotland only – if you have land in more than one yield region, you should see Appendix 5.

APPLYING FOR AAPS

9. If you want to apply for AAPS aid in 2004, you will need to fill in an Area Aid Application (AAA) in spring 2004 under the Integrated Administration and Control System (IACS). We will automatically send further guidance and application forms to all producers who sent us an AAA in 2003 (except for those who merely registered their land), as long as our records show that the holding has not changed hands since then. We will announce in the press that we are issuing this material and will make extra copies available from local area offices. You are responsible for getting an AAA, filling it in correctly and returning it to your local area office so that it is received by 17 May 2004. (A penalty will apply after this deadline.)

10. We may inspect the land declared on your AAA. At that time we will need access to all relevant documents. If you fail to give us access to carry out an inspection, you could lose AAPS aid and, if appropriate, livestock aid.

11. We have produced this booklet with care and in good faith. However, it is not a full statement of the law. The relevant EU and Scottish legislation provides that full statement.

CHECKLIST – THE MAIN DATES

2003

Before sowing any oilseed rape Make sure you have invoices, any relevant contracts and seed certification labels, and keep these available for inspection.

1 October If crops were still in the ground on the fields that you intend to set aside, you do not need to establish a green cover until it is practical to do so.

2004

15 January This is the start date for set-aside. From this date you must not have any crops still in the ground or graze the land.

31 January By this date your non-food set-aside contracts for crops sown between 1 July and 31 December 2003 must be signed and received by the Rural Payments Agency (RPA).

17 May This is the deadline for us to receive your Area Aid Application (AAA) for 2004. A penalty will apply after this date.

17 May By this date your non-food contracts for spring crops (sown between 1 January and 31 May 2004) must be signed and received by the RPA.

31 May By this date, you must have sown any crops on which you want to claim Arable Area Payments.

9 June This is the final deadline for us to receive your AAA if you are claiming AAPS aid.

15 June This is the final date for sowing sweetcorn and hemp.

Early July This is when the representative yields for non-food set-aside crops will be published.

On or after 15 July You may prepare and sow your 2004 set-aside land for crops intended for harvest from 15 January 2005. See the detailed rules at paragraph 127.

15 July to 15 August This is the compulsory period for cutting any green cover on your set-aside land.

31 August	This is the end of the set-aside period. However, there are still controls on using any remaining green cover.
Early November	This is when we will announce any overshoot of the base area or penalties on oilseeds payments.
16 November	AAPS payments start.
2005	
14 January	This is the end of controls on using green cover on 2004 set-aside land.
31 January	This is the normal deadline for AAPS payments to be made (except non-food set-aside).
9 February	This is the last date for us to receive IACS 9 forms for non-food crops on set-aside land.
31 March	This is the normal deadline for non-food set-aside payments to be made.

AAPS is due to be replaced in 2005. We will issue separately details of the new grant scheme to replace AAPS.

B GENERAL RULES FOR AAPS PAYMENTS

12. If you are correctly claiming AAPS payments, we will pay you the rate relevant to the eligible crop you are growing. This section sets out the general rules for claiming on eligible arable crops. It sets out:

- which land is eligible and not eligible;
- which crops are eligible;
- what sowing dates apply;
- what husbandry standards must be met;
- the minimum claim and plot sizes; and
- the types of penalties.

LAND ELIGIBILITY

What is eligible for AAPS aid?

13. How the land was being used at **31 December 1991** will decide whether it is eligible for AAPS (for example, land that was in arable production or in temporary grass as part of an arable rotation). If you farm additional land you should check the AAPS eligibility. You may also need to get copies of relevant IACS documents (including maps, field numbers and areas, and cropping records) from the previous farmer. **If you are not sure whether your land meets the eligibility rules, we strongly advise you to check with your local area office in writing.**

14. Land which was in the five-year set-aside scheme in 1991/1992 is eligible, including land in the woodland and non-agricultural use options, as long as it meets the other AAPS conditions. Land which was in the temporary one-year set-aside scheme in 1991/1992 is also eligible.

15. Land on which area payments were legitimately claimed under the transitional 1992 EC Oilseeds Support Scheme is eligible.

16. Since 1996, land growing the following multi-annual crops on 31 December 1991 has been eligible – artichokes, asparagus, rhubarb, raspberries, blackberries, mulberries, loganberries, blackcurrants, whitecurrants, redcurrants, gooseberries, cranberries, bilberries and other fruits of the genus vaccinium. This eligibility is not backdated to 1995 and before for the purpose of AAPS payments

Special conditions for flax and hemp

17. To be eligible for AAPS, all crops must normally be grown on land meeting the eligibility rules outlined above. As an exception, you may claim aid for fibre flax and hemp (but no other crops) if these crops are grown on land on which fibre flax or hemp was grown and received payment under the Fibre Flax and Hemp Subsidy Schemes in 1998, 1999 or 2000.

What is not eligible for AAPS aid?

18. The eligibility restrictions, which apply throughout the EU, are specifically intended to prevent more land being used to produce crops which are funded. You can grow arable crops on ineligible land but you cannot claim AAPS aid, **including set-aside**, on that land. **If you do claim on ineligible land, you may lose part or all of your AAPS payments.**

19. **Permanent grass** includes all moorland, rough grazing, pasture and any areas which had been in grass for five years or more at 31 December 1991. Even if the grass was reseeded during that period, grazed or cut for hay or silage, it counts as permanent grass. However, temporary grass (that is, land sown with grass, not including direct reseeding, between 1 January 1987 and 31 December 1991) is eligible for AAPS.

20. **Permanent crops** are any crops which occupy the soil for a period of five years or more and produce crops over several years. This would normally include nursery crops, trees and bushes for producing fruit, berries, vines, hops and crops grown under glass or in polytunnels. It does not include strawberries.

21. **Woodland** includes all commercial and amenity woodland and rotational coppice.

22. **Non-agricultural** use includes all land used for purposes other than for agriculture, unless it was a condition of any planning permission that the land is returned to agricultural use and the land was previously in agricultural use other than permanent grass, permanent crops or woodland.

Exceptions to the definition of ineligible land

23. Exceptionally, if you can prove that land which falls within the normal definition of permanent grass or permanent crops formed part of a normal arable rotation as at 31 December 1991, that land may be eligible for AAPS. If you believe that you have land in this category, you should write to your local area office with full details of the land and documented evidence of your past cropping plans. **Unless and until your area office tells you in writing that any land is eligible, you must not assume that it will be eligible or claim AAPS aid on it.**

Ineligible land in linseed in 1992 or 1993

24. Ineligible land sown with linseed in 1992 or 1993 is still not eligible. If you plan to claim linseed aid in 2004, the land must meet the basic AAPS eligibility rules.

Switching eligible land for ineligible land

25. You may be allowed to switch eligible land for ineligible land for agronomic, plant health, environmental or compulsory purchase reasons, as long as there is no increase in eligible land as a result. However, certain conditions apply. You can get a separate leaflet (AAPL (2002)) and application form (IACS 21) from your local area office. **Unless and until your area office tells you in writing that any land is eligible, you must not assume that it will be eligible or claim AAPS aid on it.**

Field margins

26. We will pay AAPS aid on field margins if the distance from the centre of the boundary to the edge of the crop is no more than three metres. (This is because the European Commission has advised that we can use the derogation to extend the normal field margin width of two metres, as the areas concerned were used for fixing the historic reference yield (see Appendix 5)). Field margins can include traditional features such as hedges, ditches and dykes, as well as uncropped strips. If the width of any field margin found at inspection is more than three metres, or does not meet the conditions explained above, we will deduct that whole area from your claim and apply penalties as appropriate.

Internal features

27. Internal features can now be accepted as forming part of the agricultural parcel eligible to be claimed provided they are permanent features and their width is less than or equal to two metres.

ELIGIBLE CROPS

28. The following crops sown for harvest in 2004 are eligible for AAPS aid as long as you follow the scheme rules.

Cereals – any cereals.

Linseed – for oil production.

Oilseed rape – there are special requirements for oilseed rape (see appendix 4).

Proteins – peas (but not those intended for human consumption, that is vining), beans and sweet lupins.

Flax – grown for fibre.

Hemp – grown for fibre.

29. In general, AAPS crops are eligible for payment:

- whether they are grown for grain, seed or fodder;
- when grown for fodder, whether as a mixture or a single stand;
- at the appropriate rate when grown for fodder as a single stand;
- at the lower payment rate when grown as a mixture (for example, cereals and peas); and
- when grown for fodder as arable silage and undersown with grass when it is sown separately.

30. Arable silage mixtures made up of crops that are eligible and not eligible will **not** receive AAPS aid.

SOWING DATES

31. You must sow all crops by 31 May 2004, (apart from hemp and sweetcorn which you must sow by 15 June 2004). The EC Commission will only allow an extension beyond these sowing dates in exceptional circumstances.

32. If you claim AAPS aid on land which you are prevented from sowing by 31 May due to exceptional circumstances, you must **write immediately** to your local area office explaining the circumstances and applying for a written exemption that allows you to sow later. Exemptions from the sowing date can be granted only if:

- the circumstances which prevent you from sowing are exceptional and could not reasonably have been expected; **and**

- it is still possible to sow and grow the crop after 31 May in line with good agricultural practice.

33. If the exceptional circumstances continue to prevent you from establishing the crop in line with good agricultural practice locally, you may still be eligible to receive AAPS aid on the crop you would otherwise have sown. You must contact your local area office as soon as possible in these cases, confirming details **in writing**.

HUSBANDRY STANDARDS

Establishing and maintaining crops

34. Under the EU rules, you must sow all crops in line with locally recognised standards and maintain them until at least the beginning of flowering or at least the relevant date for the crop as set out in this paragraph (unless harvesting at full agricultural maturity takes place earlier). This means that you must prepare the land and sow seed in a way which could normally be expected to produce a crop.

Here are the relevant dates for each crop.

Cereals – until at least the beginning of flowering.

Oilseeds – 30 June or flowering (if this is later).

Protein crops – 30 June or flowering (if this is later).

Linseed – 30 June or flowering (if this is later).

Flax – 30 June or flowering (if this is later).

Hemp – you must maintain crops of hemp until at least 10 days after the end of flowering. However, you may harvest crops after flowering, as long as the crop has been sampled or you have been notified that the crop is not to be sampled. As a result, you must thus await notification before you can harvest the crop.

35. There is legislation that controls producing, certifying and marketing of certified seed and using farm-saved seed. It is illegal to buy seed that has not been certified. By law, you must also pay royalties when you sow farm-saved seed of eligible varieties. The British Society of Plant Breeders Ltd arranges collection of royalties for protected varieties from certified and farm-saved seed. If you have any issues about farm-saved or certified seed, you should first contact your local area office.

Crop failures

36. We can now pay for crop failures before flowering or 30 June (as appropriate for the crop) if we are satisfied that the failure is as a result of 'exceptional weather conditions' and that the crop was sown in line with good agricultural practice. In certain circumstances, we may also pay for crop failures resulting from pest damage. This will depend on the cause and the management system you use. In both cases, you should contact your local area office as soon as possible, confirming details **in writing**.

37. If a crop failure is the result of bad husbandry, we will reduce the claim without a penalty if you have told us the crop has failed. If you don't tell us the crop has failed, a penalty will apply. Bad husbandry is when you have not prepared a suitable seed bed or established and grown the crop in line with good agronomic practice and a locally recognised standard.

38. We strongly recommend you to keep seed invoices, contractors' bills and any other evidence that you have sown and maintained your crops in line with normal agricultural practice.

MINIMUM CLAIM SIZES

39. The minimum area on which you can apply for AAPS aid is 0.3 hectares.

MINIMUM PLOT SIZE

40. An application may be made up of more than one individual plot. The minimum crop plot size is 0.1 hectares – or 0.01 hectares in the case of seed production or research.

The minimum set-aside plot size is 0.3 hectares (or 0.1 hectares in the case of 10-metre strips next to watercourses) and the minimum crop plot size is 0.1 hectares (or 0.01 hectares in the case of seed production or research).

PENALTIES

41. If you overclaim, we will apply penalties to a claim on areas to which you are not entitled, or do not meet the EU rules of the scheme (for example, agricultural production on set-aside land, breaking non-food rules, silage mixtures that are not eligible, or lucrative use which is not allowed from using set-aside land). These penalties are regulatory requirements and will be set out in full in the 2004 IACS Explanatory Booklet.

42. There are separate penalties for breaking the national management rules for set-aside (for example, failing to establish a green cover where required, destroying a hedge, or failing to meet cutting requirements). In these cases, we will reduce your set-aside payment as follows:

- By £1 for each 0.01 hectare on which rules are broken, but a minimum of £100 applies.

- In the case of linear features, by £1 for each metre, but a minimum of £100 applies.
- In the case of environmental features, by £100 for each feature you damage, destroy or remove.

43. If you do not declare enough obligatory set-aside, we will reduce the claim either to:

- the cropped area supported by the eligible set-aside area in the claim; or
- the maximum area that a small producer can claim;

whichever is greater.

44. **Even a small shortfall in your set-aside area may involve a substantial reduction in the cropped area eligible for payment.** So it is in your best interest to make sure that you have worked out your requirement correctly. Remember to **round up** your set-aside requirement – for example, if you work out that you need 4.011 hectares, you should set aside at least 4.02 hectares.

45. If you have included enough set-aside in a claim to support the cropped area, but we find that the set-aside is not in line with the AAPS rules (other than the management rules), the claim will not be eligible for payment.

C SET-ASIDE LAND

YOUR SET-ASIDE REQUIREMENT

46. If you are a main producer, the minimum set-aside rate for **2004 is 10%**. This is known as obligatory set-aside. Any set-aside above 10% is known as voluntary set-aside. If you are a small producer, you do not have to set aside land but you may do so.

47. Appendix 1 shows you how to work out your set-aside requirement. If you farm land in more than one yield region (for example, the Scottish LFA and non-LFA), you must normally meet your set-aside commitment in each region (see Appendix 5). If you do not meet the obligatory set-aside requirement penalties will apply (see paragraphs 41-45).

