



Organic Aid Scheme (Conversion and Maintenance) Explanatory Booklet (OAS1)

Scottish Executive



Scottish Executive Environment and Rural Affairs Department

Organic Aid Scheme 2006
(Conversion and Maintenance)
Explanatory Booklet (OAS1)

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Contents

	Page
Introduction	3
Overview of Application Process for OAS (Conversion)	4
Overview of Application Process for OAS (Maintenance)	5
Background	6-10
Eligibility	11-13
About your undertaking	14-17
OAS payments	18-21
How to apply	22-24
Penalties for non-compliance	25-28
 Appendices	
1. Approved Private Inspection Bodies	29-30
2. Contact Details – SEERAD Area Offices & other useful contacts	31-34
3. Good Farming Practice	35-37
4. Organic Production & Care of the Environment	38-39
5. Environmental Inventory for Maintenance Payments	40-41
6. Capital Works associated with Conversion Payments	42-43
7. Glossary of terms	44-45

Introduction

This booklet is a guide to the Organic Aid Scheme 2006 (OAS). The information it contains will help you prepare and submit an application. **Please take time to read the booklet carefully before reaching a decision on whether or not to apply to the OAS (Conversion or Maintenance).**

Please note that this Explanatory Booklet is not exhaustive and may be updated or amended during the lifetime of the OAS to take account of any Scheme developments. Further information and guidance on the Scheme can be obtained from your local SEERAD Area Office (a full list of addresses and telephone numbers is given in Appendix 2).

OAS applications should be sent to your local SEERAD Area Office. Please contact your local SEERAD Area Office for additional guidance about any aspect of your application.

Overview Of Application Process For OAS (Conversion)

- If the land covered by your application is formally in conversion or certified fully organic with an approved Private Inspection Body, you are not eligible for payments under OAS (Conversion).
- Before completing the OAS (Conversion) application form (OAS2), it is necessary to obtain a letter from your Private Inspection Body confirming it has received and commented on your Conversion Plan.
- Return your completed application form plus all supporting documentation to your Area Office before 30 April 2006.
- You will receive a letter from SEERAD acknowledging receipt of your application form.
- The threshold ranking score for conversion applications will be announced after all applications have been received and in time for appraisal inspections to be carried out in the summer.
- If following an appraisal inspection by SEERAD, your application is successful, an offer of agreement letter will be issued. If the land is still to be registered as formally in conversion with an approved Private Inspection Body, a deferral letter will be issued.
- If you receive an offer of agreement this letter must be signed and returned to your SEERAD Area Office if you want to proceed. If your land is not yet registered as formally in conversion, we require confirmation from you of your registration with an approved Private Inspection Body and your fully approved final Organic Conversion Plan before 31 March 2007.
- The OAS Conversion agreement start date is 1 September 2006 irrespective of date of registration with an approved Private Inspection Body.

Overview Of Application Process For OAS (Maintenance)

- The land covered by your application must be fully converted and registered with an approved Private Inspection Body to be eligible for payments under OAS (Maintenance).
- Return your completed application form (OAS 3) plus all supporting documentation to your local SEERAD Area Office before 30 April 2006. Enclose with your application a current certificate of organic registration with an approved Private Inspection Body. This should cover the land on the application.
- You will receive a letter from SEERAD acknowledging receipt of your application form.
- The threshold ranking score for maintenance applications will be announced after all applications have been received and in time for appraisal inspections to be carried out in the summer.
- If following an appraisal inspection by SEERAD, your application is successful, an offer of agreement letter will be issued to you.
- Your signed offer of agreement should be returned to your SEERAD Area Office.
- If land in this application is currently in an OAS (Conversion) agreement, the start date for this maintenance application will be the day after your current agreement ends or 1 September 2006, whichever is the later. Therefore your start date will fall between 1 September 2006 and 1 November 2006.
- If the land in this application is not currently, or has never been in an OAS agreement, the application start date must be entered as 1 September 2006.

Background

What is the Organic Aid Scheme (OAS)?

- 1 A SEERAD scheme which aims to encourage the expansion of organic production in Scotland in order to help meet the increasing demand for organically produced food. The Scheme forms part of the Scottish Rural Development Programme (SRDP) and is jointly funded by SEERAD and the European Community.
- 2 There are two options under the Organic Aid Scheme.
 - **OAS (Conversion):** payments to help farmers convert to organic farming; and
 - **OAS (Maintenance):** payments to help existing organic farmers to continue farming organically.

Many of the OAS rules apply to both options. Where there are differences, these are set out in this booklet.

What is the legal basis for the Scheme?

- 3 The legislative basis for the Scheme is Council Regulation (EC) 1257/1999, Commission Regulation (EC) 817/2004 (detailed rules), the Council Regulation (EC) 2092/91 (crops and standards), the Council Regulation (EC) 1804/99 (covering foodstuffs and livestock production), the Organic Aid (Scotland) Regulations 1994, the Organic Aid (Scotland) Amendment Regulation 1996, the Organic Aid (Scotland) Amendment Regulations 1999, the Organic Aid (Scotland) Regulations 2004 and the Organic Aid (Scotland) Amendment Regulations 2004 and 2005. The Scheme is part of the Scotland Rural Development Plan

that was approved under Council Regulation (EC) 1257/1999 in December 1999.

What does the OAS involve?

- 4 In applying to the Scheme, you are offering to enter into a binding undertaking with SEERAD, which will last for a minimum of five years.

Under **OAS (Conversion)** you undertake to convert a viable production unit to organic farming during the period of your agreement. The proposed organic production unit must be self contained and meet with the requirements of an approved Private Inspection Body. If you are already participating in the Scheme and want to enter more land (subject to Scheme limits, see paragraph 22) you may do so under a new application (see paragraph 42) providing all the remaining land in the proposed organic production unit that is not already covered by organic standards is put forward for conversion at this stage and is stated on the approved conversion plan. Financial assistance is available for the preparation of a professionally prepared approved Organic Conversion Plan (see paragraph 54) and for capital works associated with your conversion (see paragraph 53 and Appendix 6 of this booklet).

Under **OAS (Maintenance)** you undertake to continue to farm organically and maintain your land in an environmentally beneficial way for the period of your agreement.

What are the conservation requirements that I have to observe?

- 5 In both OAS (Conversion) and OAS (Maintenance) options you will be expected to follow the Compendium of UK Organic Standards guidelines designed to ensure the protection of environmental features and semi-natural habitats on your farm, croft or common grazing. The standards currently in force are set out in Appendix 4 and you should study these closely before you apply. In addition you are required to follow the Standard of Good Farming Practice as set out in Appendix 3. This applies to the whole of the farm, croft or common grazings and not just to those areas being farmed organically. If you fail to comply with environmental standards set out in Appendix 4 this will be seen as a breach of Scheme rules and SEERAD may be required to withhold or reduce payments, or recover payments already made, including interest. In addition for OAS (Maintenance) payments you must also follow the environmental conditions as set out in Appendix 5 (paragraph 5.2 to 5.7) on your organic unit.

Why encourage organic farming?

- 6 Organic farming seeks to work with natural processes instead of dominating them, using methods which are designed to achieve a sustainable production system with limited use of external inputs. The potential for pollution and other environmental damage is lessened as organic farming avoids the use of artificial fertilisers and synthetic pesticides. Instead it emphasises the role of crop rotation in helping to maintain soil fertility and to combat pest and disease problems and relies on the use of fertility-building crops

and natural fertilisers, such as animal manures.

What are the standards for organic farming?

- 7 For food to be sold as 'organic' it is necessary for it to be produced in accordance with specified standards established by Council Regulation 2092/91 (as amended). For crops, these standards are based on EC Regulation 2092/91; and EC Regulation 1804/99 for standards for organic livestock and livestock products.

In the UK the base standards are currently set through the Compendium of UK Organic Standards. Approved Private Inspection Bodies are responsible for ensuring that at the least these standards are complied with. Appendix 1 contains a list of these bodies but please note that the scope of activity of each one is limited either geographically or in respect of the registration they offer. To become a recognised organic producer you will be required to join one of these bodies and meet these standards. It is possible to be certified with an approved Private Inspection Body to minimum standards laid down by EU legislation.

- 8 Should the EU standards or UK Standards be revised, you will need to meet any additional requirements that may be introduced. Further information on organic standards can be obtained from the inspection bodies listed in Appendix 1 or from SEERAD's website at www.scotland.gov.uk

The Compendium of UK Organic Standards also sets guidelines to ensure the protection of environmental features and semi-natural habitats that must be complied with throughout your participation in this Scheme (see Appendix 4).

SAC's network of local advisory offices.

How do I become an organic producer and where can I get advice on organic farming?

- 9** To become a recognised organic producer you will be required to join an approved Private Inspection Body. A full list of approved inspection bodies and national and local SEERAD office contact details are given in Appendices 1 and 2. The Private Inspection Body will give you guidance on conversion to organic farming and approve your Organic Conversion Plan for achieving organic status. Subsequently, the body will inspect your farm, croft or grazing to check that organic standards are being maintained. **Please see the flowcharts at pages 9 and 10 of this booklet which describe the application process for both Organic Conversion and Maintenance payments.**

Advice and information concerning organic farming can also be obtained from the SAC Organic Helpline, Tel: 01224 711072.