48. The minimum set-aside plot is 0.3 hectares. This can be:

- single blocks that are at least 20 metres wide at all points; or
- 10-metre strips next to permanent watercourses (where the minimum plot size is 0.1 hectares); or
- exceptionally a whole field that is completely bounded by permanent, fixed boundaries.

These requirements apply to all types of set-aside.

49. We do not allow 10-metre wide strips if they are separated from the watercourse, except by a fence, a wall, a hedge (including vegetation that has grown up from inside the watercourse), banks or belts of single trees.

50. Permanent watercourses include lochs, ponds, rivers, streams, canals, estuaries and field ditches. If the watercourse runs through a culvert, the culvert should be no more than six metres long.

TYPES OF SET-ASIDE

51. Normal set-aside

- Obligatory and voluntary set-aside
- Multi-annual set-aside (this is no longer available for new applicants)
- Additional voluntary set-aside
- Guaranteed set-aside (this is no longer available for new applicants)

Non-food set-aside

- Obligatory/voluntary set-aside
- Additional voluntary set-aside
- Guaranteed set-aside (this is no longer available for new applicants)

Structural set-aside

- Land in Woodland Grant Scheme, Farm Woodland Premium Scheme or the Scottish Forestry Grant Scheme
- Land in eligible habitats
- Ex-five-year set-aside still in Farm Woodland Scheme

Land in structural set-aside does not attract AAPS aid, but will be paid under the relevant structural scheme at a rate equivalent to the current set-aside rate if this is lower.

52. If you are claiming for AAPS, you must make sure that your total set-aside area is not bigger than the total cropped area on which you are claiming AAPS aid (that is, maximum 50% set-aside and 50% crops).

53. There are three exceptions to this rule, where up to 100% of your claim can be set aside. These are where the entire set-aside area is:

- used for producing multi-annual crops for biomass production (for example, short rotation coppice);
- ex-five-year set-aside scheme land which has been in continuous set-aside under AAPS since leaving that scheme; or
- land that is eligible for AAPS that has been taken out of arable production under an agri-environmental scheme, and has now left that scheme.

MULTI-ANNUAL SET-ASIDE

54. The option of entering land into a multi-annual set-aside agreement for the first time is no longer available. However, it is still possible to apply for an exemption to the set-aside management rules or follow a specific management plan (see paragraphs 98-100). Scottish Executive Environment and Rural Affairs Department (SEERAD) will be writing to farmers who have multi-annual set-aside agreements about arrangements for the future.

ADDITIONAL VOLUNTARY SET-ASIDE

55. Additional voluntary set-aside was land that had been in the five-year set-aside scheme and then set aside continuously under AAPS since leaving that scheme. Land that has continuously been in set-aside will be allowed to continue in set-aside even if it covers more than 50% of the claimed area (that is, up to 100%). You cannot combine this type of set-aside with any other type of set-aside. If any additional voluntary set-aside land is cropped, it cannot be returned to additional voluntary set-aside.

STRUCTURAL SET-ASIDE

Woodland schemes

56. You may count land entered into the Woodland Grant Scheme (WGS), the Farm Woodland Premium Scheme (FWPS) or the Scottish Forestry Grant Scheme (SFGS) towards your set-aside as long as:

- the land is eligible for AAPS; and
- the WGS or FWPS application was made after 1 July 1995.

However, this land must meet the normal rules and conditions of both AAPS and forestry schemes.

Any land that is counted towards your AAPS set-aside requirement is eligible for:

- the normal rates of establishment grants under the forestry scheme; and
- an annual FWPS payment that is not more than the relevant set-aside payment for the yield region concerned.

We do not pay AAPS aid on structural set-aside.

57. If you would like information on the forestry scheme (including application forms), you should contact your local Forestry Commission Conservancy Office. However, you can also get copies of the SFGS Rules and Procedure booklet from your local SEERAD Area Office.

58. You can set aside land which was originally entered into the former Farm Woodland Scheme (FWPS) through the old five-year set-aside scheme. The set-aside management conditions will not apply to this type of land. You will not be able to receive AAPS set-aside payments while the land is still in the FWPS. If you did not enter the FWPS through the five-year set-aside scheme, you cannot claim your FWPS land as set-aside under the AAPS.

Habitats scheme

59. If you made an application on or after 1 July 1995 to enter eligible arable land into the Waterside Habitats, Damp Lowland Grassland and Marsh Communities, or the Dry Lowland Grassland 20-year options of the former Habitats Scheme, you can count this land against your set-aside obligation in 2004. If you are not sure whether you are eligible to claim AAPS cropping or set-aside aid, please contact your local area office in writing.

60. You must have met the rules and conditions of the Habitats Scheme for any land you want to count as set-aside, and you will receive the normal annual Habitats Scheme payments. Payment rates for loss of income on land entered into the eligible options of the Habitats Scheme, and claimed as set-aside under AAPS, cannot be higher than the AAPS set-aside payment rate in the yield region concerned.

GROWING ORGANIC FODDER LEGUMES ON SET-ASIDE LAND

61. If you manage your holding totally in compliance with the Organic Regulations, you may grow organic fodder crops on your set-aside land. If you want to take advantage of this measure, you must:

- be registered as an organic producer with an approved organic-sector organisation; and
- manage your holding in compliance with the obligations of the Organic Regulation (EU Council Regulation Number 2092/91).

62. For the purposes of this measure, ‘holding’ is defined in the IACS Regulations as all the production units (that is, all the farms) managed by a farmer in a member state of the EU. This means that to be eligible to grow organic fodder legumes on set-aside land, **all the farms** making up the IACS business (the holding) must be wholly managed in compliance with the requirements of the Organic Regulation or be in the process of converting to organic production.

63. Holdings made up of a mixture of organic and non-organic farms are **not** eligible for this option.

64. Organic fodder legume crops on set-aside may be grazed by, or fed to, your or someone else’s animals **throughout the scheme year**. Normal green-cover rules do not apply. However, if the crop is grazed by, or fed to, someone else’s animals, you or the other person must make no lucrative return in cash or in kind.

65. You may grow the following organic fodder crops on set-aside land.

Scientific name	Common name
Galega Spp.	Goat’s-rue
Hedysarum Spp.	Sweet vetches
Lathyrus Spp.	Peas and vetchlings
Lotus Spp.	Trefoils
Lupinus Spp.	Lupins (other than sweet lupins)
Medicago Spp.	Medicks, lucerne and alfalfa
Melilotus Spp.	Melilots
Onobrychus Spp.	Sainfoin
Ornithopus Spp.	Serradella
Trifolium Spp.	Clovers and trefoils
Trigonella Spp.	Fenugreeks
Vicia Spp.	Field beans, vetches and tares
Vigna Spp.	Mung beans and cowpea

66. Mixtures of these crops with cereals or grasses are also allowed, as long as the fodder legume is the main part in the mixture.

SHORT-ROTATION COPPICE AND OTHER BIOMASS CROPS ON SET-ASIDE LAND

67. You may set aside an area of more than 50% of the total area on which you are claiming aid as long as you use **all** your set-aside land for producing multi-annual biomass crops (for example, short-rotation coppice). The payment will be the same rate as that for obligatory and voluntary set-aside. No other community-financed aid is paid on non-food crops grown on set-aside land. Grants from the Forestry Commission are available in Scotland to help cover the costs of establishing short-rotation coppice on set-aside land. For more details of these grants, please contact the Forestry Commission.

USING SET-ASIDE LAND DURING THE SET-ASIDE PERIOD

Important note – Under the EU Regulations, the set-aside period is 15 January to 31 August. However, there are also restrictions on what you can do on set-aside land during the period 1 September to the following 14 January.

Agricultural uses

68. During the set-aside period, you may not use the land for any type of agricultural or horticultural production, with the following exceptions:

- To produce non-food crops.
- After 15 July, to prepare for sowing or sow an arable crop for harvest or use after 15 January 2005. This includes ornamental bulbs, field-grown trees and shrubs, cane fruit and strawberries. You must **not** prepare the ground for or sow any agricultural crop which you intend to harvest **or graze** before 15 January 2005 (for example, stubble turnips, kale or any other fodder or vegetable crop).

69. Sowing any agricultural crop (other than an acceptable green cover) counts as agricultural production, **even if the crop is not taken through to harvest**. This includes land sown with a crop that is later destroyed.

Non-agricultural uses

70. Under the strict EU rules, set-aside land must not be used for any non-agricultural purpose other than for approved non-food uses. These rules ban all uses of set-aside land which are either commercial or from which any organisation makes any income or benefits. Even if the proposed use is non-commercial and non-lucrative, you must always get approval in writing from your local area office before you carry out any non-agricultural activity on set-aside land. You **must** apply in writing for approval (giving full details) **preferably 15 working days before** the proposed activity and in good time to allow changes to arrangements in case the planned activity is not allowed. If you go ahead without getting approval in writing, we may apply penalties. The only activity you do not need approval for is grazing your own non-agricultural animals (for example, a pony kept for you or your family to ride), as long as you do not receive any return in cash or in kind.

71. You must not use set-aside land for any purpose that would bring a return in cash or in kind (lucrative use) **for you or anyone else**, with the exception of certain local small-scale, charitable fundraising events. You **must** always get permission in writing from your local area office **before** you allow anyone to use your set-aside land for any charitable event.

72. You do not need permission for those activities that could be carried out equally well if you were growing a standing crop on the land. So, if you sow a game cover, it would normally be acceptable to encourage wild game or to shoot over the land in the way you might shoot over arable land. But you must **not** use the land to rear birds for a commercial shoot or to establish new commercial shooting facilities that would not normally take place on arable land. You are not allowed to put feed hoppers on set-aside land during the set-aside period, as it is classed as agricultural production (but see paragraph 125).

73. You must not use the land for any activity that is not in line with the set-aside management rules. In particular, you must not use the land for anything that would damage the green cover. If you break the set-aside management rules, penalties will apply.

Research

74. Research cannot be carried out on set-aside land unless the research is into managing set-aside land. Research into growing non-food crops on set-aside land may be possible. However, you have to follow all the rules on non-food crops, including the restrictions on the end use.

MANAGING SET-ASIDE LAND

75. The rules in this section apply to all set-aside land (other than land being used for growing non-food crops or land under the structural set-aside option).

76. During the set-aside period, you must not damage, destroy or remove any of the following features which are sited on or immediately next to land which is set-aside:

- Traditional buildings
- Stone walls, hedges and trees including hedgerow trees
- Watercourses, ditches, ponds, pools and lochs
- Archaeological remains

77. Wherever practical, you must establish a cover by 15 January (that is, the start of the set-aside season). This cover is needed to minimise nitrate leaching and may be established through any of the options listed below:

- Leave existing cover in place
- Natural regeneration
- Sown green cover
- Sown wild-bird cover
- Bare fallow (but not for two years in a row)

78. If neither undersowing nor natural regeneration is an option, and weather and soil conditions after harvest make it impractical to establish a sown cover, you may leave the land alone until the following spring. However, light tillage – no deeper than seven centimetres – after harvest would help to develop cover to avoid nitrate leaching. In the spring, you could sow a green cover. When you have established a cover, you will need to manage it in line with scheme rules.

79. If crops were still in the ground on 1 October 2003, you don't need to establish a green cover once they are harvested (which must be before 15 January). If you choose not to establish a green cover, you may leave land as bare fallow or allow the natural vegetation to develop to provide cover.

80. However, root or vegetable crops that were still in the ground on 1 October are **not acceptable** for natural regeneration the following year. This land will need to have an eligible cover sown as soon as is practical after harvest.

81. If you intend to leave the set-aside land in place for another year, you should cut the cover rather than destroy it.

- You must not destroy the cover at all (unless replacing it) on multi-annual set-aside land.
- If the cover has been destroyed or has not established, you must establish a new cover before the start of the next set-aside period in line with the rules.
- You may replace the cover on the land if necessary.

Existing cover

82. If there is already an adequate cover on your set-aside land, you may leave that in place and manage it in line with the scheme rules.

Natural regeneration

83. You may use natural regeneration to establish a cover after a combinable crop including herbage seed. If you use natural regeneration after herbage seed, you must **not** take a further herbage seed crop off that grass crop. You will need a written exemption if you want to use natural regeneration after other crops.

84. After harvest, you must leave land to develop a cover from the seed bank and volunteers. Using a straw chopper when combining crops can encourage cover to establish. After harvest, you must not plough, deep-cultivate or treat with non-selective herbicides as this would prevent natural regeneration. However, in the first year, the land may be disced or shallow-cultivated to a depth of no more than six to seven centimetres to encourage germination. You should do any disking or cultivation early before any significant growth of vegetation has taken place.

Sown green cover

85. A sown green cover can be established either by undersowing the previous crop or by sowing a low-density sward as soon as possible after harvest. You may also establish a sown green cover in the spring.

86. Seed mixtures may include broad-leaved plants and wild flowers (including legumes). Other acceptable covers are mustard and phacelia. In other cases, contact your local area office.

87. To make sure that the cover is not then used for herbage seed, you must sow grass covers with home-saved or certified seed. You must not sow breeders' pre-basic or basic seed.

Wild-bird cover

88. Wild-bird cover can provide valuable feeding grounds for birds that eat seeds and insects. If the land is still set aside for more than one year, you must replace this cover during the second calendar year after it was sown.

89. For example, if the cover was sown in the spring of 2002, you must replace it by the set-aside year starting on 15 January 2004. You must replace it if one crop group starts to dominate so that the cover is no longer a mixture where the different parts could not be harvested separately. You may destroy it after one year only if you need to do so (for example, because you want to rotate your set-aside land).

Types of wild-bird cover to sow

90. Wild-bird cover must be a mixture of at least two crop groups which would not normally be grown as a mixture for agricultural production **and** it must not be practical to harvest the different parts separately. It is irrelevant whether or not you **intend** to harvest or graze it. What matters is whether the mixture is **able** to be harvested or grazed. The mixture must be sown on the same land – you cannot sow alternate rows or blocks of each seed.

91. You must make sure that the cover cannot be harvested separately. This is particularly important if the land is to stay as set-aside land. If one part of the cover deteriorates, you must write to your local area office immediately and restore the cover by replacing either the lost parts or the whole cover as soon as possible. Sometimes it will be noticed too late to take corrective action immediately. In this case, it is acceptable to keep the existing cover, but you must destroy it before the plant cover becomes harvestable (normally mid to late July). Again, you must tell your local area office **in writing** if you intend to do this.

Examples of acceptable wild-bird cover

- A mixture of cereals and brassicas

Examples of unacceptable wild-bird cover

- A mixture of cereals and grass
- A mixture of rape, kale and turnips

Managing wild-bird cover

92. Wild-bird cover is generally best established in the spring following natural regeneration over winter, although you may also sow a cover in the autumn. You may use up to 30 kilograms of nitrogen for each hectare to help the cover to establish. You do not have to cut the cover **as long as** you follow all the rules in paragraph 98. If you take advantage of this, you must **not** graze the cover, allow the cover to be grazed or use it for any agricultural purpose until after 15 January 2005.

Bare fallow

93. If you choose not to establish a sown green cover, you may leave your land as bare fallow.

Compulsory cut or destruction

94. You can cut set-aside land as often as you want. However, you **must** either:

- cut the green cover short (to about 10 centimetres or less) between 15 July and 15 August (you must not remove or use the cuttings, but leave them on the ground to rot); or
- destroy the green cover by 31 August (this option does not apply to multi-annual set-aside land).

95. The cuttings will cause fewer problems to the sward if they are chopped and scattered. If leaving the cuttings on the ground would cause environmental problems, you **must** ask your local area office for a specific exemption to remove the cuttings. You will need to explain **in writing** why you need to remove the cuttings and what you propose to do with them. **You may not use the cuttings for any agricultural purpose.**

96. **You should try to avoid cutting your set-aside land between 1 April and 14 July as this may disturb or destroy nesting birds and prevent flowers from seeding.** At other times you should take measures to reduce the damage to wildlife as far as possible by:

- starting regular mowing early in the year;
- setting the mower at the maximum safe height; and
- mowing from the centre of the field outwards or from one end of the field to the other to leave an escape route for wildlife.

97. Try to avoid cutting on or near visible archaeological features. Where cutting is unavoidable, take extra care to avoid damage to these types of features.

Exemptions from the compulsory cutting requirements

98. The exemptions are as follows:

- You may leave up to 25% of each set-aside field or parcel uncut for up to three years to encourage a range of habitats. You don't need any specific exemption. However, if there is likely to be a problem of scrub encroachment onto set-aside land, you should cut the area more often than every three years. If you leave the green cover uncut, the land may not be grazed or cut for hay or silage between 1 September and 14 January.
- You may leave up to two metres adjacent to a hedge or wood permanently uncut to encourage the hedge to broaden or to naturally regenerate the woodland. You don't need any specific exemption.
- If you have sown a wild-bird cover, you don't need to cut it. However, if you want to graze the cover after the end of the set-aside period, you are **not** exempted from the cutting requirements.
- However, you may apply to your local area office (in writing and preferably at least 15 working days before) for an exemption to cut at a different time, to leave the grass longer or to allow regeneration as long as you do not intend to use the cover (for example, for hay, silage or grazing) at the end of the set-aside period.

Other exemptions

99. You may apply for exemptions from any of these rules, or to follow your own management plan, for one or more of the following reasons:

- For **environmental** or **archaeological** reasons (for example, to benefit or avoid damaging wildlife), to manage the land to encourage ground-nesting birds or to carry out an archaeological excavation. Applications for exemption for **archaeological** reasons must be supported by Historic Scotland or by the appropriate local authority archaeologist (LAA). You should first contact your LAA **unless** you know the set-aside area is a 'scheduled ancient monument (SAM)'. In these cases, you should first contact Historic Scotland. If the LAA finds that the site is a SAM, they should refer you to Historic Scotland. However, if there is no LAA, or in the case of other difficulties, you should get advice from Historic Scotland.
- For **research** into different ways of managing set-aside land or the effects of set-aside land (or both). These exemptions will normally only be given to recognised research organisations or on land being managed as part of an experiment by such an organisation.
- As an **educational institution** wanting to train students in agricultural techniques (for example, ploughing) as long as the training does not include sowing or growing any agricultural crop.

- If a gas or electricity company (or other organisation with compulsory purchase powers) is installing a **pipeline** or **cable** on your land, you may apply to be exempted from the green cover requirements (for more information, see leaflet AAPL (2002)).
- For reasons of **human or animal health or safety, or plant health**.

How to apply for an exemption

100. If you want to apply for an exemption because of one of these reasons, you must **write** to your local area office setting out why you need an exemption. Please attach any **supporting documents** (for example, copies of letters from the organisation) to your letter. **You must receive written agreement** from your local area office **before** you stop following any of the standard management rules for set-aside land.

Tenant farmers

101. If you are a tenant farmer, we strongly advise you to consult your landlord before you apply for an exemption for any management practice which might affect the nature or value of the land (for example, to allow regeneration). This will make sure that you are not breaking a term in your tenancy agreement.

Controlling weeds and volunteer crops

102. You must take action to control those weeds set out in the Weeds Act 1959 (common ragwort, broad-leaved dock, curled dock, spear thistle and creeping or field thistle). The Act allows agriculture ministers to take action against anyone who occupies and manages land from which these weeds are spreading.

103. You may need to take action to control aggressive weeds, crop volunteers or vigorous growth. You may do this using herbicides, cutting or cultivation. We must remind you that cultivation before mid to late July is still possibly one of the **most damaging** agricultural operations for wildlife and could destroy a wide range of species. As a result, we strongly advise you to consider alternatives such as using herbicides at the right time or frequent cutting to control weeds. In any case, you should always take the precautions set out in paragraph 112.

Herbicides

104. In most situations, you do not need specific permission **as long as** you use it in line with its specific label or off-label approval.

105. You must get permission in writing from your local area office if you want to spray a herbicide **before 15 April**, which will result in the green cover being destroyed **and** the cover will not be replaced immediately.

106. You are **not** allowed to use residual, soil-acting herbicides unless they have a specific label approval for use on green cover on land that is temporarily removed from production (for example, set-aside land). However, if you are growing a non-food crop on the land, you may use only products with a specific label or off-label approval for the crop in question.

107. You may use non-residual herbicides (that is, herbicides which are mainly absorbed through the leaf and stem) on set-aside land as long as you don't take any action before 15 April that would be likely to destroy the green cover (except if you are replacing the cover, or creating or maintaining a bare strip next to the crop). **As a result, you should not spray broad-spectrum, non-selective herbicides on the land before 15 April.** However, you are allowed to use spot applications, wick applicators or selective herbicides which leave the bulk of the green cover intact before that date. If the cover is destroyed by herbicides and you want to keep the land in set-aside for another year, you must establish a new cover before the start of the set-aside year. If you are in multi-annual set-aside, you must not take any action that would destroy the green cover, unless you are doing so in order to replace it.

108. **For non-residual products:**

- You may use products approved for a particular crop on a cover that is made up of mainly volunteers or natural regeneration of that crop (for example, you can use a product approved for cereals on cereal volunteers, and you can use one approved for grass on naturally regenerated grass).
- You may use products approved for use on non-crop land or land that is not intended for cropping on set-aside areas, as long as the land is not growing a crop for non-food use. (However, you must follow any restrictions on intervals between applying the product and sowing crops.)
- Off-label arrangements allow certain other herbicides to be used on certain set-aside areas. If you are not sure, please contact your local area office.

Pesticides (other than herbicides)

109. **You must not use any other pesticides, fungicides or insecticides on set-aside land.** However, you can apply to your local area office (**in writing and preferably 15 working days before**) for a specific exemption to use pesticides if you can show that this is necessary to control plant health problems that cannot be treated in other ways. You must not use these pesticides until you have **received written authorisation**, nor should you use pesticides near sensitive areas such as watercourses and hedges.

110. You may use only a herbicide with approval for the appropriate crop or situation. In all cases, you must make sure that you follow the statutory conditions set out on the herbicide label. If you intend to graze the green cover after the end of the set-aside period, you can use only pesticides approved for use on grazed land. You must follow all grazing re-entry periods.

Agricultural operations and timing

111. In order not to disturb the green cover, there is a general ban on the following:

- Before 1 May – cultivation and ploughing (if you are a registered organic farmer or converting your holdings to growing organic crops).
- Before 1 July – cultivation and ploughing (for all other farmers).
- Before 15 July – carrying out any preparation for sowing a crop.

112. Agricultural operations can harm wildlife sheltering in the cover, nesting birds (particularly between April and mid July), over-wintering insects (up to mid May) and wild flowers which have not yet started to seed.

You must do the following:

- Avoid operations such as non-selective herbicide treatment, cultivation or cutting unless they are strictly necessary (using appropriate selective herbicides can be beneficial).
- Where possible, delay these operations until as late as possible (certainly until after mid July).
- Only treat the area where the problem weed is present.
- Consider controlling problem weeds by using herbicides (preferably selective ones) rather than cutting or cultivation.
- If using a non-selective herbicide, leave the rest of the cover in place for as long as possible to provide cover from predators for young birds in the nest.
- If you have to mow:
 - start to mow regularly early in the year to discourage birds from nesting;
 - set the cutter at the maximum safe height; and
 - mow from the centre of the field outwards or from one end of the field to the other to leave an escape route for wildlife.

Replacing a green cover

113. If you want to **replace** an existing cover, you may do so at any time as long as you meet the following conditions:

- Soil conditions are suitable for sowing the new cover.
- You have the seed for the replacement cover on the farm **before** you start to destroy the old cover.
- You sow the replacement cover as soon as possible after destroying the first cover.

If you want to keep the land in set-aside for another year, you must establish a replacement cover so that an adequate cover is in place by 15 January 2005.

MISCELLANEOUS RULES FOR SET-ASIDE LAND

Manure and wastes

114. You can only use slurry, manure or organic waste on set-aside land **if it is from your own holding**. You may only use this waste if there is an existing green cover on the land. You must not use the waste at levels that would destroy the green cover or could pollute watercourses.

115. If you are using animal manure or slurry, remember the following:

- You should use organic manure moderately. In no circumstances should you use more than 250 kilograms of total nitrogen on each hectare in each year.
- In no circumstances must the levels of manure you use on set-aside land be higher than the application rates set out in the 'Code of Good Practice – Prevention of Environmental Pollution from Agricultural Activity' (the PEPFAA Code).
- Some vigorous weed species (for example, black grass, wild oats and cleavers) are very responsive to nitrogen. To avoid encouraging these aggressive weeds, you should use only moderate amounts of animal manure.
- Using slurry and manure can disturb wildlife. Avoid using them when there are likely to be nesting birds (during the period early April to mid July).
- Keep manure away from field margins, hedges and watercourses.
- If your land is in a nitrate vulnerable zone (NVZ), you must take account of the measures detailed in the NVZ action programme.

116. You may store manure or organic waste on set-aside land **before** spreading it on the field in question. You must not use set-aside land to store larger quantities of manure or waste than you use on the field you are storing them on.

117. You cannot use set-aside land to store, get rid of or dump any type of waste, **including sewage sludge**.

Fertilisers

118. You may not use fertilisers on land that is due to stay in set-aside the following year, or on multi-annual set-aside land.

Liming

119. You may use lime and gypsum on set-aside land in its last year in set-aside as long as you do not disturb the green cover before 15 July. You may also use paper crumble as a liming agent to set-aside land, again only in its last year in set-aside. You can get more details of the conditions you must meet from your local area office.

Drainage

120. You may not carry out subsoiling, piped field drainage or mole drainage **before** 1 July. Drainage work can be damaging to sensitive deposits on or near archaeological sites. If a monument is scheduled, drainage operations need formal permission beforehand from the Scottish Ministers through Historic Scotland. For more information, refer to the leaflet 'Archaeological Information and Advice in Scotland', which is available from Historic Scotland or your local area office.

Access

121. In set-aside fields that are vulnerable to illegal access from vehicles you may create a bare ploughed strip of up to five metres wide close to likely access points.

122. If you disturb any **right of way** through cultivation, you must restore the path in line with Section 23 of the Land Reform (Scotland) Act 2003.

Burning

123. You must not burn any cover on your set-aside land.

Storing of produce from the previous harvest

124. You may use your set-aside land to **temporarily** store produce from your holding (for example, bales of straw) **as long as** there is no risk of damage to the green cover.

USING THE LAND AT THE END OF THE SET-ASIDE PERIOD

If you want to leave the land in set-aside

125. The end of the set-aside period is 31 August. There are restrictions on what you can do with any cover on the land at the end of the set-aside period between 1 September and the following 14 January. You may not use cover established during the set-aside period for any commercial purpose.

You may do the following:

- Harvest hay or silage for your own use (as long as you have cut the cover between 15 July and 15 August and left those cuttings to rot).
- Keep your own animals (including pigs), or other people's, on the land as long as you do not receive any return in cash or in kind. However, you must not keep animals in such numbers as to damage or destroy the green cover.
- Put game-bird release pens or feeding hoppers (or both) on the set-aside area as long as these are used only in connection with a totally non-commercial shoot from which neither you nor any other person receives any return in cash or in kind.

You may **not** do the following:

- Keep other people's animals on the cover for a return in cash or in kind, or lease the land for those purposes.
- Sell, trade or exchange any hay or silage harvested during this period.
- Use the set-aside cover for any other commercial purpose.
- Harvest the hay or silage cuttings from any cover cut between 15 July and 15 August.

126. If the cover has been destroyed or has not established, you must establish a new cover before the start of the next set-aside period in line with the rules.

If you want to sow a crop on the land for harvest the following year

127. From 15 July 2004 you may prepare the land for, and sow, cereals, linseed, oilseeds, protein crops, flax, hemp, ornamental bulbs (not including onions or garlic), field-grown trees or shrubs, cane fruits and strawberries (but **not** any other horticultural crops) intended for harvest after 15 January 2005. You can leave multi-annual set-aside land, without penalty, after 31 August in the final year of the agreement and may sow crops on the land from 15 July in that final year for harvest from 15 January the following year. You may also sow a temporary grass ley under this provision. However, you cannot graze temporary grass leys, or other traditional forage crops (for example, stubble turnips, kale or any other fodder or vegetable crop established after 15 July 2004) until **after** 15 January 2005. No exemptions can be granted for this EU rule.