- 10** You should consider carefully the financial implications for your business of going organic and you may well need training if your enterprise is to succeed. Organic farming is not an easy option. SAC offer courses in organic agriculture and horticulture, regular organic farm walks and producer meetings. Details of these can be obtained from the SAC Organic Helpline, the SAC website www.sac.ac.uk and the Organic Farming Service available from the

EXPLANATORY FLOWCHART FOR ORGANIC CONVERSION PAYMENTS

ORGANIC AID CONVERSION 2006

1 APRIL 2005 - 30 April 2006

Documentation required with Application

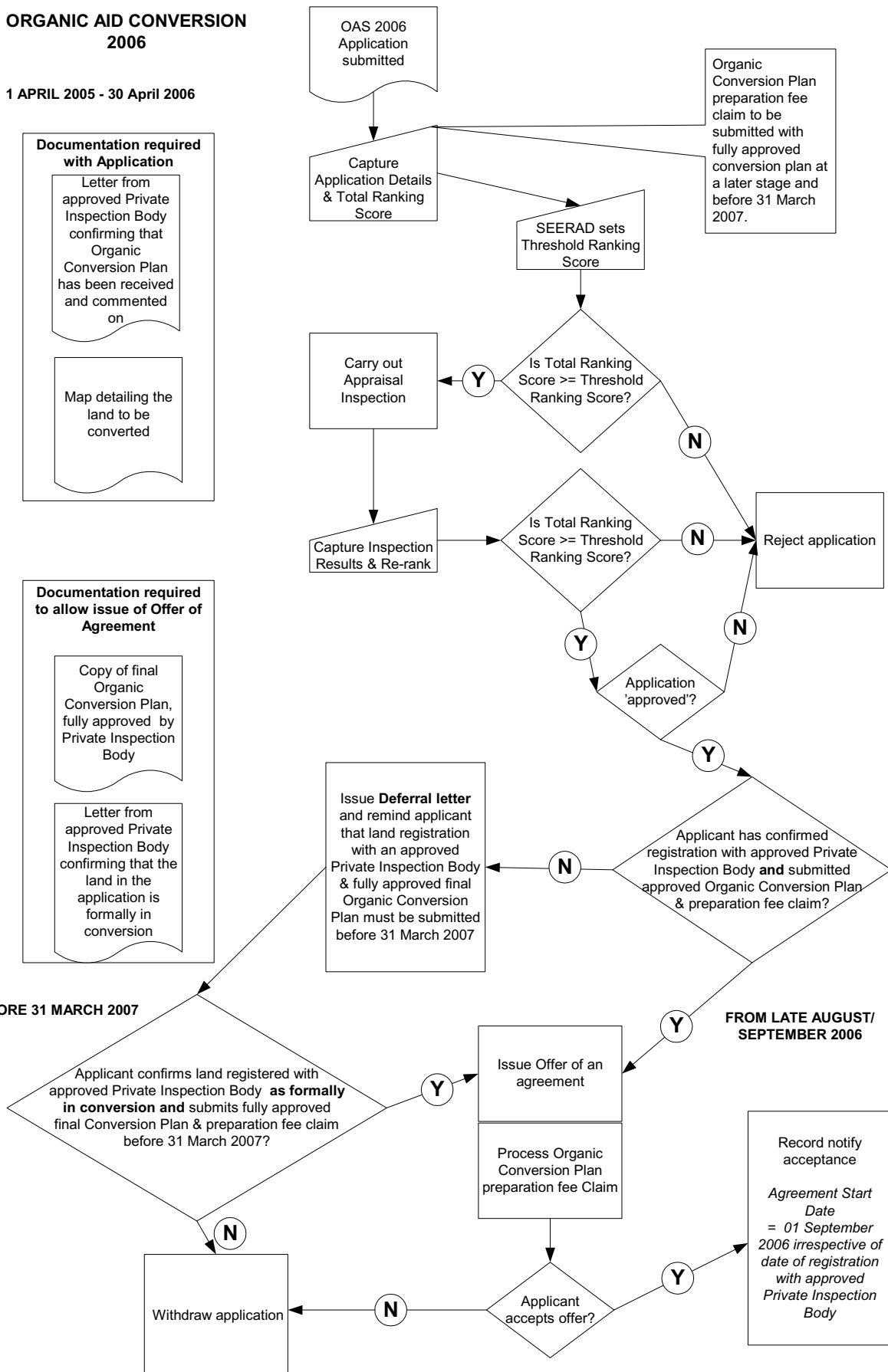
- Letter from approved Private Inspection Body confirming that Organic Conversion Plan has been received and commented on
- Map detailing the land to be converted

Documentation required to allow issue of Offer of Agreement

- Copy of final Organic Conversion Plan, fully approved by Private Inspection Body
- Letter from approved Private Inspection Body confirming that the land in the application is formally in conversion

BEFORE 31 MARCH 2007

FROM LATE AUGUST/ SEPTEMBER 2006

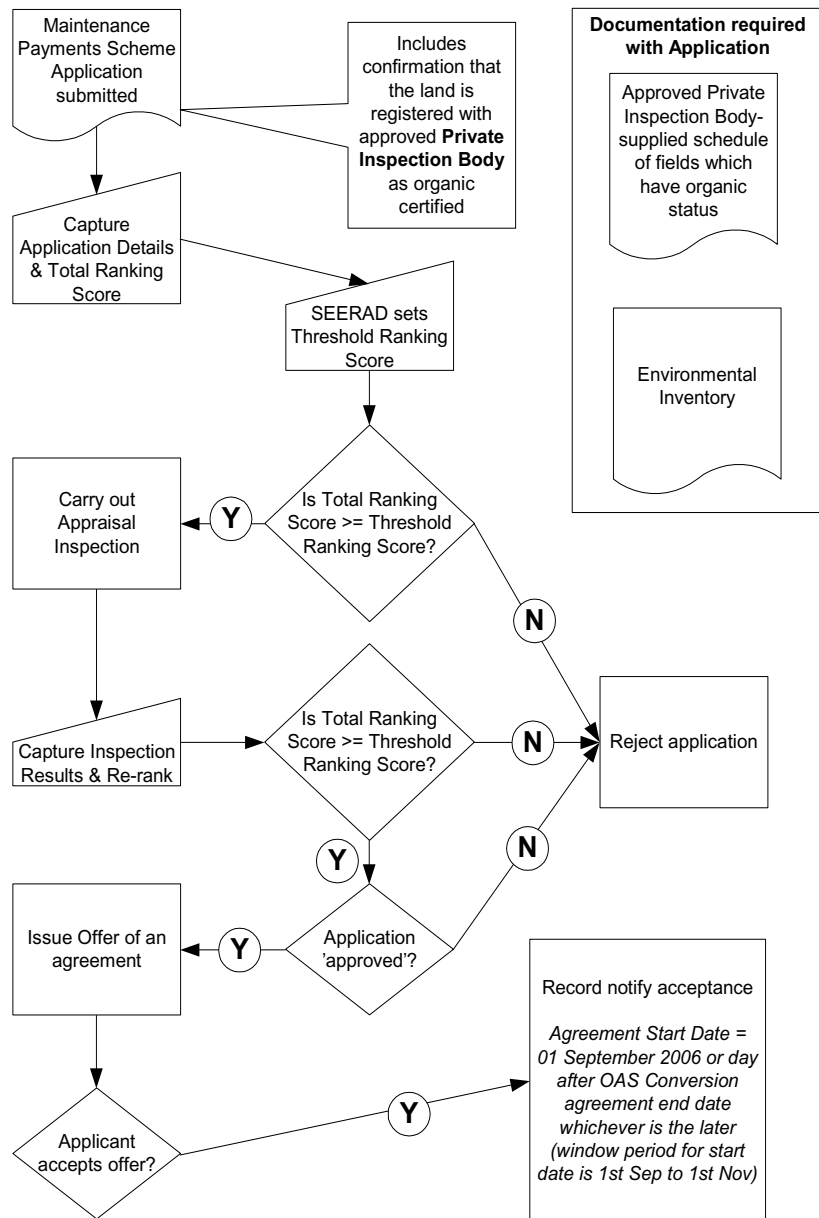


EXPLANATORY FLOWCHART FOR ORGANIC MAINTENANCE PAYMENTS

ORGANIC AID MAINTENANCE 2006

1 APRIL 2005 - 30 APRIL 2006

LATE AUGUST/SEPTEMBER 2006



Eligibility

Most of the OAS eligibility rules apply to both the Conversion and the Maintenance payment options. Where this is not the case, this is clearly indicated.

Who is eligible to apply?

- 11** You are eligible to apply if you have responsibility for and control over agricultural production on the land in question and can meet the conditions of the Scheme. You will be either an owner occupier, tenant or person acting on behalf of a common grazings committee.