128. There are financial penalties for breaking the set-aside management rules.

GROWING CROPS FOR NON-FOOD USE ON SET-ASIDE LAND

129. You may grow certain crops under contract for non-food use on set-aside land. General and management rules are described below. If you do not follow the terms of the contract, you will lose your set-aside payment and your associated crop payments. The lists of eligible crops are in Appendix 7. If you want to use your set-aside land to produce any of the crops listed in table 1 of Appendix 7, you **must have a valid signed contract** with a collector or first processor.

130. You **must** make sure that the valid signed contract (which you and the contractor or first processor must sign) is ready to be lodged by the collector or first processor with the RPA by the following dates:

- **By 31 January 2004 for winter-sown crops sown between 1 July and 31 December 2003 (including these dates).**
- **By 15 May 2004 for spring-sown crops sown between 1 January and 30 June 2004 (including these dates).**

If you fail to do so, your AAPS payments will be at risk. You should make sure that you keep a copy of the contract to send to your local area office with your AAA. If you cannot show a signed (signed by you and the contractor or first processor) and dated copy of your contract:

- the set-aside land concerned will not be treated as eligible;
- you may lose your set-aside payment and related crop payments; and
- additional IACS penalties may apply.

If the land under contract is transferred to another IACS applicant, you must contact the RPA as these changes will affect your non-food contract.

MANAGEMENT RULES FOR NON-FOOD SET-ASIDE

131. The **normal set-aside management rules** do not apply to land growing non-food crops.

However, you must:

- follow the other EU rules on set-aside, including those on non-agricultural use of the land (paragraphs 70-73);
- **not** damage, destroy or remove any relevant features on the land;
- follow the Code of Good Practice 'Prevention of Environmental Pollution from Agricultural Activity' (PEPFAA Code), particularly on burning crop residues;
- **not** use more organic wastes and fertilisers than is allowed in line with normal agricultural practice and recommended in the PEPFAA code; and

- follow the minimum separation distance rules for neighbouring high- and low-erucic acid rapeseed crops (these are set out in full in Appendix 4).

If you destroy the crop before harvest, you must establish a green cover and follow the other set-aside management rules (unless you have a specific written exemption from your local area office).

132. You can grow a range of crops for non-food uses, including oilseeds, cereals and linseed, on set-aside land. The main points to remember are that:

- the crops grown and their intended end-use are restricted to certain crops and end uses (these are listed in table 3 of Appendix 7);
- the non-food end products **must** have a value greater than all food (including animal feed) by-products;
- **you must deliver all the crop** harvested from your set-aside land to the collector or first processor for non-food use, **even if the amount you harvested is more than the amount predicted in the contract**;
- in the case of crops eligible for intervention, (that is, barley, rye and varieties of wheat which may achieve common wheat standard), the amount you deliver must not normally be less than the amount forecast in the contract, **even if you have to make up any shortfall from other sources**; and
- you cannot receive your set-aside payments until you have delivered your crop to the collector or first processor and sent your local area office a form (IACS 9) declaring the details (including weight) of the delivery.

Permitted end uses

133. The crop grown must be processed within the EU into a non-food product listed in table 3 (Appendix 7).

Perennial and biennial crops

134. You may grow perennial or biennial crops as a non-food set-aside crop as long as they are listed in table 1 for an end use in table 3. You **must** leave the crop in the ground and claim it as a non-food set-aside crop each year for the length of the contract. If you do not do this (for example, if you lift the crop from the ground or fail to include the area on your IACS form for each year), you will be breaking the terms of the contract. You would then need to resow the non-food crop and take out a new contract that must be ready and lodged by the dates due for the year the crop is sown. For example, if you sow a crop of Roman camomile in April 2004, your contract must be ready and lodged by 15 May 2004. The contract must clearly show the number of years that the crop is to stay under contract as a non-food set-aside crop. Contracts for multi-annual harvesting can come into force each year as long as (when it is submitted) the contract says that this would be the case. For more information, contact the RPA.

The contract

135. You are responsible for providing a valid contract, and it must contain the following:

- Your main farm code number (that is, the farm code under which you will be sending us your 2004 AAA).
- The name and address of everyone who has signed the contract.
- How long the contract will last.
- The species of each raw material (crop) concerned and the area sown to each species.
- For each species, the forecast yield for each hectare and total forecast quantity to be harvested (in tonnes). The forecast yield must fall within a yield range made available by the Rural Payments Agency (RPA) to anyone concerned including collectors and first processors.
- The principal end use of the raw material, each end use must meet the requirements of Articles 3(1) and 13(3) of EU Commission Regulation (EC) 2461/99, as outlined in paragraph 133;
- A promise from you to deliver all the harvested crop to the collector or first processor. The collector or first processor must take delivery of all of it and use an equivalent amount of material within the EU to make one or more of the end products listed in table 3.
- The forecast quantity of by-products to be produced which are not destined for people or animals to eat. This **only** applies to contracts relating to **rapeseed, colza, sunflower seeds or soya beans** falling under (CN) codes ex 1205 00 90, 1206 00 90 or 1201 00 90.

136. If the representative yield appropriate to your crop is set at a higher level than the yield in your contract, you **must still deliver at least the representative yield**.

Amending the contract

137. Contracts (for winter and spring sown crops) may be amended or cancelled (if everyone who signed agrees) at any time **up to and including the final date for amending the AAA**. Collectors and first processors must send a copy of the amended or cancelled contract to the RPA by that date. The security lodged with the RPA will be adjusted in line with any amendment.

138. However, if the contract is to be amended or cancelled **after you have put forward your AAA but before the final date for amending it**, you must tell your local area office, in writing, and the collector or first processor must tell the RPA so that all necessary checks can be carried out. As far as possible, you should give notice at least 10 days before the amendment or cancellation. Clearly this will not always be possible if amendments are made close to the deadline. So, as much notice as possible should be given to your local area office and the RPA.

139. **After the deadline**, a contract can be amended or cancelled only if you cannot provide all or part of the crop covered in the contract. In this case, you must follow the requirements set out in paragraphs 141-143.

Reducing the area under contract

140. If you amend your contract, you should do one of the following, as appropriate:

- If you amend your contract before 15 January 2004 and the contract has been lodged, SEERAD do not need to know but you should inform the RPA.
- If you amend your contract on or after 15 January 2004 and the land is going to stay in set-aside, you **must** inform your local area office and the RPA in writing.
- If you amend your contract on or after 15 January 2004 but before you have lodged your IACS application, and if the land is not to stay in set-aside, SEERAD do not need to know but you **must** inform the RPA.
- If you amend your contract on or after 15 January 2004 but after you have lodged your IACS application, and whether or not your land is to stay in set-aside, you **must** inform your local area office in writing.

Being unable to provide the contract quantity

141. If, for any reason, it becomes clear before harvest that you cannot provide all of the crop set out in the contract (even if you are likely to meet the representative yield for those crops under contract), we advise you to amend your contract after consulting your collector or first processor. After that, you must inform your local area office and the RPA, in writing. If your local area office agrees to reducing the raw material to be produced, you and the collector or first processor named on the contract will need to send form NFC7 to RPA to record the amendment when you send them your IACS 9. Please note that **any** amendment to your contract must have the written approval of your local area office. This approval should be sent to your collector/first processor who will ask you to complete an NFC7 which together with the approval will be sent to the RPA. The RPA will not consider your amendment/s without the written approval.

142. If a representative yield applies to your crop and you fail to deliver at least that yield, you must contact your local area office, in writing. In exceptional circumstances, a shortfall of up to 10% may be allowed. Your local area office can consider a further shortfall if there is a valid reason, but **only** if your contract has been amended to allow a smaller amount than that set out in the original contract (see paragraph 141). However, if there are no exceptional circumstances and you have followed the rules of the scheme in all other respects, you may make up the shortfall from raw material obtained from elsewhere.

143. If you fail to deliver the amount of raw material for the crops listed in table 1, your set-aside will be reduced by an amount equivalent to the percentage shortfall of the crop, and IACS penalties will apply. You can avoid penalties if you make up the shortfall from raw material obtained from elsewhere. If you choose this option, you must tell your collector or first processor immediately, and they must inform the RPA that the contract is not yet complete.

Harvest

144. **After harvest, you must** deliver the **entire** crop to the collector or first processor. Delivery may take place on the farm if the collector or first processor takes full legal responsibility for the crop at that stage, but you must keep the crop separate from any other harvested material at all times. We will need an accurate assessment of the weight delivered. This may be done by using volumetric assessment, although **not** for those crops that need that requirement to meet a representative yield. If you use volumetric assessment, you must keep the crop separate from other crops until an accurate weight is confirmed on a weighbridge approved by the local authority.

Representative yield

145. Under EU rules, the UK must set up representative yields for oilseeds other than HEAR varieties. As well as delivering the **entire** crop harvested to their collectors or first processors, growers of oilseeds other than HEAR must make sure that this delivery equals at least the representative yield that is appropriate to the crop. The representative yields will be set by Scottish Executive Environment and Rural Affairs Department (SEERAD) by 31 July of the year of harvest, and will be based on a **standard** quality (that is, adjusted to take account of moisture and admixture content). Details of these yields will be sent to each non-food set-aside grower.

After delivery

146. **After delivery,** you must send a delivery declaration (IACS 9) form to your local area office declaring the total quantity harvested (by species) and confirming who has taken delivery of the crop. You need to use a separate IACS 9 for each contract. Local area offices will send IACS 9s to all non-food set-aside growers. **However, please remember that it is your responsibility to get and fill in an IACS 9.** If you have not already received your IACS 9, please contact your local area office. **If you send your IACS 9 in late, a penalty may apply.**

Payment

147. We will pay AAPS aid on non-food set-aside land at the normal set-aside rate. However, we cannot make the payments until your local area office has received the delivery declaration form (IACS 9) **and** the collector or first processor has met various commitments (including confirming to the RPA that they have received the entire crop by using form NFC 2). **Penalties may apply to you and the collector or first processor if the forms are late.** So, it is important that you send in your delivery declaration form as soon as possible and at the **latest by 9 February 2005.** If you fail to do so, it will result in delays in making any set-aside payment due. You must tell your collector or first processor when the final load of any contract has been delivered.

148. You can find information about the base area (production ceiling) and payment rates in Appendix 3.

CROPS WITH NO FOOD OR ANIMAL-FEED USE LISTED IN TABLE 2

Eligible crops

149. You can grow a limited range of crops on set-aside land which have no food or animal-feed use under less strict controls than those listed in table 1. They include short-rotation coppice (SRC) and miscanthus, and are listed in table 2. If you intend to grow SRC on your set-aside land, you should pay particular attention to siting your set-aside land so the coppice fits into the landscape (see Appendix 7).

150. You cannot receive any other EU-financed aid on non-food set-aside crops. Under Agenda 2000, grants may be paid for energy crops (miscanthus and SRC). However, this depends on energy crops being included in the Rural Development Plan and (as paying any grants will be shared with the EU) on whether national funds are available. These payments will not affect the eligibility for the set-aside payment.

Permitted end uses

151. The permitted end uses are set out in table 3 in Appendix 7.

Your responsibilities

152. **You do not need to have a contract before planting an eligible crop listed in table 2,** nor do you need to use form IACS 9. However, when you submit your AAA, you need to give a written undertaking that the crop is intended for an appropriate non-food use and that you understand that penalties will apply if you breach that undertaking. (However, there will be no penalties if you cannot find a market for the crop, **as long as you do not use it for food or feed.**)

D RELATIONSHIP WITH OTHER SCHEMES

153. AAPS may have a relationship with the following schemes:

- Suckler Cow Premium Scheme
- Beef Special Premium Scheme
- Extensification Premium Scheme
- Less-Favoured Area Support Scheme
- Rural Stewardship Scheme
- Countryside Premium Scheme
- Organic Aid Scheme
- Environmentally Sensitive Areas

To find out how your involvement in AAPS might affect any of these schemes, we advise you to check the relevant scheme documents.

Seed certification

154. You can get a separate leaflet on seed certification and set-aside from your local area office. This explains the implications of set-aside for seed growers and, in particular, the correct intervals for seed crops.

Seed production aid

155. You can continue to claim seed production and AAPS aid for the same crop of linseed or spelt wheat. However, if you intend to claim seed production aid, you should contact the RPA before you enter into any contracts.

E RECORDS

156. For four years, you must keep:

- all invoices, seed labels, sales and delivery notes relating to seed you have sown;
- delivery notes relating to non-food crops grown on set-aside land; and
- documents needed to prove that any oilseed rape you have sown meets the requirements set out in Appendix 4.

The four-year period is counted from the end of the calendar year in which the crop was harvested.

157. We strongly advise you to **keep** any other appropriate **cropping and set-aside records** and any evidence, for example, sales notes or contractors' invoices, that you have sown and maintained any crops on which you are claiming area payments in line with local standards and by the necessary sowing dates. **We also strongly advise you to keep copies of your AAAs, maps and all supporting documents.**

158. If you have not already done so, you should draw up a detailed record of your field use at the end of 1991 to find out which fields are eligible for AAPS. Your records should be supported where possible by appropriate documents. If you claim on fields that are not eligible, penalties will apply and you will lose some or all of your AAPS aid.

159. If you have **switched ineligible for eligible land**, you must keep all documents related to the application including a copy of your landlord's written permission to switch, for four years from the end of the calendar year in which the switch was made.

F APPEALS AND COMPLAINTS

160. If you are not sure why you have been penalised, or if you do not fully understand a decision we have made in connection with your claim, you should first contact your local area office for a fuller explanation.

161. If you are not satisfied with this explanation and want us to review our decision, you can use the EU Agricultural Subsidy Schemes Appeals procedure. You have 60 calendar days from the date of our decision letter in which to put forward your appeal. The appeals procedure is made up of three stages – an in-house review, an external panel review and an appeal to the Scottish Land Court.

162. You can find full information on the appeals procedures (including the timescale allowed for making an appeal) in our information leaflet AP (EL) June 2001, which we issued to all farmers. You can get more copies from area offices, from the Appeals Secretariat and on our website. If you have any questions, you should write to the Appeals Secretariat at SEERAD, 47 Robb's Loan, Edinburgh, EH14 1TY. The appeals procedure does **not** handle complaints about standards of service.