If you are a crofter, it may be possible for you to convert your croft land, including any apportioned common grazing which is exclusively under your control, in the normal way. However, if the intention is to convert the common grazings, it will be necessary for an application to be made by the grazings committee to convert the common grazings as a whole.

Applications from grazings committees must be supported by the majority of crofters normally resident in the township and sharing in the common grazings. The grazings committee is required to give notice of: (a) their intention to join the Scheme and (b) the apportionment of payments by advertisement or other means. Any crofter normally resident in the township and sharing in the common grazings has a right to make representations to the Crofters Commission within a month of the date of such notice.

Are you currently disqualified from applying?

- 12** Article 72 of Commission Regulation No. 817/2004 does not allow an OAS undertaking to be entered into for a period of up to two years by an applicant who has given false or misleading information either intentionally or as a result of serious negligence in relation to agri-environment commitments.

What if I do not own the land?

- 13** Only land that is occupied on a permanent basis i.e. owned or held under a secure tenancy agreement or management contract can be entered into the Scheme. Where the tenancy agreement or management contract has less than 5 years to run, you may still apply so long as you undertake jointly with the owner to assume the obligations of the agreement. Under these circumstances questions 2 and 3 of Section 8 of the application form should be completed by the owner or landlord. These options cannot be taken on seasonal let land, or lets of 364 days or less. Where a tenancy ends before the end of the five-year commitment the owner or landlord must complete a Successor Application form (which you will also have to sign) within 3 months of the cessation of the tenancy/licence.

OAS (CONVERSION) PAYMENTS

What land is eligible for OAS (Conversion) payments?

- 14** All agricultural land occupied by your business which you intend to convert to organic production and which is covered by the Organic Conversion Plan, received and commented on by

your Private Inspection Body, is eligible for the OAS (Conversion) payments.

Land that is already formally in conversion or certified fully organic with an approved Private Inspection Body is **not** eligible for the OAS (Conversion).

Fields containing trees may be included provided the density of the trees is low enough to allow cropping or grazing in the same way as on similar fields without trees. Unusable areas e.g. woodland, roads, yards, buildings, ponds – cannot be claimed or declared as eligible land under the OAS.

You must ensure ineligible areas e.g. rocky outcrops and buildings, forming part of the total area are also deducted. It is your responsibility to deduct any ineligible land from your application. You can, however, include areas which are uncultivated as a result of normal agricultural operations e.g. tractor turning areas, narrow field margins, headlands, hedges, where this is justified, but these cannot be more than 2 metres wide.

15 Before your entry into **OAS (Conversion)** can be formally accepted, the land in question must have undergone an initial conversion inspection by an approved Private Inspection Body, and you must have approval of your conversion plan.

16 **At application stage** you must submit the application form and a letter from your Private Inspection Body confirming it has received and commented on your Organic Conversion Plan. SEERAD must receive this paperwork with your application by 30 April 2006. You must register the land with an approved Private Inspection Body and notify SEERAD prior to 31 March

2007. You will have to pay a fee to register your land and you must renew this registration each year to ensure that you are registered with an approved Private Inspection Body for the full duration of your OAS undertaking. Further details can be obtained from the inspection bodies themselves.

17 Evidence will be required to be submitted notifying SEERAD of the date the land will achieve full organic status. This date must be agreed with the Private Inspection Body.

18 Land which was registered as fully organic at any time since 10 August 1993 is not eligible for OAS (Conversion).

Do I have to convert all the relevant land at the same time?

19 You can, if you wish, choose to phase in conversion. However, the last phase must be entered into conversion no later than 5 years from the date of entry into the Scheme. Each phase would be entitled to 5 annual payments.

OAS (MAINTENANCE) PAYMENTS

What land is eligible for OAS (Maintenance) payments?

20 Agricultural land in Scotland that is fully organic and not currently receiving OAS (Conversion) payments may be eligible for a five-year OAS (Maintenance) undertaking.

21 Before you apply, you must already be farming the land organically and be registered as an organic producer with an approved Private Inspection Body. You must remain registered with an approved Private Inspection Body for the full duration of your OAS undertaking.

CONVERSION AND MAINTENANCE PAYMENTS

How much land must be entered?

- 22** The **minimum** area of land that you can enter into OAS (Conversion) or OAS (Maintenance) is 1 hectare. There is no upper limit to the area which may be converted to organic production but the maximum area of land eligible for payment is 1,000 hectares for OAS (Conversion) and 1,000 hectares for OAS (Maintenance).

Within the 1,000 hectares ceiling, up to 300 hectares of Arable land, Fruit and Vegetable land or Improved Grassland, or a combination of these land types, is eligible.

These conditions apply to **both** OAS (Conversion) and OAS (Maintenance).

What land is eligible for Fruit and Vegetable payments?

- 23 OAS (Conversion):** You will be required to make the commitment to convert a parcel of land in the first 2 years and produce Fruit or Vegetables for a minimum of one year in any of years 3 to 5. **Please enter Fruit and Vegetable as the land type in all 5 years on the application form.** The production of Fruit and Vegetables will be verified using the annual certification schedule from your Private Inspection Body.
- 24 OAS (Maintenance):** To be eligible for 5 years of Fruit and Vegetable payments on a parcel of land you

must have at least 2 years of Fruit and Vegetable production on that land within the 5 year period. **Please enter Fruit and Vegetable as the land type in all 5 years on the application form.** The production of Fruit and Vegetables will be verified using the annual certification schedule from your Private Inspection Body.

What if I already have another SEERAD grant scheme agreement?

- 25** Providing the conditions of schemes can be fulfilled you should be able to combine the OAS with other scheme agreements which you have and receive both sets of payments. This will not be possible on land where you will be receiving payment twice for the same activities or where there would be a conflict between the objectives of the schemes. Examples of this include the Unharvested Crops option under the Rural Stewardship Scheme or the Management of Conservation Headlands option under the Rural Stewardship Scheme and the Countryside Premium Scheme. Your local SEERAD Area Office will advise you at the initial inspection of any conflicting activities.

Please note there are restrictions under EU regulations on the maximum annual funding available for agri-environment agreements – see paragraph 57 for further information.

About your undertaking

Unless clearly indicated, the following paragraphs apply to both OAS (Conversion) and OAS (Maintenance) undertakings.

When will my undertaking start?

26 OAS (Conversion): All agreements will have an effective starting date of 1 September 2006.

OAS (Maintenance): If land in your OAS (Maintenance) application is currently in an OAS (Conversion) agreement, the start date for this maintenance application will be the day after your current agreement ends or 1 September 2006, whichever is the later. If the land in this application is not currently, or has never been in an OAS agreement, the application start date must be **1 September 2006**.

27 There are two routes into **OAS (Conversion):**

a) Having submitted an application form, the applicant at his or her own risk can register the land in question with an approved Private Inspection Body. This will be the date the land enters conversion.

b) The applicant chooses to await the outcome of their application, if successful, they must register the land with an approved Private Inspection Body before the 31 March 2007.

What are the implications of going down route a or b?

28 If you opt for route a) then SEERAD will endeavour to notify you of the success of your application by the 1 September which will include

notification of whether your application has been approved or rejected. If you opt for route b) and your application is successful then we will aim to issue you with a deferral letter by 1 September which will declare that the success of your application is dependent on the submission to SEERAD of confirmation of registration of the land with an approved Private Inspection Body before 31 March 2007.

29 Although we will acknowledge receipt of your application to the Scheme, we will not be able to notify you of its acceptance, or otherwise, until we have completed our necessary checks. **However, we aim to inform all applicants of the success of their application by 1 September.**

How long will my undertaking last?

30 Each undertaking will last for five years but may be as much as 9 years depending on the phasing in of land (see paragraph 19).

What is my commitment to farm organically?

31 All land on your farm which has already been converted to organic standards at the date of application as well as the land which is to be converted through the Scheme will have to remain organic for as long as payments are being made under the Scheme.

32 Throughout the duration of the agreement under both OAS (Conversion) and OAS (Maintenance) you must remain registered with an approved Private Inspection Body. Failure to meet this requirement will instigate breach procedures under

the OAS and the recovery of all monies paid under the OAS (see paragraph 73).

- 33** If you wish to re-register your land with a different approved Private Inspection Body, it is important that you do so before de-registering with your existing one so that there is continuity of registration.

What happens if after joining the Scheme I wish to revert to non-organic production methods?

- 34** If you wish to revert to non-organic methods on any of your land, including land that was converted before you entered the Scheme, you will be liable to repay any payments already received under the Scheme, plus interest.
- 35** If you are found to be in breach of organic standards by your approved Private Inspection Body, you will also be required to repay any payments already received under the Scheme, plus interest.

What if I let, sell or transfer land subject to an undertaking?