163. If you have a complaint about the **standard of service** we have provided, you should do the following:

- Contact the person in the local area office who is dealing with your case. You can register a complaint by letter, by phone or in person. If you want to have your complaint considered by a more senior officer, please write to the Principal Agricultural Officer at your local area office. He or she will deal with the complaint if one of his or her staff is involved or forward it to the appropriate person. It will help us to investigate your complaint if you set out the facts as fully as possible, quoting your main farm code number. We will acknowledge your complaint in writing and investigate it properly. We aim to reply within two weeks.
- If you are not satisfied with the response, you may write to the Chief Agricultural Officer at the Scottish Executive Environment and Rural Affairs Department, Pentland House, 47 Robb's Loan, Edinburgh, EH14 1TY. He or she will investigate the matter further.
- You may ask your Member of the Scottish Parliament (MSP) or your Member of the UK Parliament to take up your complaint with the Minister for Environment and Rural Development at the Scottish Executive, Pentland House, 47 Robb's Loan, Edinburgh, EH14 1TY.
- You (or a representative you have authorised to complain on your behalf) may also ask the Scottish Public Services Ombudsman for your complaint to be investigated. Your representative may be an MSP, a local councillor or any person you consider suitable to represent your interests. You must send your complaint to the Scottish Public Services Ombudsman at 23 Walker Street, Edinburgh, EH3 7HX, within 12 months after the day on which you first had a reply on the matter you are complaining about. You can find more information on the Scottish Public Services Ombudsman at www.scottishombudsman.org.uk

HOW TO WORK OUT YOUR SET-ASIDE REQUIREMENT FOR 2004

For 2004, the minimum set-aside requirement is 10% in both the Scottish LFA and non-LFA. **However, if you are offsetting set-aside (that is, you are claiming arable crops in one yield region against set-aside in another), please refer to Appendix 5.**

1 If you know the total area of land you want to claim area and set-aside payments on

$$\frac{\text{Total area}}{\text{area}} \times \frac{10}{100} = \text{set-aside area}$$

For example, if you want to enter 200 hectares of arable cropping and set-aside land into the main scheme, the sum is as follows:

$$200 \times 10 \div 100 = 20$$

To be eligible to receive AAPS aid on the cropping part of this claim, you must set aside at least 20 hectares and crop the remainder of the 180 hectares.

When working out your total set-aside requirement, if you round **down** to the nearest second decimal place, you will automatically **not have enough set-aside land** to qualify the whole of your arable cropping claim for payment.

As a result, when working out your set-aside requirement, we strongly advise you to work to three decimal places and to round **up** to the nearest second decimal place in order to qualify the whole of your arable cropping claim for payment.

For example, you want to enter 162.04 hectares of arable cropping and set-aside land into the scheme. The sum is as follows:

$$162.04 \times 10 \div 100 = 16.204 = 16.20 \text{ (rounded to the nearest second decimal place)}$$

So, you must enter 145.84 hectares of arable cropping and 16.20 hectares of set-aside land. However, a set-aside area of 16.20 hectares is not enough to cover the whole of the 145.84 hectares of cropping claimed. The sum for the maximum area of arable cropping on which aid can be paid is as follows:

$$16.20 \times 90 \div 10 = 145.80 \text{ hectares}$$

In this example, payment on the arable cropping claim would be **restricted** to 145.80 hectares.

To confirm the maximum area of cropping on which you will be paid AAPS aid, we strongly advise you to carry out the calculation in 3.

2 If you know the area of cropped land you want to claim cereals, linseed, oilseeds, proteins, flax and hemp payments on

$$\frac{\text{cropped area}}{\text{area}} \times \frac{10}{90} = \text{set-aside area}$$

For example, if you want to crop 140 hectares, the sum is as follows:

$$140 \times 10 \div 90 = 15.556 = 15.56 \text{ (rounded up to the nearest second decimal place)}$$

So, you must set aside at least 15.56 hectares for the whole of your 140 hectares of cropping to receive AAPS aid.

When working out your set-aside requirement, if you round **down** to the nearest second decimal place, you will automatically **not have enough** set-aside land to qualify the whole of your arable cropping claim for payment.

As a result, when working out your set-aside requirement, we strongly advise you to work to three decimal places and to round **up** to the nearest second decimal place in order to qualify the whole of your arable cropping claim for payment.

For example, you want to crop 84 hectares. The sum is as follows:

$$84 \times 10 \div 90 = 9.333 = 9.33 \text{ (rounded down to the nearest second decimal place)}$$

So, you must set aside 9.33 hectares of land. However, a set-aside area of 9.33 hectares is not enough to cover the whole of the 84 hectares of arable cropping claimed. The sum for the maximum area of arable cropping on which AAPS aid can be paid is as follows:

$$9.33 \times 90 \div 10 = 83.97 \text{ hectares}$$

In this example, payment on the arable cropping claim would be **restricted** to 83.97 hectares.

To confirm the maximum cropping area on which you will be paid AAPS aid, we strongly advise you to carry out the calculation as in 3 below.

3 If you know the total area of land you want to enter into set-aside

$$\frac{\text{set-aside area}}{\text{area}} \times \frac{90}{10} = \text{maximum cropping area on which you can be paid AAPS aid}$$

For example, if you want to set aside 7.43 hectares, the sum is as follows:

$$7.43 \times 90 \div 10 = 66.87$$

As a result, you can claim AAPS aid up to a maximum cropping area of 66.87 hectares.

SMALL PRODUCERS

1. Small producers are those who claim on an area no greater than that needed to produce 92 tonnes of crops at the past reference yields used for making AAPS payments. They receive the same rates of payment as other farmers claiming but **do not have** to set aside any land.
2. The maximum area that **small producers** can claim is 17.66 hectares in the Scottish LFA and 16.23 hectares in the Scottish non-LFA.
3. If you want to work out whether obligatory set-aside applies to the area you intend to claim on, you should do the following.
 - Multiply the area claimed (in hectares) by:
 - 5.67 (non-LFA); or
 - 5.21 (LFA).
 - Add together the resulting figures for all areas claimed.

If the total figure is less than or equal to 92, you do not have to set aside any land. If the figure is greater than 92, you must set aside at least the obligatory percentage of land to make sure you receive full payment on the claimed cropping area.

The historical reference yields used above are for Scotland. If you are claiming on land in more than one yield region, you should refer to Appendix 5.

4. You may put forward a claim with too much land to qualify as a small producer, but with no set-aside land or not enough set-aside land to meet the obligatory requirement. In this case, your local area office will reduce your claim. There is no penalty if claims are reduced in this way. The claim will be reduced:
 - by reducing the cropped area claimed to that supported by the area of eligible set-aside in the claim; **or**
 - to the equivalent to the 92 tonnes limit;

whichever is greater.

When reducing claims, the area of each crop claimed will be reduced in proportion to the areas you originally claimed.

5. You can voluntarily choose to set aside land. You should treat the area of this set-aside as an area of crops for the purpose of working out the area you can claim without obligatory set-aside. Voluntary set-aside can also be reduced if necessary, and must follow the normal set-aside rules.

BASE AREA (PRODUCTION CEILING) AND PAYMENT RATES

1. There is a limit on the total area that can be claimed for AAPS aid. However, there is no limit on the area of land on which **individual** farmers can claim AAPS aid, as long as the land is eligible, is growing eligible crops and meets the other scheme rules.

Regional base area

2. For Scotland, there is a single base area made up of LFA and non-LFA land.

3. The base area is the average number of hectares used to grow cereals, oilseed rape and protein crops, as put forward by farmers in their census returns. That land must also have entered into the five-year set-aside scheme in 1989, 1990 and 1991 and the one-year set-aside scheme in 1991. The base area was amended in 1994 so that linseed could be included in the AAPS.

4. The total area on which we pay claims in a base area cannot be bigger than the average area sown to eligible crops, and in set-aside, in 1989 to 1991. If in any year, total AAPS claims and all land in eligible arable crops declared as forage in the AAA are more than the base area, we will reduce the AAPS payment rates proportionately.

Announcing the penalties

5. By early November 2004, we will announce the financial penalty resulting from any Scottish base-area overshoot in 2004. Please look for details in the farming press or check the position with your local area office.

Payment rates

6. The payment rates are based on the standard EU currency (euro) rates for each tonne, which are then converted to rates for each hectare using historic average cereal yields in each region. The euro rates will be converted into sterling at the average exchange rate that applies in June 2004. **The rates quoted here are examples only and are currently in force. The Council of Agriculture Ministers could decide to amend the payment rates in the future.** The full payment rates for Scotland (not including modulation) at the rate of exchange on 1 July 2003 (one euro = £0.703188) are set out overleaf.

Crop	Euros for each Hectare	Scottish LFA Region £ for each hectare	Euros for each Hectare	Scottish non-LFA Region £ for each hectare
Cereals, linseed, oilseeds, flax, hemp and set-aside	328.23	230.81	357.21	251.19
Protein crops	377.73	265.62	411.08	289.07
Guaranteed set-aside (entered into in 1999)	358.60	252.16	390.27	274.43

MODULATION

7. The UK has now put into practice a rural development programme (RDP) that will benefit farmers, the rural economy and the environment. To finance part of that programme, the UK has introduced modulation in order to present the funding in a fair and open way.

8. Modulation is recycling a small proportion of direct payments made to farmers under CAP commodity regimes into rural development measures. In 2004, 3.5% of your AAPS payments (after any base-area overshoot or IACS penalty has been taken off) will be recycled to help fund the RDP. Every pound recycled in this way will be matched by another pound from the Government and returned to the rural economy through RDP.

Payment dates

9. We will normally make payments for cereals, linseed, oilseeds, protein crops, flax, hemp and set-aside between **16 November 2004 and 31 January 2005**. This period is extended to 31 March 2005 for payments for set-aside land in non-food crops.

SPECIAL CONDITIONS FOR RAPESEED, LINSEED, FLAX AND HEMP

1 RAPESEED

1. We will **not** make payments to those planting rapeseed **unless** it falls into one of the following categories:

a A certified seed of a variety listed in the **common catalogue**. The varieties that have been removed from the catalogue will still be eligible until 30 June of the third year after they were removed. In this context, **certified seed** means breeders' seed or pre-basic, basic or certified seed. It does **not** include seed entered under statutory arrangements for the early multiplication of varieties before they were entered onto a UK national list or the common catalogue, for which an application for a breeders' confirmation certificate has been made or for which a breeder's confirmation certificate has been issued. We pay aid on those varieties in the common catalogue, including varietal associations, which have each constituent listed separately. **We strongly advise you to check the position with your local area office, as the AAPS eligibility of oilseed varieties can change.** You should keep invoices, seed labels and any other supporting documents for the seed for inspection. The rules on minimum separation distances apply (see paragraph c).

b **Farm-saved seed that meets certain quality requirements.**

- The seed must normally be taken from a crop **harvested in 2003** and **produced from certified seed** sown in autumn 2002 or spring 2003.

In exceptional circumstances, you may use seed from the 2002 harvest when **weather** conditions mean that sowing has to take place before harvest of the 2003 crop.

- The seed must be **sown only on the holding** (covered by the AAA) on which it was produced. If a holding changes hands **before** the farm-saved seed is sown, the **new** occupier may **not** claim AAPS aid on any area in which that seed is sown. However, if the holding is taken over **after** the previous occupier's seed is sown, the new occupier may claim AAPS aid on that crop.
- You can sow farm-saved seed harvested from certified seed only in the following production cycle.

c High erucic acid rapeseed (HEAR), with a minimum erucic acid content of 40%, **grown under a contract**. The contract must be drawn up before sowing with an approved first buyer for producing a crop for a specific non-food industrial use, or for use as seed for sowing to produce such a crop. If you are growing HEAR for non-food use on set-aside land, your contract must be with a collector or first processor. You must keep a **minimum separation distance of 50 metres between HEAR and double-zero**

rapeseed crops sown in the same season, whether on your land or a neighbour's land. If there is no minimum separation distance, **both crops** will be considered **not to be eligible** for AAPS aid. This rule applies to non-food crops grown on set-aside land as well as crops on which oilseeds aid is claimed. You don't have to keep a minimum separation distance between spring-sown and winter-sown crops (that is, spring double-zero or winter HEAR, or winter double-zero or spring HEAR). You must send us a copy of the contract with the AAA. The Seeds Regulations apply to HEAR varieties (see paragraph d).

d Seed planted:

- with the intention of producing a crop of breeders' seed or pre-basic, basic or certified seed for sowing (including the early movement of varieties that have not yet been added to the UK national list or the common catalogue, for which a breeders' confirmation certificate has been issued);
- **for research; or**
- **for testing purposes to find out whether the variety may be added to the UK national list.**

A contract must apply to seed under this paragraph. The contract must have been made **before** sowing and be between the producer and a seed breeder, agricultural merchant or other **genuine** contractor. You must send documentary evidence showing the intended use of the seed to your local area office no later than your application for AAPS aid. This may include copies of seed multiplication contracts between seed producers and growers, copies of official labels produced for those contracts, or copies of contracts with growers to produce crops for research or testing purposes. The Oil and Fibre Plant Seeds Regulations 1993 (as amended) cover the certifying and marketing the seeds of oilseed rape (and linseed). If you do not know what you need to do under these Regulations, it is essential that you get advice from our Plants, Horticulture and Potatoes (PHP) Division at Pentland House, 47 Robb's Loan, Edinburgh, EH14 1TY. One of the requirements is that the seed sown and resulting crop **must remain the property of the first person** (that is, the national list applicant, seed certification applicant, seed merchant, processor, researcher or tester) **at all times**.

e Seed of the varieties 'Jet Neuf' or 'Bienvenu', grown under contract with a specifically approved buyer to provide seed for oil production for a specific food use. You must send us a copy of the contract with your AAA, and the contract must be signed before sowing.

It is no longer necessary to sample farm-saved OSR. This requirement was withdrawn with effect from AAPS 2002.

You can find a list of the **most popular** oilseed varieties that are eligible for AAPS aid in the IACS Explanatory Booklet issued in the spring. For more detailed advice, please contact your local area office.

2 LINSEED, FLAX AND HEMP

1. You can find a list of the eligible linseed, flax and hemp varieties in the IACS Explanatory Booklet issued in the spring. For more detailed advice, please contact your local area office.

Special arrangements for fibre hemp

2. If you are growing hemp, you will need to get a licence from the Home Office, as it is a criminal offence to grow hemp in the UK, for any purpose, without a licence. Unless you have made separate arrangements with the Home Office, you should apply for a licence to:

Home Office Licensing Section
Room 239
50 Queen Anne's Gate
London
SW1H 9AT.
Phone: 020 7273 3731

You should apply for a licence as early as possible if you intend to grow hemp. When considering applications, the Home Office Drugs Branch Inspectorate will take account of the genuine reasons for, and the purpose of, growing the hemp, together with the proposed locations of the growing sites. They do not issue **licences automatically**. In particular, when choosing growing sites, you should identify land where there is poor public access and visibility of the crop (that is, away from residential areas and major roads). If minor roads run alongside the growing site, vehicular access to the site should **not** be possible. In some cases, the Home Office may also need you to screen crops from view and take other security measures. You may also need to give a Home Office approved processor evidence that you have a contract to supply the hemp.

Contracts and seed labels

3. We will **not** pay AAPS aid on flax and hemp unless you send us a copy of the contract signed with a processor who is authorised to process flax or hemp straw under the Fibre Processing Aid Scheme (FPAS). You should send us this contract with your AAA, as it will support any claim under the FPAS. The contract commitment to process must include the field identifiers concerned, and those parcels must tie up with the parcels declared on your AAA. If there is no contract in place when you send us the AAA, you will not be eligible for aid on flax or hemp. **If the processing is not carried out, we may have to recover any AAPS aid we paid you and enforce penalties because you have claimed aid on an ineligible crop.**

4. You must use certified seed for **hemp**. You must send us the original, official seed labels (confirming the variety) with your application. When we have receipted these, we will return them to you. For **flax**, you must send us original, official seed labels or a copy of the seed invoices. If sowing takes place **after** 15 May, you must send us those documents **no later than 30 June**. We recommend that you send the seed labels to us by recorded delivery.

5. Under the EU rules, 20% of hemp applications for AAPS aid must be sampled. This 20% sample covers both the total area of hemp claimed and all varieties of hemp grown. It will also make sure that the tetrahydrocannabinol content of the crop is below the level set out in the EU legislation. For each variety you have sown, you must maintain three distinct parts of each field you are claiming for (each part made up of at least 4000 plants) until at least 10 days after flowering, in case sampling is necessary. You must not harvest these areas until sampling has been carried out or you have received a written notice from us saying that sampling is not necessary.

APPLICANTS WITH LAND IN MORE THAN ONE YIELD REGION

This appendix describes the arrangements for farmers with land in more than one yield region. This could affect you in two ways:

- Firstly, if you are applying for AAPS aid and are a small producer (that is, you have no obligatory set-aside requirement), you will need to work out the maximum area on which you can claim aid.
- Secondly, if you have a minimum set-aside requirement, there are arrangements allowing you to count set-aside land in one yield region against crops in another.

For 2004, the minimum set-aside requirement is 10% for both the Scottish LFA and non-LFA.

1 SMALL PRODUCERS CLAIMING ON AN AREA WITH NO SET-ASIDE REQUIREMENT

1.1 There are limits on the area that small producers can claim under AAPS without having to set land aside. These are as follows:

	Hectares
Scotland LFA	17.66
Scotland non-LFA	16.23
England	15.62
Wales LFA	18.22
Wales non-LFA	17.79
Northern Ireland LFA	18.29
Northern Ireland non-LFA	17.62

If your AAA includes arable land in more than one yield region (for example, you have both Scottish LFA and non-LFA land) **and** your total claim is more than the area limit for any one of those regions, you will need to work out the notional production on the area on which you can claim aid.

1.2 You can only claim AAPS aid, including voluntary set-aside, on the area of land needed to produce the equivalent of 92 tonnes using the relevant average regional yields. These reference yields are as follows:

	Tonnes for each hectare
Scotland LFA	5.21
Scotland non-LFA	5.67
England	5.89
Wales LFA	5.05
Wales non-LFA	5.17
Northern Ireland LFA	5.03
Northern Ireland non-LFA	5.22

1.3 **To check that your claim is within the maximum area** to qualify as a small producer, multiply the area claimed in each yield region by its reference yield. The total should be less than or equal to 92. For example, if your claim is for 10 hectares in the Scottish LFA and 7 hectares in the Scottish non-LFA, you should multiply each area by their reference yields.

Scottish LFA	$10 \times 5.21 = 52.10$
Scottish non-LFA	$7 \times 5.67 = 39.69$
TOTAL	= 91.79

This is below the 92 tonne threshold so you would qualify as a small producer.

1.4 **Reducing your claim**

If your claim comes to more than the equivalent of 92 tonnes, you will need to reduce it. For example, if you have 10 hectares of cereals in the Scottish LFA and 10 hectares of linseed in the Scottish non-LFA, your total area of eligible arable crops (in all regions) is bigger than the limit for the regions you are farming in. Your total production using the reference yields is the area in each region multiplied by its reference yield.

$$(10 \times 5.21) + (10 \times 5.67) = 108.8 \text{ tonnes}$$

This is 16.8 tonnes (that is, $108.8 - 92$) above the 92 tonne threshold for the exemption from the requirement to have set-aside land. So, you should reduce 16.8 tonnes of production from your claim.

If you choose to reduce only the Scottish LFA part of your claim, this would amount to 16.8 divided by the reference yield.

$$\frac{16.8}{5.21} = 3.23 \text{ hectares (the area by which you have to reduce your LFA claim)}$$

Or, if you choose to reduce only the Scottish non-LFA part of your claim, you would have to divide 16.8 by the non-LFA reference yield.

$$\frac{16.8}{5.67} = 2.96 \text{ hectares (the area by which you would have to reduce your non-LFA claim)}$$

As a result, you could make your claim as a small producer on either:

- 10 hectares of cereals in the Scottish LFA plus 7.04 hectares of linseed ($10 - 2.96$) in the Scottish non-LFA; **or**
- 10 hectares of linseed in the Scottish non-LFA plus 6.77 hectares of cereals ($10 - 3.23$) in the Scottish LFA.

Other combinations of land in the two regions that meet the 92 tonne ceiling would also be possible.

If your claim is bigger than the 92 tonne ceiling and you do not reduce it, we will reduce your claim proportionately and pay you on an area equivalent to the 92 tonne limit. We will not pay on the excess – and you would then not be able to claim it as part of your forage area.

1.5 If you are not sure how much land you can claim on, please get professional advice or consult your local area office in writing. If your claim is bigger than the 92 tonne limit and you don't have enough set-aside land to support the cropping parts of your claim, we will reduce your claim to:

- the area supported by the eligible set-aside; **or**
- the maximum area that a small producer can claim;

whichever is greater.

2. DIVIDING OBLIGATORY SET-ASIDE LAND BETWEEN YIELD REGIONS

2.1 If you are claiming AAPS aid on an area that is bigger than the limit that small producers can claim on land in more than one yield region, **you will normally have to divide your set-aside requirement within each of those regions** in line with the size of the cropped area claimed in each region. However, see paragraph 2.3.

2.2 For example, if you are claiming for 60 hectares of crops on Scottish non-LFA land and for 40 hectares of crops on Scottish LFA land, your set-aside requirement must normally be met in each yield region. For 2004 this means the following:

$$\text{Scotland LFA:} \quad 40 \times \frac{10}{90} = 4.444 = 4.45$$

$$\text{Scotland non-LFA:} \quad 60 \times \frac{10}{90} = 6.666 = 6.67$$

(as above)

The same would apply, for example, if you had a unit in the Scottish LFA and another in England. (Please see Appendix 1 for examples of how to work out your set-aside requirement in 2004.)

2.3 However, there is an **exception** to the general requirement to meet your set-aside requirement within each yield region.

If you have land in adjoining yield regions with different reference yields, you may meet your set-aside requirement in a single yield region. However, you must adjust the set-aside area to be offset to take account of the differences in reference yields between the regions. When offsetting your set-aside obligation from either of the Scottish yield regions or from England, you must multiply the area concerned by the factors in the table on page 52:

Please note that this does not apply to Northern Ireland and Wales as the yield regions are not adjoining.

Where the crops are in	Where the set-aside land is	Factor
Scotland non-LFA	Scotland LFA	1.09
Scotland non-LFA	England	1.00
Scotland LFA	Scotland non-LFA	1.00
Scotland LFA	England	1.00
England	Scotland LFA	1.13
England	Scotland non-LFA	1.04

2.4 When working out your offsetting set-aside requirement, you must treat the offset set-aside as shown in the examples.

In the first two examples, the area of set-aside land offset in Scottish LFA to account for cropped land in the Scottish non-LFA is worked out based on the set-aside requirement for the area of non-LFA cropping claimed **less** the area of non-LFA set-aside (if any) **multiplied** by the 1.09 factor as above. You would need to use a similar calculation if offsetting set-aside in either of the Scottish yield regions against cropped land in England. In the other two examples, the area of set-aside land offset in the Scottish non-LFA to account for cropped land in the Scottish LFA is worked out based on the set-aside requirement for the area of LFA cropping claimed **less** the area of LFA set-aside (if any). You don't need to use a factor in these examples as the set-aside is being offset in a yield region with a higher reference yield.

2.5 If in 2004 you farm and claim for 100 hectares in both the Scottish LFA and non-LFA yield regions, your claim would normally be for a minimum set-aside requirement of 10 hectares in both the LFA and non-LFA. This means that for the cropping parts of your claim to qualify in full for AAPS aid, they would normally have to be restricted to a maximum of 90 hectares in each yield region.

Example 1

In 2004, you farm and claim for 100 hectares in the Scottish LFA and 100 hectares in the Scottish non-LFA yield regions. If you decide to site all of your set-aside land in the Scottish LFA, you must adjust your AAPS claim as follows:

- Your claim in the Scottish non-LFA would be for 100 hectares of cropped land.
- The set-aside requirement for the 100 hectares of non-LFA cropping is as follows:

$$100 \times (10 \div 90) = 11.12 \text{ hectares}$$

(rounded up from 11.111)

- As you have no non-LFA set-aside and the LFA region has a lower reference yield, you must multiply the 11.12-hectare requirement by 1.09 to get the area to be set aside in the LFA region.

$$11.12 \times 1.09 = 12.13 \text{ hectares}$$

(rounded up from 12.121)

- As a result, your claim in the Scottish LFA region would be reduced to the following:

$$100 - 12.13 = 87.87 \text{ hectares}$$

- The 87.87 hectares include the area of LFA land you want to claim cropping and set-aside payments on. So, the minimum set-aside requirement for the LFA land is as follows:

$$87.87 \times 10\% = 8.79 \text{ hectares}$$

(rounded up from 8.787)

- In summary, your overall AAPS claim for 2004 would be:
 - 100 hectares of non-LFA cropping;
 - a maximum of 79.08 hectares of LFA cropping (87.87 – 8.79); and
 - a minimum of 20.92 hectares of LFA set-aside land (8.79 + 12.13).

If you choose to offset your set-aside requirement and don't have enough set-aside land to support all the cropping parts of your claim, we will pay in full for the yield region that has enough set-aside land. We will also use the set-aside excess in that region to set the supported cropping area in the other yield region (or regions).

Example 2

In 2004, you farm and claim for 100 hectares in the Scottish LFA and 100 hectares in the Scottish non-LFA. If you decide to site two hectares of your set-aside land in the Scottish non-LFA and the rest in the Scottish LFA, you must adjust your AAPS claim as follows:

- Your claim in the Scottish non-LFA would be for 98 hectares of cropped land and two hectares of set-aside land.
- The set-aside requirement for the 98 hectares of non-LFA cropping is as follows:

$$98 \times \frac{10}{90} = 10.89 \text{ hectares}$$

(rounded up from 10.888)

- As you have two hectares of non-LFA set-aside land, your offset requirement to the LFA region is as follows:

$$10.89 - 2 = 8.89 \text{ hectares}$$

- As the LFA region has a lower reference yield, the 8.89 hectare requirement must be multiplied by 1.09 to get the area to be set aside in the LFA.

$$8.89 \times 1.09 = 9.69 \text{ hectares}$$

- As a result, your claim in the Scottish LFA would be reduced to the following:

$$100 - 9.69 = 90.31 \text{ hectares}$$

- The 90.31 hectares include the area of LFA land you want to claim cropping and set-aside payments on. So, the minimum set-aside requirement for the LFA land is as follows:

$$90.31 \times 10\% = 9.04 \text{ hectares}$$

(rounded up from 9.031)

- In summary, your overall AAPS claim for 2004 would be:
 - 98 hectares of non-LFA cropping;
 - 2 hectares of non-LFA set-aside land;
 - a maximum of 81.27 hectares of LFA cropping (90.31 – 9.04); and
 - a minimum of 18.73 hectares of LFA set-aside land (9.69 + 9.04).

If you choose to offset your set-aside requirement and don't have enough set-aside land to support all the cropping parts of your claim, we will pay in full for the yield region that has enough set-aside land. We will also use the set-aside excess in that region to set the supported cropping area in the other yield region (or regions).

Example 3

In 2004, you farm and claim for 100 hectares in the Scottish LFA and 100 hectares in the Scottish non-LFA. If you decide to site all of your set-aside land in the Scottish non-LFA, you must adjust your AAPS claim as follows:

- Your claim in the Scottish LFA would be for 100 hectares of cropped land.
- Your **total** set-aside requirement for the 100 hectares of LFA and 100 hectares of non-LFA is as follows:

$$200 \text{ hectares} \times 10\% = 20 \text{ hectares}$$

- As the non-LFA region has a higher reference yield, there is no need to use a factor to the non-LFA land being set aside for LFA crops.
- As a result, your claim in the Scottish non-LFA region would be reduced to the following:

$$100 - 20 = 80 \text{ hectares}$$

- The 80 hectares is the maximum area of non-LFA land you can claim cropping on.
- In summary, your overall AAPS claim for 2004 would be:
 - 100 hectares of LFA cropping;
 - a maximum of 80 hectares of non-LFA cropping; and
 - a minimum of 20 hectares of non-LFA set-aside land.