- 36** If land subject to an undertaking is let, sold or transferred to a new owner or occupier, then you will, technically, be in breach of your undertaking because you have failed to fulfil your five-year commitment to the OAS. This may result in the termination of the undertaking by SEERAD and the recovery from you of all monies paid plus interest. Note: where the transfer occurs for reasons beyond your control then *force majeure* may apply (see paragraph 75).
- 37** However, if the new occupier offers to take on the responsibility of the undertaking, and is accepted by SEERAD, you will be discharged from your undertaking. For this reason it is

in your interest to try to ensure that your successor will take on the obligation of the undertaking. If the successor is agreeable to taking over your organic undertaking, they must complete a Successor Application form (OAS 6) (which you will also have to sign) available from your local SEERAD Area Office. Where a landlord has completed the relevant questions in Section 8 at application stage, they will need to complete a Successor Application form within 3 months of the cessation of the tenancy or management contract.

- 38** If you do sell or transfer land, inform your SEERAD Area Office and approved Private Inspection Body as soon as possible and, at the latest, within 3 months of the change of occupancy occurring. You must provide details of the land transferred and the new occupier.
- 39** The land involved must be a minimum of one hectare and the new occupier must apply to SEERAD and give an undertaking to take over your OAS commitments on assuming occupancy. Should this not happen, you will be in breach of your undertaking and will be liable to repay any monies received, together with interest and penalties.
- 40** Should you transfer only part of the land subject to an OAS undertaking, you will need to ensure that the remaining land is a minimum of one hectare and that your Private Inspection Body considers it to be a viable organic production unit. Otherwise, you will be in breach of your undertaking.
- 41** Where an agreement holder dies during the period of an OAS undertaking, any partner to that undertaking will be responsible for ensuring that the land continues to be farmed in accordance with Scheme

requirements. Where there is no partner, this responsibility will lie with the personal representatives or the new owners of the land. Where an agreement holder dies during the period of the undertaking, your local SEERAD Area Office must be notified within 10 working days of the personal representative being in a position to do so. Note: *force majeure* may apply (see paragraph 75).

Change of occupiers under a joint application

- 42** If a tenant or licensee stops having control over the land during the five years of an option, the landlord or new tenant must enter into a 'successor's agreement' within three months of the tenancy or licence ending. If the successor's agreement is not completed within three months, the original tenant or licensee (i.e. the original agreement holder who has signed Section 9, the declaration, of the application form) may have to repay the Scheme payments already paid, with interest. Depending on the circumstances, the tenant or licensee may also have to pay a penalty.

You must let your SEERAD Area Office know about any changes affecting the legal occupiers of the land the Scheme applies to.

Am I able to add extra land to an existing undertaking?

- 43** It is not possible under the Scheme rules to add additional land to an existing undertaking. You must submit another, separate, application with a view to entering into a new agreement on the land involved.

Scheme compliance inspections

- 44** SEERAD inspectors will carry out unannounced inspections to ensure that the correct hectarages are being

claimed under the Scheme and that the payment type is being properly classed. They will also inspect the land for any other reason should it be deemed necessary in verifying claims for payment under the Scheme. You must allow access at any reasonable time to authorised SEERAD staff or their agents, who will inspect your land, and render all reasonable assistance to them. You may be required to accompany the inspector and produce any relevant records. Intentional obstruction of inspecting officers could result in prosecution.

Organic standards inspections

- 45** Inspectors from your Private Inspection Body will visit your holding at least once a year in order to check that you are meeting the necessary organic farming standards. SEERAD may need to obtain a copy of these inspection reports for Scheme administration purposes, and in applying to the scheme you authorise the release of these reports to SEERAD.

Withdrawal from the scheme

- 46** There is no right to withdraw from the Scheme without sanctions other than on completion of your agreed period in the Scheme, normally 5 years, or where *force majeure* applies.

If you wish to withdraw from the OAS, you should write to your local SEERAD Area Office and your Private Inspection Body explaining why you wish to do so. Normally you will be required to pay any OAS payments already made to you plus interest. An additional penalty may also be applied.

What happens if I have a dispute about my land's organic status?

47 The question of the organic status of your land, and the suitability of your farming practices is, in the first instance, a matter between you and the Private Inspection Body with which

you are registered. Disputes should normally be resolved with them.

OAS Payments

Most of the following guidance applies to both OAS (Conversion) and OAS (Maintenance). Where this is not the case, this is clearly indicated.

What payments will I receive?

48 You will receive payments for up to 5 consecutive years on each hectare of land entered into either OAS (Conversion) or OAS (Maintenance), subject to the maximum hectareage limits (see paragraph 22). The rate of payment depends on the category of land involved and the Scheme year in which the payment is due. For OAS (Conversion), higher payment rates are made over the first two years to take account of the land undergoing organic conversion.

What are the categories of land on which payments will be made?

49 Payment will be made for land, which falls into the following categories:

- **Arable land**
- **Land in Fruit and Vegetable Production**
- **Improved Grassland**
- **Rough Grazing or Unimproved Grassland.**

Please see Appendix 7 for definitions of land type. Paragraphs 23 and 24 outline what land is eligible for Fruit and Vegetable payments.

What payments are available under OAS (Conversion)?

50 The payment rates are detailed below:

(£s per hectare)

Conversion Land Type	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Arable land	£220	£220	£60	£60	£60	£620
Land in Fruit & Vegetable Production	£300	£300	£60	£60	£60	£780
Improved Grassland	£120	£120	£60	£60	£60	£420
Rough Grazing/Unimproved Grassland	£5	£5	£5	£5	£5	£25

What payments are available under OAS (Maintenance)?

51 The payment rates are set out below:

(£s per hectare)

Maintenance Land Type	Years 1 to 5	Total
Arable land	£60	£300
Land in Fruit & Vegetable Production	£60	£300
Improved Grassland	£60	£300
Rough Grazing/Unimproved Grassland	£5/Ha per year with a minimum of £500 per year	

When will payment be made?

52 Payments for OAS (Conversion) and OAS (Maintenance) will be made annually in arrears on receipt of a properly completed claim form together with a valid original certificate of organic registration plus accompanying schedule. Payment will be made on or after the anniversary of the undertaking start date of the application and annually thereafter.

If you fail to supply a valid certificate, we may consider you to be in breach of your undertaking and may recover monies previously paid to you.

The claim form will be forwarded to you by your local SEERAD Area Office about 4-6 weeks before the payment is due.

Capital payments

53 Expenditure on capital items cannot exceed £2800 per business. Capital works relating to a parcel of land must be completed in the 1 year of conversion of that land to organic production. The capital work proposed must be essential to the conversion to organic production proposed.

Payments for all capital items will be made in instalments annually over the 5-years of the OAS (Conversion) agreement. The amounts payable include an element for interest over the 5-year period. The instalments have been calculated so that 70% of the amount due will have been paid by the end of the second year of your participation in the OAS (Conversion). The percentages of the total due which will be paid in each year of the agreement are as follows:

Year 1	50%
End of Year 2:	20%
End of Year 3:	10%

End of Year 4:	10%
End of Year 5:	10%

Of the 50% payable in Year 1, half will be paid on entry to the Scheme (1 September) and half will be paid at the end of the first year of participation.

If the length, area or number of items completed is less than approved, the amount payable will be reduced accordingly.

The payment rates and the interest used to calculate the amounts of the instalments (the Public Sector Discount Rate) will be subject to review: either of these may move down or up following review.

How do I claim for payments?

54 To claim for assistance in the professional preparation of your Organic Conversion Plan you will require to include evidence (e.g. a receipted invoice) of the professional cost incurred in drawing up the Organic Conversion Plan. **Please note that claims will be accepted for costs incurred for drawing up the Organic Conversion Plan, however, payments will not be made until after SEERAD has received State Aid approval for this measure.**

For Conversion, Maintenance and Capital payments your local SEERAD Area Office will provide a pre-printed claim form at the appropriate time which you should complete and return. It is essential that you read the instructions carefully before completing the claim form. Payment will be made on the actual measurements of the Capital, Conversion or Maintenance options undertaken or the approved measurement, whichever is the smaller.

SEERAD will investigate discrepancies between the areas/lengths claimed and the actual measurements. Depending upon the reasons for any discrepancy, action may be taken under the Scheme's breach procedures.

How are payments calculated?

55 Payment rates are shown in this booklet for OAS (Conversion) and OAS (Maintenance). Payment rates for Capital items are shown on form OAS 4 & 7.

The payments for capital items are based upon estimated average costings for particular items of work.

Provided the Organic Conversion Plan has been carried out to a satisfactory standard and you apply to join OAS (Conversion), SEERAD will pay towards a conversion plan prepared by a professional adviser:

- For a small unit (10 hectares or less) 75% of the cost subject to a minimum payment of £150 and a maximum of £225.
- For other units (greater than 10 hectares in extent): 50% of the cost up to a maximum payment of £300.

A receipted invoice to support your claim must be submitted to SEERAD with your completed claim and your fully approved Organic Conversion Plan, before 31 March 2007.

The cost used to calculate the amount to be reimbursed will normally exclude VAT unless your business is not registered for VAT.

Payment by BACS

56 SEERAD's preferred method of payment is by direct credit (BACS). If you already receive grant and subsidy payments from SEERAD by direct credit then your payments under this Scheme will be made by this method. If not, please contact your local SEERAD Area Office who will arrange for a registration form to be sent to you. Direct credit payments are more effective, faster and cannot get delayed in the post. Payments are credited direct to your bank account. You will continue to receive a note advising you that payment has been made.

Financial limits

57 There are restrictions under EU regulations on the maximum annual funding available. The ceiling on your total claims in the Organic Aid Scheme, with the RSS, CPS, LMCMS, ESA and the Habitats Scheme is €900 (around £630) per hectare for land used for specialised perennial crops, €600 (around £420) per hectare for land used for annual crops and €450 (around £315) per hectare per annum for other land uses.

This means you cannot receive annually a combined sum (through all the above schemes) greater than the above limits for each type of land use. For example if your holding has 10 fields totalling 100 ha of cereals £42,000 is the maximum funding per annum for agri-environment measures that could be paid. For 5 fields totalling 100 ha grassland, the ceiling would be £31,500 per annum.

If the amount claimed in your Organic Aid Scheme application exceeds the funding available to you because you have exceeded your allowance or breached the maximum funding ceiling for all agri-environment measures, there will be a facility to

amend your application to reduce the funding sought. If it is found you have falsely declared land to increase your maximum allowance, penalties may apply.

How to apply

Most of the following guidance applies to both OAS (Conversion) and OAS (Maintenance). Where this is not the case, this is clearly indicated. Please see the flowchart at the front of this booklet which illustrates this process.

When can I apply?

- 58** You can apply at any time however your application must be received by the local SEERAD Area Office before 30 April 2006.

What forms do I need to fill in?

- 59** The application forms for both OAS (Conversion) and OAS (Maintenance) payments can be obtained from your local SEERAD Area Office.
- 60** You should complete all relevant sections of the forms accurately and all parties to the application must sign and date them. Your undertaking is legally binding and you will be expected to fulfil your obligations for the full five years. Be sure to read carefully the declarations and undertakings. If you need to include supplementary sheets because there is not enough space on the form please ensure that these clearly indicate which question(s) they relate to and that they bear your main farm code number.

Can an agent make an application on my behalf?

- 61** Yes. If you wish an agent to apply on your behalf, you must complete an agent authorisation form which can be obtained from your local SEERAD Area Office. The OAS application can be signed by an agent if authorised to do so by the applicant. All grants will be paid to the agreement holder, not to the agent. The

information contained in the application remains the responsibility of the applicant.

What other documents are necessary for OAS Conversion?

- 62** Your completed application form must be accompanied by:

- A letter from your Private Inspection Body confirming they have received and commented on your Organic Conversion Plan. However, the land in your application should not be registered as formally in conversion with an approved Private Inspection Body prior to your application. If your application is successful then you must ensure that you have registered your land as formally in conversion with an approved Private Inspection Body and notified SEERAD by providing the original letter of confirmation of organic registration before 31 March 2007.

63

- A supporting map providing detailed information about your application. You must use a 1:2,500 scale Ordnance Survey map of your holding (or a good quality copy) or a copy of your Field Identification System map. The map, which must be signed and dated by all parties to the undertaking, should clearly show the following:
 - your holding number;
 - the boundary of your holding;
 - the land covered by your application and for which grant is being sought, with internal field boundaries and field numbers marked. Where there is more than one category of land in a field, each must be shown separately. Be sure to include all land for which

grant will be claimed during your undertaking;

- any other land currently being farmed organically;
- any features and areas of land which have been designated as being of conservation or historical importance.

What other documents are necessary for OAS (Maintenance)?

64 Your completed application form must be accompanied by:

- The original current valid certificate of registration and accompanying schedule from an approved Private Inspection Body for the land included in your application. Original certificates and schedules will be returned to you.

65

- A supporting map providing detailed information about your application. You must use a 1:2,500 scale Ordnance Survey map of your holding (or a good quality copy) or a copy of your Field Identification System map. The map, which must be signed and dated by all parties to the undertaking, should clearly show the following:
 - your holding number;
 - the boundary of your holding;
 - the land covered by your application and for which grant is being sought, with internal field boundaries and field numbers marked. Where there is more than one category of land in a field, each must be shown separately. Be sure to include all land for which grant will be claimed during your undertaking.

You are also required to submit a second map detailing the environmental and wildlife habitats and features on your holding (see Appendix 5 for further information).

Restrictions on applications

66 From 1 November 2001 the Organic Aid Scheme became discretionary so all applications will be subject to the selection process to determine those with the greatest potential to deliver environmental benefits and marketable organic produce. A ranking system has been developed to facilitate selection of applications into both OAS (Conversion) and OAS (Maintenance). The application form includes questions that will allow us to rank applications and calculate a total ranking score.

Once the resources available to fund all existing agri-environment Scheme arrangements in a given year have been established, the acceptance threshold ranking score for each Scheme will be set. This will depend on the number and value of applications submitted each year and the level of resources available to fund new applications. All applications with a ranking score of at least equal to that threshold will be subject to one appraisal inspection by SEERAD to determine which of them can be allowed entry into the Scheme.

Do I need to inform anyone before I apply?

- 67** Yes, if you are a tenant who does not complete a joint application under paragraph 13 of this booklet. It is a mandatory requirement that you notify your landlord **before** you submit your OAS application by sending them notification form (OAS 5) which can be obtained from your SEERAD Area Office. This informs your landlord of your intention to apply. You will be asked to confirm on the application form that you have notified your landlord, but we will not require any written approval from the landlord before accepting the application. You should ensure that your tenancy agreement will not be affected by you joining the scheme and that it covers the period of participation.

If you are a tenant who does need to complete a joint application your landlord must be notified and Section 8 of the application form completed accordingly.

What if the land is already designated as a Special Area of Conservation, Special Protection Area, Site of Special Scientific Interest, National Nature Reserve or National Scenic Area?

- 68** If your conversion plan includes land designated as a Special Area of Conservation (SAC), Special Protection Area (SPA), Site of Special Scientific Interest (SSSI), National Nature Reserve (NNR), National Scenic Area (NSA) or Scheduled Ancient Monument (SAM) you are still able to join the Organic Aid Scheme. However, if you already have a management agreement with Scottish Natural Heritage (SNH), a local authority or other body which provides you with payments for land which you are proposing to convert, SEERAD will need to check that acceptance into the OAS would not result in you being paid twice by a public agency for doing the same work.

You will also need to ensure that you are not in breach of their requirements by managing the land to organic standards.

Can I apply to convert land containing archaeological or historical remains?

- 69** Yes, providing you ensure that the remains are protected in line with the Compendium of UK Organic Standards on conversion matters (Appendix 4). Your legal obligations for scheduled monuments under the Ancient Monuments and Archaeological Areas Act 1979 remain unchanged and you are advised to consult with Historic Scotland prior to carrying out potentially damaging operations within a scheduled area. Further advice on these matters can be obtained from the leaflets published by Historic Scotland "Managing Scotland's Archaeological Heritage" and "Archaeological Information and Advice in Scotland" – copies of which are available from your local SEERAD Area Office or Historic Scotland. You should also note that Appendix 3 stipulates conditions that must be adhered to for such areas.

What happens next?

- 70** You should send your completed application plus all supporting documentation to your local SEERAD Area Office at the address given at the back of this booklet. We will normally acknowledge a valid application within 10 working days. Please note that an application, which is not considered to be valid, will not be processed further and will be returned to you.
- 71** You will receive a letter from SEERAD informing you of the outcome of your application in September. If at any stage prior to this you decide to alter your proposals, or to withdraw your application, you should contact your local SEERAD Area Office immediately.

Penalties for non-compliance

Most of the following guidance applies to both OAS (Conversion) and OAS (Maintenance). Where this is not the case, this is clearly indicated.

How will my compliance with Scheme rules be monitored?

- 72** Once you have been accepted into the Scheme you will be visited from time to time by inspectors from your approved Private Inspection Body to ensure that you are meeting the current organic standards. SEERAD inspectors will also carry out unannounced inspections to ensure that the correct hectarages are being claimed under the Scheme and that the land type is being properly classed. They will also inspect the land for any other reason should it be deemed necessary in verifying claims for payment under the Scheme.

What if I find I am unable to comply with the Scheme rules and conditions after joining?

- 73** Prior to agreeing to enter the OAS you must ensure that you have the resources to comply with the organic standards and OAS rules and conditions and to carry them out in the stipulated timescale. Failure to comply with any of your agreed proposals will be considered a breach of Scheme conditions. The action taken by SEERAD will depend on the nature of the breach and the penalties are detailed at paragraph 74. Please note if you have submitted a joint application any non-compliance will result in action being taken against whoever the agreement holder was at the time the breach occurred.

As soon as you are aware that you are unable to fulfil any part, or all of, your OAS obligations, you should notify your local

SEERAD Area Office and your Private Inspection Body immediately in writing. If you fail to notify any non-compliance and it is picked up during a compliance inspection, this will be taken into account in determining the appropriate sanction.

The sanctions to be applied in a breach case will be commensurate with the seriousness of the breach in terms of the damage caused and/or its significance to the overall aims of the Scheme approval. Serious breaches include: deliberate damage, providing false or misleading information and deliberately failing to adhere to organic standards. Sanctions in such cases will be at the top end of the scale and you may be liable to prosecution.