If you choose to offset your set-aside requirement and don't have enough set-aside land to support all the cropping parts of your claim, we will pay in full for the yield region that has enough set-aside land. We will also use the set-aside excess in that region to set the supported cropping area in the other yield region (or regions).

Example 4

In 2004, you farm and claim for 100 hectares in the Scottish LFA and 100 hectares in the Scottish non-LFA. If you decide to site 3 hectares of set-aside land in the Scottish LFA and the rest in the Scottish non-LFA, you must adjust your AAPS claim as follows:

- Your claim in the Scottish LFA would be for 97 hectares of cropped land and 3 hectares for set-aside land.
- Your **total** set-aside requirement for 100 hectares of LFA and 100 hectares of non-LFA is as follows:

$$200 \text{ hectares} \times 10\% = 20 \text{ hectares}$$

- As you have 3 hectares of LFA set-aside land, your requirement in the non-LFA is as follows:

$$20 - 3 = 17 \text{ hectares}$$

- As the non-LFA region has a higher reference yield than the LFA region, you don't need to use a factor to the non-LFA land being set aside for LFA crops.
- As a result, your cropping claim in the Scottish non-LFA would be reduced to the following:

$$100 - 17 = 83 \text{ hectares}$$

- The 83 hectares is the maximum area of non-LFA land you can claim cropping on.
- In summary, your overall AAPS claim for 2004 would be:
 - 97 hectares of LFA cropping;
 - 3 hectares of LFA set-aside land;
 - a maximum of 83 hectares of non-LFA cropping (100 – 17); and
 - a minimum of 17 hectares of non-LFA set-aside land.

If you choose to offset your set-aside requirement and don't have enough set-aside land to support all the cropping parts of your claim, we will pay in full for the yield region that has enough set-aside land. We will use the set-aside excess in that region to set the supported cropping area in the other yield region (or regions).

2.6 If you are not sure how to follow these rules, please get professional advice or consult your local area office.

CHOOSING YOUR SET-ASIDE LAND

INTRODUCTION

1 In all cases, the land **must** be eligible for AAPS (see paragraphs 13-27 in section B).

2 With the appropriate choice of site and management, you can use set-aside land to meet agronomic objectives, benefit wildlife, provide public access and protect archaeological features. You need to decide on your objectives and then choose your site and management system accordingly. You should take account of features, wildlife and agronomic problems on your land and on neighbouring land. You may want to get independent professional advice.

3. **Plan your set-aside land to make the most of agronomic and environmental benefits.** You will need to consider:

- whether you will leave the set-aside land in one place or move it around;
- where you will position it;
- what cover you will choose; and
- how you will manage it.

You will also want to take account of the opportunities on your farm including soil type, the history of the land, neighbouring features, wildlife and archaeological sites in the area.

WHETHER OR NOT TO MOVE YOUR SET-ASIDE LAND

4. **If suitable land is left in set-aside over several years, it can bring significant environmental benefits.** Existing wildlife habitats can be expanded, buffered and linked, and new ones can be created. Leaving the set-aside land in one place also means that you can avoid agricultural operations on the land at times when wildlife may be disturbed.

5. On the other hand, **moving your set-aside land can also offer environmental benefits**, particularly if it follows cereals and the stubbles are allowed to regenerate over winter to provide feeding grounds for birds. With appropriate management, natural regeneration can encourage many varieties of flowers to grow. Also, rotating your set-aside land can provide an effective break to reduce the populations of the more aggressive weeds and to tackle diseases.

SITING YOUR SET-ASIDE LAND

Wildlife benefits

6. **For wildlife, set-aside land is best sited next to or linked to existing important areas** such as woods and hedges, unimproved grazing land, rivers, lochs, lakes, streams and moorland, especially if it is a site of special scientific interest (SSSI), other important land or land which has only recently come into agricultural production. (Scottish Natural Heritage can give you advice on SSSIs and other important sites.) If set-aside land is sited next to these types of areas, it will help to protect them. However, aggressive species on poorly managed set-aside land could take over a fragile SSSI. Most birds will benefit the most from a variety of relatively small plots of set-aside land across the farm, although a few need larger areas.

7. If set-aside land is used **to link existing features**, new habitats are created within the set-aside land itself and beneficial ‘corridors’ are created for wildlife.

Field margins and headlands

8. **As long as they meet the minimum width of 20 metres, setting aside field margins and headlands can offer considerable agronomic and environmental advantages.** It reduces the disturbance to existing farming patterns. At the same time it can extend and link existing habitats such as hedgerows and small woodlands, or provide new ones (for example, rough uncultivated strips that are vital as hunting grounds for barn owls and other important predators of crop pests). Setting aside field margins also allows easier access to maintain features such as hedges and ditches.

Short-rotation coppice

9. Short-rotation coppice (SRC) can have a significant effect on the landscape. As a result, you should take care to blend the coppice area into the landscape. In particular, you should:

- avoid sites of wildlife and archaeological interest;
- avoid strong rectangular or geometric shapes;
- consider groups, rather than isolated pockets, of SRC stands;
- consider the variation in heights which will happen throughout the coppice growing period;
- use existing trees and other features;
- make sure that interesting views and landscape features are not lost as a result of areas being planted next to public rights of way (if the land is crossed by a public right of way, consider how best this can be included in the layout);
- wherever possible, plant without ploughing to avoid soil disturbance (if you need to plough, make sure that the furrows follow the natural contour); and
- leave an unplanted strip along the bank if the planting area includes a watercourse.

SRC may qualify for a woodland expansion grant under the Scottish Forestry Grants Scheme (SFGS) but **not** for yearly payments under the FWPS. To qualify for the SFGS, SRC planting must be in line with the Forestry Commission's environmental guidelines. You may set aside more than 50% of the area you are claiming for under the AAPS as long as you use **all** your set-aside land for multi-annual crops for biomass production.

10. For more advice on planting and managing SRC, we advise you to consult the Forestry Commission and their publication 'Establishment and Management of SRC – Practice Note 007 by Ian Tubby'.

Managing hedges

11. You can use set-aside land to help manage your hedges and to increase their value for wildlife and the landscape. For example, it can provide access to hedges for trimming in late winter instead of autumn, so that birds and animals can use the berries and fruits as winter food. Access during the winter will also be easier for carrying out hedge restoration work such as laying, coppicing and gapping-up.

12. Wildlife will benefit the most from a variety of hedge heights and shapes across your farm, but no established hedge should be less than 1.5 metres high. Avoid trimming when birds are nesting and encourage the hedges to produce flowers and fruit by not trimming every year. For example, trim part of your hedges each year, or trim one side of a hedge one year and the other the next. A narrow grassy headland between the hedge and the crop will provide a habitat for predators of crop pests and nesting areas for birds such as partridges.

Nitrate leaching and soil erosion

13. If part of your land is in a nitrate vulnerable zone (NVZ), siting your set-aside land within the NVZ will help reduce nitrate leaching. **Siting your set-aside land next to a watercourse will help to reduce the likelihood of pesticides and fertilisers polluting the watercourse.**

14. In **areas that are prone to soil erosion**, siting set-aside land on particularly vulnerable fields, or parts of fields, may help to reduce the problem and reduce the likelihood of pesticides and fertilisers polluting that area.

Archaeological sites

15. **Set-aside land can help to protect archaeological remains and deposits from being damaged or disturbed.** Archaeological sites survive in arable land in three ways.

- As visible, upstanding areas which have not been ploughed in the recent past
- As sites with no upstanding features but with buried remains visible from the air (cropmarks)
- As sites which combine upstanding and cropmark remains

If you have an archaeological site on your arable land, keeping it in set-aside can improve its condition. Setting aside land next to these sites (for example, burial mounds preserved as 'islands' in arable cropping) can improve the site's setting. Set-aside land can also improve access.

16. If archaeological sites are set aside, sowing to grass is likely to be the most suitable way of managing them. Planting or regenerating woodland and scrub would not be appropriate. If natural regeneration is used, you must take care not to allow scrub to develop, as deep-rooted vegetation can cause damage. The main requirements are to make sure that:

- you don't break the ground surface;
- you maintain some kind of green cover; and
- you cut the cover at least once a year to prevent scrub developing.

The timing of the cut should ideally reflect local conditions (for example, ground-nesting birds and any rare species of flowers flowering). **To protect ground-nesting birds, we recommend that you delay cutting until mid June if possible.** You would need an exemption from the management rules to carry out any excavations on the site, as this would destroy the cover. This exemption would be on top of the usual consent needed from Historic Scotland.

17. You can get information about the location, extent and importance of archaeological sites from the appropriate local authority archaeologist or from Historic Scotland. You can also get an information leaflet, 'Archaeological Information and Advice in Scotland', from Historic Scotland free of charge.

NON-FOOD SET-ASIDE – TABLES 1 TO 3: CN CODES AND DESCRIPTIONS

1. You can grow a wide range of crops with food or animal-feed uses for non-food use on set-aside land. These are listed in table 1. Some have special conditions next to their name (such as rapeseed) which you must follow. In tables 1 and 2, an ‘ex’ in front of a CN code means that you are allowed to grow only the plant listed beside the code and not all plants that fall under the code. Not all these crops have obvious non-food uses. You can grow sugar beet, Jerusalem artichokes and chicory on set-aside land as long as you meet the conditions set out next to their names in table 1, **but we don’t pay AAPS payments on any set-aside land used to grow these three crops.**

TABLE 1

CROPS THAT CAN BE GROWN ON SET-ASIDE LAND FOR USE IN MANUFACTURING THE END PRODUCTS SET OUT IN TABLE 3

In the tables 1 and 2, an ‘ex’ in front of a CN code means that you are allowed to grow only the plant listed beside the code and not all the plants that fall under the code.

	CN CODE	BRIEF DESCRIPTION
	0602 90 59	Other outdoor plants (for example, Kenaf, Hibiscus, Cannabinus L. and Cheopodium) with the exception of Euphorbia lathyris, Sylibum marianum and Isatis tinctoria.
	0701 90 10	Potatoes.
Ex	0713 10 90	Peas (Pisum arvense L.), other than those for sowing.
	0713 50 00	Broad beans, other than those for sowing.
Ex	0714 90	Jerusalem artichokes (as long as they do not undergo the process known as hydrolysis as defined by Commission Regulation (EEC) Number 1443/82, either in their natural state or as an intermediate product such as inuline, as a by-product such as oligo fructose, or as any co-product).
	0810 30 10	Blackcurrants.
Ex	0810 90 85	Fruits of the species Aronia arbutifolia, sea buckthorn and elder.
	0904 20	Fruits of the genus Capsicum or of the genus Pimenta, dried, crushed or ground.

	0909	Seeds of anise, badian, fennel, coriander, cumin or caraway. Juniper berries.
	0910 50 00	Curry.
	0910 99 10	Fenugreek seed.
Ex	0910 99 91	Spices, other than mixtures.
Ex	0910 99 99	Spices, other than mixtures.
	1001 90 99	Spelt, common wheat and meslin, other than for sowing.
Ex	1002 00 00	Rye, other than seed.
	1003 00 90	Barley, other than seed.
	1004 00 00	Oats, other than seed.
	1005 90 00	Maize (corn), other than seed.
	1007 00 90	Grain sorghum, other than hybrids for sowing.
Ex	1008 10 00	Buckwheat, other than seed.
Ex	1008 20 00	Millet, other than seed.
Ex	1008 90 10	Triticale, other than seed.
Ex	1008 90 90	Other cereals, other than seed.
	1201 00 90	Soya beans, other than for sowing.
	1201 20 00	Shelled groundnuts.
Ex	1204 00 90	Linseed, other than for sowing but intended for uses other than fibre production.
Ex	1205 00 90	Rape or colza seeds, other than for sowing (only those types referred to in Articles 4(1) and 4(2)(a), (b) and (e) of Commission Regulation (EC) Number 2316/1999).
	1206 00 91	Sunflower seeds, other than for sowing.
	1206 00 99	
	1207 30 90	Castor-oil seeds, other than for sowing.

	1207 40 90	Sesamum seeds, other than for sowing.
	1207 50 90	Mustard seeds, other than for sowing.
	1207 60 90	Safflower seeds, other than for sowing.
	1207 99 99	Other oilseeds (including crambe) and oleaginous fruits, other than for sowing.
Ex	1209 29	Bitter lupin.
Ex	1211	Plants, and parts of plants (including seeds and fruits), of a kind used mainly in perfumers, pharmacy or for insecticidal, fungicidal or similar purposes, other than lavender, lavandin and sage.
	1212 91	Sugar beet (as long as sugar, as defined by Commission Regulation (EEC) Number 1443/82, is not produced from it, either as an intermediate product, a co-product or a by-product).
	1212 99 10	Chicory roots (as long as they do not undergo the process known as hydrolysis as defined by Commission Regulation (EEC) Number 1443/82, either in their natural state or as an intermediate product such as inuline, as a by-product such as oligo fructose, or as any co-product).
	1214	Swedes, mangolds, fodder roots, hay, lucerne (alfalfa), clover, sainfoin, forage kale, lupins, vetches and similar forage products.
	Chapter 14	Vegetable materials for plaiting, stuffing or padding, or those used in brooms or brushes. Vegetable products not elsewhere specified or included (for example, Broomcorn (<i>Sorghum vulgare</i> var. <i>technicum</i>)).
Ex	5302 10 00	True hemp (raw or retted) for processing into products that are not covered by Regulation (EC) Number 1673/2000.

TABLE 2**CROPS THAT MAY BE SOWN ON SET-ASIDE LAND AS LONG AS THEY ARE INTENDED FOR MANUFACTURING THE PRODUCTS LISTED IN TABLE 3 OR FOR YOUR DIRECT USE**

In tables 1 and 2, an 'ex' in front of a CN code means that you are allowed to grow only the plant listed beside the code and not all the plants that fall under the code.