What are the penalties for non-compliance?

- 74** Breach of an undertaking may have some or all of the following consequences depending on the seriousness of the breach: the withholding of any payments due to you, recovery of payments already made plus interest, termination of your undertaking, the addition of a penalty of up to 10% of the total EC reimbursable aid you were due to receive and a ban from entering another agri-environment scheme for 2 years.

Scottish Ministers may also apply penalties under the SRDP (Enforcement) Regulations 2000/3044 as amended. These are in addition to any EC penalties, which may apply directly.

Exceptional Circumstances

- 75** The only exception to the above would be in the case of *force majeure*, i.e. where you could not reasonably have foreseen the cause for the non-compliance. In

such cases, SEERAD can decide not to apply any of the above sanctions. Each case will be considered on its own merits but circumstances that could count as *force majeure* include: a severe natural disaster, compulsory purchase order, accidental destruction of buildings for livestock or the death or long term incapacity of the farmer.

What if I have a complaint?

76 If you have a complaint about the service we provide, you should proceed as follows:

First get in touch with the officer dealing with your case. You can register a complaint by letter, by telephone, or in person. If you want your complaint considered by a more senior officer, please write to the Principal Agricultural Officer at your local SEERAD Area Office. It will help us to investigate your complaint if you set out the facts as fully as possible. We will acknowledge your complaint by return, investigate it fully, and aim to reply within 2 weeks.

If for any reason you remain dissatisfied, please write to us at SEERAD Headquarters.

- If you feel that the service you have received from the Area Office staff has not been satisfactory, you should write to the Chief Agricultural Officer, SEERAD, Pentland House, 47 Robb's Loan, Edinburgh EH14 1TY, who will investigate the matter further.
- Alternatively, if your concern is that the rules of the Scheme are unfair or have not been properly applied in your case, you should write to the Head of Organic Policy, Rural Development Division, SEERAD, Pentland House, 47 Robb's Loan, Edinburgh, EH14 1TY.

You may ask your Member of the Scottish Parliament (or alternatively 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.

If you have used our complaint procedure and are still not satisfied, you (or your representative) may ask the Scottish Public Sector Ombudsman to investigate your complaint. Your representative may be an MSP, local councillor or any person you consider suitable to represent your interests. Your complaint must be submitted to the Scottish Public Sector Ombudsman, 4 Melville Street, Edinburgh, EH3 7NS within 12 months after the day on which you first had notice of the matter which you are complaining about. Further information about the Scottish Public Sector Ombudsman is available at www.scottishombudsman.org.uk.

On the other hand, if you are satisfied with the service we have provided or wish to highlight some exceptional performance, we would be happy to hear from you. Should you have suggestions about how we can build upon the service we provide, these will also be welcomed.

Will I be able to appeal against a penalty?

77 Before penalties are imposed, you will be told the reason why and given an opportunity to make any representations you wish. A final decision concerning the nature of penalties to be applied will be made after taking your representations and any other relevant factors into account and will be proportionate to the breach. This reinforces the need for you to consult your local SEERAD Area Office if you have any difficulties at any stage in complying with your undertaking. If you disagree with SEERAD's decision or

proposed action in your case you should contact your local SEERAD Area Office for a fuller explanation. If you are not satisfied with the explanation given and wish the decision to be reviewed you should initiate the appeals procedure as outlined below:

- Check that you have the right to appeal. For instance, a decision on eligibility to join a scheme would not be grounds for you to lodge an appeal.
- If you have grounds for lodging an appeal, submit your appeal within 60 calendar days from the date on SEERAD's decision letter using the standard application form AP1, which can be obtained from your local SEERAD office.
- Send the completed form (AP1) to the Appeals Secretariat, SEERAD, 47 Robb's Loan, Edinburgh EH14 1TY.

The Appeals Secretariat will register your appeal and acknowledge receipt. Further information regarding the appeals procedure is contained in the Appeals Information Leaflet, AP(EL) which can be obtained from your local SEERAD office.

Release of Subsidy and Recipient Information

- 79** The Scottish Executive is bound by the terms of the Data Protection Act 1998, the Freedom of Information (Scotland) Act 2002 and the Environmental Information (Scotland) Regulations 2004.

It is the policy of the Scottish Executive to release information about the amounts of subsidy and the new recipients for the Single Farms Payments Scheme and the agreements under the Rural Development Regulation. We will process personal data we receive in line with the Data Protection Act 1998, but applicants should be aware the particular information mentioned above will generally be disclosed.

For the Organic Aid Scheme, this means that we will release information on the options for which you have applied for aid and the amount approved and received. The information will also include your name and the geographic locations. For public limited companies only, addresses will also be supplied.

We will also protect other personal data we receive in line with the Data Protection Act 1998. We will use the data provided in the Organic Aid Scheme application primarily for the purpose of processing the applications. However, personal data may also be used subject to the safeguards of the 1998 Act for purposes connected with:

- administration of the Common Agricultural Policy;
- SRDP and other schemes;
- the production and safety of food;
- management of land and other environmental controls;
- provision of services to businesses;
- animal health and welfare; and
- occupational health and welfare.

False declarations

- 78** Any false or misleading statement that you make, or any steps that you take which prejudice your agreement at any stage may result in the termination of the agreement or the withholding or recovery of payments made to you. You may also be excluded from any other SRDP schemes that you are in for the calendar year in question. If the false declaration was intentional you may be excluded for an additional year and your OAS undertaking will be terminated. You may also be prosecuted.

Data may be passed (when necessary for these purposes) to other bodies. For example to Customs and Excise for import or export purposes, or to local authorities for milk or health purposes and to the Forestry Commission for cross checking of land use to avoid double funding. Data may also be used for statistical purposes,

not identifying individuals, which may reduce the need for some statistical data collection. It may also be used when necessary to comply with the Freedom of Information Act or the Environmental Information Regulations noted above.

Appendix 1

Approved Private Inspection Bodies

Scottish Organic Producers Association

Scottish Organic Centre
10th Avenue

Royal Highland Centre
Ingliston

Edinburgh EH28 8NF

Tel: 0131 335 6606

Fax: 0131 335 6607

Email: sopa@sfqc.co.uk

Website: www.sopa.org.uk

Irish Organic Farmers and Growers Association

Harbour Building

Harbour Road

Kilbeggan

Co Westmeath

Republic of Ireland

Tel: 00 353 506 32563

Fax: 00 353 506 32063

Email: iofga@eircom.ne

Soil Association Certification Ltd

Bristol House

40-56 Victoria Street

Bristol BS1 6BY

Farmers and Growers:

Tel: 0117 914 2406

Processors:

Tel: 0117 914 2407

Fax: 0117 925 2504

Email:

Farmers & Growers:

prod.cert@soilassociation.org

Processors:

proc.cert@soilassociation.org

Website:

www.soilassociation.org

Organic Farmers and Growers Ltd

The Elim Centre

Lancaster Road

Shrewsbury

Shropshire SY1 3LE

Tel: 01743 440512

Fax: 01743 461441

Email: info@organicfarmers.uk.com

Website: www.organicfarmers.uk.com

Organic Certification Ltd

106 Abbots Road

Monksmoor

Shrewsbury SY2 5QX

Tel: 01743 248257

Fax: 01743 248259

Email: caroline@ocert.co.uk

Bio-Dynamic Agricultural Association

The Painswick Inn Project

Gloucester Street

Stroud GL5 1QG

Tel: 01453 759501

Fax: 01453 759501

Email: bdaa@biodynamic.freeserve.co.uk

Food Certification (Scotland) Ltd

Findhorn House

Dochfour Business Centre

Dochgarroch

Inverness

IV3 8GY

Tel: 01463 222251

Fax: 01463 711408

Email:

martin.gill@foodcertificationscotland.com

Website:

www.foodcertificationscotland.com

Organic Food Federation

31 Turbine Way
Eco Tech Business Park
Swaffham
Norfolk PE37 7XD
Tel: 01760 720444
Fax: 01760 720790
Email: organicfood@freenet.co.uk

SGS United Kingdom Ltd

Gaw House
Alperton Lane
Wembley
HA0 1WU
Tel: 02089982171
Fax: 02089979723

Organic Trust Limited

Vernon House
2 Vernon Avenue
Clontarf
Dublin 3
Republic of Ireland
Tel: 00 353 185 30271
Fax: 00 353 185 30271
Email: organic@iol.ie

CMi Certification

Long Hanborough
Oxford OX29 8LH
Tel: 0131 317 2500
Fax: 0131 317 1872
Email: enquiries@cmicertification.com

**International Certification Service (GB)
Ltd**

trading as Farm Verified Organic
Meadow Vale Offices
Betws Road
Llanrwst
Conwy LL26 OPP
Tel: 01492 642628
Fax: 01492 642091
Email: ICSGB@ics-intl.com

Quality Welsh Food Certification Ltd

Gorseland
North Road
Aberystwyth
Ceredigion
SY23 2WB
Tel: 01970 636688
Fax: 01970 624049
Email: mossj@wfsagri.net

Appendix 2

Contact Details - SEERAD Area Offices

Ayr

SEERAD
Russell House
King Street
Ayr KA8 0BE
Phone : 01292 610188
Fax: 01292 611483
E-mail: SEERAD.Ayr@scotland.gsi.gov.uk

Benbecula

SEERAD
Balivanich
Isle of Benbecula HS7 5LA
Phone : 01870 602346
Fax: 01870 602077
E-mail:
SEERAD.Benbecula@scotland.gsi.gov.uk

Dumfries

SEERAD
Government Buildings
161 Brooms Road
Dumfries DG1 3ES
Phone : 01387 255292
Fax : 01387 267116
E-mail:
SEERAD.Dumfries@scotland.gsi.gov.uk

Elgin

SEERAD
32 Reidhaven Street
Elgin IV30 1VE
Phone: 01343 547514
Fax:01343 552312
E-mail:
SEERAD.Elgin@scotland.gsi.gov.uk

Galashiels

SEERAD
Cotgreen Road
Tweedbank
Galashiels TD1 3SG
Phone: 01896 892400
Fax: 01896 892424
E-mail:
SEERAD.Galashiels@scotland.gsi.gov.uk

Hamilton

SEERAD
Cadzow Court
3 Wellhall Road
HAMILTON ML3 9BG
Phone: 01698 281166
Fax : 01698 285277
E-mail:
SEERAD.Hamilton@scotland.gsi.gov.uk

Inverness

SEERAD
28 Longman Road
Inverness IV1 1SF
Phone: 01463 234141
Fax: 01463 714697
E-mail:
SEERAD.Inverness@scotland.gsi.gov.uk

Inverurie (Thainstone)

SEERAD
Thainstone Court
Inverurie AB51 5YA
Phone : 01467 626222
Fax : 01467 626217
E-mail:
SEERAD.Thainstone@scotland.gsi.gov.uk

Kirkwall

SEERAD
Government Buildings
Tankerness Lane
Kirkwall KW15 1AQ
Phone: 01856 875444
Fax: 01856 873309
E-mail:
SEERAD.Kirkwall@scotland.gsi.gov.uk

Lairg

SEERAD
Ord Croft
Lairg IV27 4AZ
Phone: 01549 402167
Fax : 01549 402117
E-mail:
SEERAD.Lairg@scotland.gsi.gov.uk

Lerwick

SEERAD
Charlotte House
Commercial Road
Lerwick ZE1 0HF
Phone : 01595 695054
Fax : 01595 694254
E-mail:
SEERAD.Lerwick@scotland.gsi.gov.uk

Oban

SEERAD
Cameron House
Albany Street
Oban PA34 4AE
Phone: 01631 563071
Fax: 01631 566756
E-mail:
SEERAD.Oban@scotland.gsi.gov.uk

Central Area Office

SEERAD
Broxden Business Park
Lamberkine Drive
Perth PH1 1RZ
Phone: 01738 602000
Fax: 01738 602001
E-mail:
SEERAD.Perth@scotland.gsi.gov.uk

Stornoway

SEERAD
10 Keith Street
Stornoway
HS1 2QG
Phone: 01851 702392
Fax: 01851 705793
E-mail:
SEERAD.Stornoway@scotland.gsi.gov.uk

Thurso

SEERAD
Strathbeg House
Clarence Street
Thurso KW14 7JS
Phone: 01847 893104
Fax: 01847 895983
E-mail:
SEERAD.Thurso@scotland.gsi.gov.uk

Portree

SEERAD
Estates Office
Portree
Isle of Skye IV51 9DH
Phone: 01478 612516
Fax: 01478 613128
E-mail:
SEERAD.Portree@scotland.gsi.gov.uk

SEERAD Head Office Address

Scottish Executive Environment and
Rural Affairs Department
Pentland House
47 Robbs Loan
Edinburgh EH14 1TY

Other useful contact details

SNH Main Area Offices

North Areas - Western Isles

32 Francis Street
Stornoway
Isle of Lewis
HS1 2ND
Tel: 01851 705258

North Areas - North Highland

Main Street
Golspie
Sutherland
KW10 6TG
Tel: 01408 633602

North Areas - West Highland

The Governor's House
The Parade
Fort William
Inverness-shire
PH33 6BA
Tel: 01397 704716

North Areas - East Highland

Fodderty Way
Dingwall Business Park
Dingwall
IV15 9XB
Tel: 01349 865333

East Areas - Grampian

16/17 Rubislaw Terrace
Aberdeen
AB1 1XE
Tel: 01224 64286

East Areas - Tayside & Clackmannanshire

Battleby
Redgorton
Perth
PH1 3EW
Tel: 01738 444177

East Areas - Forth & Borders

Laundry House
Dalkeith Country Park
Dalkeith
Midlothian
EH22 2NA
Tel: 0131 654 2466

West Areas - Argyll & Stirling

The Beta Centre
Innovation Park
University of Stirling
Stirling
FK9 4NF
Tel: 01786 450362

West Areas Strathclyde & Ayrshire

Caspian House
Mariner Court
Clydebank Business Park
Clydebank
G81 2NR
Tel: 0141 951 4488

West Areas - Dumfries & Galloway

Carmont House
The Crichton
Bankend Road
Dumfries
DG1 4ZF
Tel: 01387 247010

**Scottish Agricultural College
Organic Farming Specialist**
Ferguson Building
Craibstone Estate
Aberdeen
AB21 9YA
Tel: 01224 711 072
Fax: 01224 711 293

**National Monuments Record of
Scotland
Royal Commission on the Ancient and
Historical Monuments of Scotland**
John Sinclair House
16 Bernard Terrace
Edinburgh
EH8 9NX
Tel: 0131 622 1456
Fax: 0131 622 1477

Historic Scotland
Longmore House
Salisbury Place
Edinburgh
EH9 1SH
Tel: 0131 668 8600

**Scottish Environment Protection
Agency**
Erskine Court
The Castle Business Park
Stirling
FK9 4TR
Tel: 01786 457700

Forestry Commission
National Office for Scotland
231 Corstorphine Road
Edinburgh
EH12 7AR
Tel: 0131 334 0303

Appendix 3 – Good Farming Practice

The Standard of Good Farming Practice

Regulation 1750/1999 (Article 19) states that where a farmer/crofter(s) enters into an agri-environmental commitment in relation to part of the farm/croft, he/she shall adhere to at least **the Standard of Good Farming Practice** in relation to the whole of the farm/croft. Also Council Regulation 1257/1999 (Less Favoured Areas and Areas with Environmental Restrictions) Article 14.2 states that compensatory allowances shall be granted per hectare of areas used for agriculture to farmers who apply usual good farming practices compatible with the need to safeguard the environment and maintain the countryside, in particular by sustainable farming.

It is a condition of approval that you comply with the Standard of Good Farming Practice and any future revisions to it. A list of the verifiable standards of Good Farming Practice and the complementary environmental regulations are detailed at the end of this section.

If you are subject to investigation by SEPA or any other enforcement agency for a breach of any environmental regulation we may have to consider delaying your application to join the OAS or if you are already participating in the OAS, the payment of a claim until the outcome of the investigation is known.

The **verifiable Standards of Good Farming Practice** are ones which are complementary to existing legislative requirements and are capable of verification by Scottish Executive Environment and Rural Affairs Department (SEERAD) staff to EU audit Standards as part of our existing checks on agri-environment scheme participants.

1.1 On rough grazings, unimproved grassland, reverted improved grassland, machair and dune grassland, wetlands and native, amenity or semi-natural woodlands, you should ensure that livestock are managed to avoid either overgrazing or undergrazing.

High concentrations of stock often cause poaching, frequently as a result of supplementary feeding practices, with obvious damage to the vegetation. When feed blocks are used, it will often be preferable to rotate feeding sites, but if hay is fed, sacrificial areas may be more desirable due to the risk of site rotation spreading introduced grass seeds over a larger area, to the detriment of the natural herbage.

Overgrazing is defined as 'grazing land with livestock in such numbers as to adversely affect the growth, quality or species composition of vegetation (other than vegetation normally grazed to destruction) on that land to a significant degree'. Cases of suspected overgrazing will be investigated and failure to follow advice thereafter would be a breach of this condition.

In some cases no **supplementary feeding** is permitted under the terms of the agreement. Where it is permitted, the feed must be provided in such a way that the vegetation is not excessively trampled or poached by animals or rutted by vehicles used to transport feed. Cases of suspected unsuitable supplementary feeding will be investigated and failure to follow advice thereafter would be a breach of this condition.

Undergrazing or under-utilisation is defined as 'land where there is evidence of the annual growth not being fully utilised, or scrub or coarse vegetation is becoming evident, **and such changes are detrimental to the environmental interest of the site**'.

1.2 Drystone or flagstone dykes or walls, hedges and hedgerow trees on your land are important elements of a traditional landscape and provide valuable habitats for a diverse range of plants and animals. The removal or clearance of such features will not be permitted except with the prior written agreement of SEERAD or other appropriate Government Agency.