	CN CODE	BRIEF DESCRIPTION
Ex	0602 90 41	Short-rotation forest trees with a harvest cycle of 10 years or less.
Ex	0602 90 49	Trees, shrubs and bushes producing plant material covered by CN code 1211 and by chapter 14 of the combined nomenclature, not including all those that can be used for human or animal consumption.
Ex	0602 90 51	Outdoor multi-annual plants (for example, miscanthus sinensis), other than those that can be used for human or animal consumption, in particular those producing plant material covered by CN code 1211 (other than lavender, lavandin and sage) and by chapter 14 of the combined nomenclature.
Ex	0602 90 59	Euphorbia lathyris, Sylibum marianum and Isatis tinctoria.
	1211 90 95	Digitalis lanata, Secale cornutum and Hypericum perforatum, not including plant material that can be used for human or animal consumption.

TABLE 3

END PRODUCTS THAT ARE ALLOWED, OTHER THAN FOR HUMAN OR ANIMAL CONSUMPTION, MADE FROM THE RAW MATERIALS IN TABLE 1 AND TABLE 2

- All products falling within chapters 25 to 99 of the combined nomenclature.
- All products falling within chapter 15 of the combined nomenclature and intended for uses other than for human or animal consumption.
- Products covered by CN code 2207 20 00 and intended for direct use in motor fuel or for processing for use in motor fuel.
- Packaging material covered by CN codes ex 1904 10 and ex 1905 90 90, as long as we have proof that the products have been used for non-food purposes in line with Article 15(4) of Commission Regulation (EEC) Number 2461/1999 (as amended).
- Mushroom spawn covered by CN code 0602 91 10.
- Lac, natural gums, resins, gum resins and balsams covered by CN code 1301.
- Saps and extracts of opium covered by CN code 1302 11 00.
- Saps and extracts of pyrethrum or of the roots of plants containing rotenone covered by CN code 1302 14 00.
- Other mucilages and thickeners covered by CN code 1302 39 00.
- All agricultural products listed in Annex I and products taken from them by an intermediary process and used as fuel for producing energy.
- All products listed in Annex II and products taken from them and intended for energy purposes.
- *Miscanthus sinensis* falling within CN code 0602 90 51, shredded and intended for use as horse litter, mulch, or additives to improve compost and litter for drying and cleaning plants.
- All products referred to in Commission Regulation (EEC) Number 1722/93 as last amended by Regulation (EC) Number 87/1999, as long as they are not obtained from cereals or potatoes grown on set-aside land and they do not contain products taken from cereals or potatoes grown on set-aside land.
- All products referred to in Council Regulation (EEC) Number 1010/86 as last amended by Commission Regulation (EC) Number 1148/98, as long as they are not obtained from sugar beet, don't contain products taken from sugar beet, and not grown on set-aside land.

MULTI-ANNUAL SET-ASIDE

We closed this option to new applicants with effect from AAPS 2003

1. Under certain circumstances, you may enter your land into multi-annual set-aside. This option provides for the same land to be set aside for up to five years while guaranteeing that you will not be adversely affected by any decreases in the basic rate of aid (in euros) or any reduction in the yield under the regionalisation plan.
2. If you want to enter land into a multi-annual set-aside agreement, you need to fill in a form IACS 22 (2003), which is available from your local area office, and return it by 15 May 2004. If you are entering land that has been planted to short-rotation coppice, you should put this on the form. If you need to have a management plan approved, you need to send form IACS 23 (2003) to your local area office at any time. You can get more information on preparing a management plan in leaflet AAP (2003) MAS/MP.
3. Depending on your status, you may enter into agreements for three, four or five years.
 - If you are an owner-occupier or a tenant farmer **with five or more years of your tenancy left**, your agreement can be for three, four or five years.
 - If you are a tenant farmer with **less than five years of your tenancy left**, you may enter into an agreement to cover the remaining full scheme years of your tenancy (but this must be **at least** three scheme years).
4. If you are a tenant farmer, we advise you to consult your landlord before you enter into a multi-annual set-aside agreement. If you are farming on a short-term tenancy of less than three years, we would advise you not to enter into a multi-annual set-aside agreement unless you have written confirmation from your landlord that they will renew your tenancy.
5. Other than land used to grow non-food crops such as short-rotation coppice (where the rules in paragraphs 149-152 apply), you must manage land entered into multi-annual set-aside in line with:
 - the management rules in paragraphs 75-113; or
 - a management plan that has been approved by your local area office.
6. If you are not entitled to set aside up to 100% of your claimed area and you then reduce the cropped area of your claim so that the area under multi-annual set-aside is bigger than 50% of your claim, you may adjust the area covered by the agreement accordingly to make sure you stay within the limit on set-aside land. No penalty will apply to the area you then withdraw from the multi-annual agreement.

7. The commitment under multi-annual set-aside **relates to the land**. If occupancy of the land changes during the three- or five-year agreement period, the new occupant may take over the agreement for the rest of the agreement period (and must follow any management plan). If the new occupant does not take over the agreement, penalties will apply to the previous occupant.

8. If a new holder of a multi-annual set-aside agreement fails to follow the terms of the agreement at any point during the rest of the agreement period, penalties for early withdrawal will apply. If you want to transfer your multi-annual set-aside agreement, we strongly advise you to get professional advice before you enter into any arrangements.

9. If you intend to withdraw from a multi-annual set-aside agreement or transfer the agreement to another farmer, you must fill in form IACS 24 (2003). If you are transferring the agreement, you and the other farmer must sign the form. You must then send the form to your local area office **within three months** of the transaction taking place, or 15 May if this is sooner.

10. Under the EU Regulation, if a producer deliberately goes back on an agreement before it ends, penalties will apply. This means that you must keep to the agreement for the full three or five years, unless:

- the area is to be afforested under an agri-environment scheme; or
- there is a change in the farm structure beyond your control.

11. You may leave an agreement or reduce the area covered by it without penalty in the circumstances described at paragraph 9. However, a penalty will apply for any plot withdrawn if you fail to:

- declare the land as set-aside in your application for AAPS aid;
- follow the management conditions; or
- follow the terms of any management plan.

We will work out the penalty as follows:

Area x (set-aside payment rate x 5%) x the number of years left in the agreement.

SEERAD AREA OFFICES AND OTHER GOVERNMENT CONTACT POINTS

The holding number(s) of your farm should be quoted on any correspondence with the Department.

<p>HEAD OFFICE ADDRESS: Scottish Executive Environment and Rural Affairs Department Division CAPM 2 Pentland House 47 Robb's Loan Edinburgh EH14 1TY Phone: 0131 244 6391</p> <p>AYR: Russell House King Street Ayr KA8 0BE Phone: 01292 610188 E-mail: seerad.ayr@scotland.gsi.gov.uk</p> <p>BENBECULA: Argyll and Western Isles Sub Office Balivanich Isle of Benbecula HS7 5LA Phone: 01870 602346 E-mail: seerad.benbecula@scotland.gsi.gov.uk</p> <p>DUMFRIES: SEERAD Southern Area Office 161 Brooms Road Dumfries DG1 3ES Phone: 01387 255292 E-mail: seerad.dumfries@scotland.gsi.gov.uk</p> <p>LAIRG: Ord Croft Lairg Sutherland IV27 4AZ Phone: 01549 402167 E-mail: seerad.lairg@scotland.gsi.gov.uk</p> <p>ELGIN: 32 Reidhaven Street Elgin IV30 1QH Phone: 01343 547514 E-mail: seerad.elgin@scotland.gsi.gov.uk</p>	<p>GALASHIELS: Cotgreen Road Tweedbank Galashiels TD1 3SG Phone: 01896 892400 E-mail: seerad.galashiels@scotland.gsi.gov.uk</p> <p>HAMILTON: Cadzow Court 3 Wellhall Road Hamilton ML3 9BG Phone: 01698 281166 E-mail: seerad.hamilton@scotland.gsi.gov.uk</p> <p>INVERNESS: Longman House 28 Longman Road Inverness IV1 1SF Phone: 01463 234141 E-mail: seerad.inverness@scotland.gsi.gov.uk</p> <p>INVERURIE: Thainstone Court Inverurie Aberdeenshire AB51 5YA Phone: 01467 626222 E-mail: seerad.thainstone@scotland.gsi.gov.uk</p> <p>KIRKWALL: Tankerness Lane Kirkwall Orkney KW15 1AQ Phone: 01856 875444 E-mail: seerad.kirkwall@scotland.gsi.gov.uk</p> <p>LERWICK: Charlotte House Commercial Road Lerwick ZE1 0HF Phone: 01595 695054 E-mail: seerad.lerwick@scotland.gsi.gov.uk</p>
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OBAN:

Argyll and Western Isles Area Office
 Cameron House
 Albany Street
 Oban
 PA34 4AE
 Phone: 01631 563071
 E-mail: seerad.oban@scotland.gsi.gov.uk

PERTH:

SEERAD: Central Area Office
 Strathearn House,
 Broxden Business Park
 Lamberkine Drive
 Perth
 PH1 1RX
 Phone: 01738 602000
 E-mail: seerad.perth@scotland.gsi.gov.uk

PORTREE:

Highland Area Sub Office
 Estates Office
 Portree
 Isle of Skye
 IV51 9DH
 Phone: 01478 612516
 E-mail: seerad.portree@scotland.gsi.gov.uk

STORNOWAY:

Argyll and Western Isles Area
 Sub Office
 10 Keith Street
 Stornoway
 Isle of Lewis
 HS1 2QG
 Phone: 01851 702392
 E-mail: seerad.stornoway@scotland.gsi.gov.uk

THURSO:

Strathbeg House
 Clarence Street
 Thurso
 KW14 7JS
 Phone: 01847 893104
 E-mail: stewart.johnston@scotland.gsi.gov.uk

Other Agricultural Departments and Rural Payments Agency

England

Department for Environment, Food and Rural Affairs
 Nobel House
 17 Smith Square
 London SW1P 3JR
 Phone: 020 7238 1215/5463
 Fax: 020 7238 6107

Wales

CAPM Division
 National Assembly for Wales
 Agriculture Department
 Ffynnon Las
 The Orchards, Ilex Close
 Ty Glas Avenue
 Llanishen
 Cardiff CF14 5EZ
 Phone: 02920 752222
 Fax: 02920 681382

Northern Ireland

Department of Agriculture and Rural Development
 Dundonald House
 Upper Newtownards Road
 Belfast BT4 3SB
 Phone: 028 9052 0813
 Fax: 028 9052 4266

Rural Payments Agency

Non-Food Set-Aside Section
 Alverton Court
 Crosby Road
 Northallerton
 North Yorkshire DL6 1AD
 Phone: 01609 773751
 Fax: 01609 781726

Rural Payments Agency Processing Sites

CARLISLE RPA (*for Cumbria, East and West Sussex, Isle of Wight, Greater London, Lancashire, Northumberland, Tyne and Wear, Surrey*)
 Eden Bridge House
 Lowther Street
 Carlisle
 Cumbria CA3 8DX
 Phone numbers (all counties)
 Local rate: 0845 605 6523
 Direct Dial: 01228 640446
 01228 640402
 Fax: 01228 640308
 E-mail: carlisle.iacs2@carlisle.rpa.gsi.gov.uk

CREWE RPA (*for Cheshire, Greater Manchester, Merseyside, Shropshire and Staffordshire*)

Electra Way
 Crewe Business Park
 Crewe, Cheshire CW1 6GJ
 Phone: 01270 754000
 Exts: **Cheshire** 4091
Greater Manchester 4102
Merseyside 4099
Shropshire 4104
Staffordshire 4217
 Fax: 01270 754111
 E-mail: iacs@crewe.rpa.gsi.gov.uk

EXETER RPA (for Avon, Cornwall, Devon, Dorset, Isles of Scilly, Somerset and Wiltshire)
Clyst House
Winslade Park
Clyst St Mary
Exeter, Devon EX5 1DY
Phone: 01392 447400 (switchboard)
01392 266022 (IACS Customer Services)
Fax: 01392 266307
E-mail: iacs.exeter@rpa.gsi.gov.uk

READING RPA (for Berkshire, Buckinghamshire, Oxfordshire)
Room 300, Northgate House
P O Box 69
Reading RG1 3YD
Phone (switch board)
0118 9583626

Berkshire
Phone: 0118 9687109
Fax: 0118 9687598
E-mail: iacs-reading@rpa.gsi.gov.uk

Buckinghamshire
Phone: 0118 9687109
Fax: 0118 9687598
E-mail: iacs-reading@rpa.gsi.gov.uk

Oxfordshire
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E-mail: iacs-reading@rpa.gsi.gov.uk

Rural Payments Agency Processing Sites

NEWCASTLE UPON TYNE RPA
(for Gloucestershire, Herefordshire, Worcestershire, Cambridgeshire, Suffolk and Essex)
Lancaster House
Hampshire Court
Newcastle Upon Tyne NE4 7YH
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Gloucestershire
All Parishes 0191 226 5435

Herefordshire & Worcestershire
Parishes 1-200 0191 226 5846
Parishes 201-567 0191 226 5411

Cambridgeshire
All Parishes 0191 226 5029
0191 226 5264

Suffolk
Parishes 1 – 290 0191 226 5378
Parishes 291 – 500 0191 226 5201

Essex
All Parishes 0191 226 5353
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E-mail: iacs@newcastle.rpa.gsi.gov.uk

NORTHALLERTON RPA (for Durham; Hampshire; Kent; Warwickshire; West Midlands; Yorkshire – North, including Cleveland; South; East, including Humberside & North Lincolnshire; West Yorkshire Bedfordshire; Hertfordshire; and Norfolk)
Alverton Court
Crosby Road
Northallerton
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NOTTINGHAM RPA (for Derbyshire, Leicestershire, Lincolnshire, Northamptonshire and Nottinghamshire)
Block 7, Government Buildings
Chalfont Drive
Nottingham NG8 3SN

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Leicestershire
Parishes 1-228 0115 900 5393/900 5384
Parishes 229 onwards 0115 900 5338/900 5334

Lincolnshire
Parishes 1-180 0115 900 5400/ 900 5398
Parishes 181 – 338 0115 900 5380/900 5405
Parishes 339 – 612 0115 900 5322/ 900 5373
Parishes 613 – 864 0115 900 5406/ 900 5412839

Northamptonshire 0115 900 5382 / 900 5404
Nottinghamshire 0115 900 5386/ 900 5392
Fax: 0115 9293817
E-mail: rpa-nottm.enquiries@rpa.gsi.gov.uk

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