Enforcement will be through visual assessment of any recent damage during field checks.

1.3 Trimming of hedgerows on your land, if carried out between 1 March and 31 July, may damage the conservation interest of this habitat. No hedge trimming during this period will be allowed. (Also refer to Appendix 4 – Compendium of UK Organic Standards which recommends that this period should be extended until 31 August).

Enforcement will be through visual evidence of recent damage during any checks carried out.

1.4 You are required to notify Scottish Natural Heritage of any intended operations that are likely to damage any Site of Special Scientific Interest on your land.

It is a condition of the OAS that participants will not proceed with any such operations without having obtained prior approval from Scottish Natural Heritage. Checks will be made to see that any damaging operations that appear to have been carried out have had prior approval from SNH.

1.5 If a new silage or slurry storage facility is constructed on your land, you must notify the Scottish Environment Protection Agency before starting to use it.

Checks will be carried out to see that this notification has been given for any new stores.

1.6 You must obtain prior authorisation from the Scottish Environment Protection Agency before disposing of sheep dip on your land.

Checks will be made to see that either an authorisation has been obtained or that there is justifiable reason why no authorisation is needed in that individual case.

MINIMUM ENVIRONMENTAL STANDARDS (SCOTLAND)

Relevant Legislation	Subject	Enforcement Agency
The Control of Pollution Act 1974	Pollution of water	Scottish Environment Protection Agency
Groundwater Regulations 1998	Disposal or tipping	Scottish Environment Protection Agency
The Control of Pollution (Silage, Slurry and Agricultural Fuel Oil) (Scotland) Regulations 2003	Storage and handling of these substances	Scottish Environment Protection Agency
The Action Programme for Nitrate Vulnerable Zones (Scotland) Regulations 2003	Measures to reduce nitrate leaching	Scottish Executive

Wildlife and Countryside Act 1981	Damage to Sites of Special Scientific Interest; wildlife offences	Scottish Natural Heritage
The Conservation (Natural Habitats etc) Regulations 1994	Additional protection for SSSIs which are within Special Protected Areas (SPAs) and Special Areas of Conservation(SACs)	Scottish Natural Heritage
Part III of the Food and Environment Protection Act 1985 and the Control of Pesticides Regulations 1986	Misuse of pesticides	Health and Safety Executive & Scottish Executive
Plant Protection Products Regulations 1995	Misuse of pesticides	Health and Safety Executive & Scottish Executive
Clean Air Act 1993	Emitting dark smoke	Local Authority
Hill Farming Act 1946	Muirburn	Scottish Executive & Local Authority
Ancient Monuments and Archaeological Areas Act 1979 Ancient Monuments(Class Consents) Order 1994	Damaging ancient monuments	Historic Scotland
The Water (Prevention of Pollution) (Code of Practice) (Scotland) Order 2005	Code of good practice (PEPFAA)	Scottish Executive

Appendix 4 – Organic Production & Care of the Environment

Organic Production and Care of the Environment (Reproduced from the Compendium of UK Organic Standards)

- 1.1. Organic production systems are designed to produce optimum quantities of food of good nutritional quality by using management practices which aim to avoid the use of agro-chemical inputs and which minimise damage to the environment and wildlife.
- 1.2. These systems entail the adoption of management practices which underpin and support the principles and aims of organic production. The principles include:
 - i) working with natural systems rather than seeking to dominate them;
 - ii) the encouragement of biological cycles involving micro-organisms, soil flora and fauna, plants and animals;
 - iii) the maintenance or development of valuable existing landscape features and adequate habitats for the production of wildlife with particular regard to endangered species;
 - iv) careful attention to animal welfare considerations;
 - v) the avoidance of pollution;
 - vi) consideration for the wider social and ecological impact of the farming system.
- 1.3. When applied these principles result in production practices whose key characteristics are:
 - i) the adoption of sound rotations;
 - ii) the extensive and rational use of animal manure and vegetable wastes;
 - iii) the use of appropriate inputs;
 - iv) appropriate cultivation, weed and pest control techniques; and
 - v) the observance of conservation principles.
- 1.4. Concern for the environment should manifest itself in willingness to consult appropriate conservation bodies and in high standards of conservation management throughout the organic holding.
- 1.5. The specific practices needed to respect the conservation principles of organic production will depend upon the individual circumstances on each farm. However, the following principles should be followed where applicable:

- i) Natural features such as streams, ponds, wetlands, heathland, and species-rich grassland should be retained as far as possible.
- ii) Grazing management of natural (or semi natural) habitats such as grassland, heath, moorland, heather and bog and rushy upland, should aim to prevent poaching of the soil and over grazing. Localised heavy stocking particularly in the nesting season should be avoided.
- iii) Hedges and walls should be retained and managed using traditional methods and materials as far as possible.
- iv) In hedge and ditch maintenance the nesting season and wildlife requirements for winter feeding or shelter should be taken into account. Hedge trimming and ditch cleaning should generally not take place between 1 March and 31 August. Where practicable, the maintenance of hedges should result in hedges at diverse stages of growth.
- v) If it is considered that there are reasonable grounds for alteration to hedges or to field boundaries these should first be discussed with a Conservation advisor. If alteration does prove to be necessary, consideration should be given to the need for compensatory environmental work.
- vi) The retention and management of trees in accordance with local custom and woodland practice is essential. Where re-planting is to take place, indigenous varieties of trees and shrubs should be given preference. Where practicable, natural re-generation and coppicing of appropriate species should be practised.
- vii) Clear felling should be restricted so as to retain a diversity of age classes and habitat within the woodland areas of the holding.
- viii) Care should be taken in the spreading of manures and slurry. The application of manure within 10 metres of ditches and watercourses and within 50 metres of wells and bore holes should be avoided. The spreading of manure or slurry on frozen ground or on saturated ground should be avoided, so as to prevent excessive run off.
- ix) The land management should seek to preserve features of archaeological or historical value or interest avoiding, for example, the levelling of ridge and furrow, and the cultivation of monuments or earth works.
- x) New buildings should be designed and located to have minimum impact on the landscape.
- xi) Existing rights of access should be maintained.

Appendix 5 – Environmental Inventory for Maintenance Payments

This inventory is required to be carried out in order to qualify for OAS Maintenance Payments

The Environmental Inventory is, in effect, a list of all the wildlife habitats and features on your unit and an assessment of their current conservation interest. The purpose of the inventory is to encourage a structured and objective identification of the wildlife and other conservation habitats on the unit. This will provide a sound basis to help ensure that funds available are used to obtain the maximum benefit.

For the inventory to be carried out properly, it will be necessary for whoever is carrying it out to walk the unit to identify and examine the habitats and features and to mark them on a map. If you are sufficiently knowledgeable about wildlife conservation, you can undertake the inventory yourself. Alternatively, you can, if you prefer, ask a professional adviser to carry out the inventory for you.

5.1 You must **enclose** a descriptive map detailing the habitats and features on your holding. This forms a statement of the habitats and features on your holding. The habitats and features to be detailed on the descriptive map are:

- i) moorland,
- ii) unimproved grassland, species rich grassland, coastal and lowland heath,
- iii) wetland and lowland raised bog,
- iv) water courses,
- v) native or semi natural woodlands,
- vi) hedgerows,
- vii) drystone dykes,
- viii) Historic Archaeological Sites.

All of the habitats and features listed above which occur on your holding should be clearly identified on the descriptive map which must accompany the completed inventory

In addition to adhering to the Standards of Good Farming Practice (See Appendix 3) you must adhere to the conditions as described below which will be applied to your holding and the habitats and features on your holding should you be approved to receive maintenance payments:

- 5.2 Avoid carrying out field operations, such as harrowing and rolling, on species rich grassland or rough grazings during the nesting season.
- 5.3 Avoid cultivating within one metre of any boundary feature, such as fences, hedges and walls.
- 5.4 On rough grazings, unimproved grassland, reverted improved grassland, machair and dune grassland, wetlands, water margins, and native amenity or semi natural woodlands, you must avoid damaging the conservation interest by not undertaking new drainage works, ploughing, clearing, levelling, reseeding or cultivating and ensure that livestock are managed to avoid poaching.
- 5.5 You must ensure that any injurious weeds to which the Weeds Act 1959 applies are controlled to prevent their spread and avoid the risk of damage to the conservation interest of any habitat or feature on the unit.

- 5.6 You must ensure that any muirburn shall be carried out in accordance with the guidance approved by Scottish Ministers. A copy of the guidance is available from your local SEERAD office.
- 5.7 You must avoid damaging or destroying any features or areas of historic or archaeological interest and follow Scottish Minister's guidance of such features or areas.

Appendix 6 –Capital Works associated with Conversion Payments.

This section describes the requirements for work attracting capital payments under the OAS Conversion payments option where this is necessary to meet the objectives of the Scheme.

Capital Activity	Specification
1) Erection of: stock fence, gate & posts, single stile, double stile	<p>a. The construction and all materials must conform to the appropriate British Standards;</p> <p>b. Except as otherwise provided, fence posts must be placed at intervals of no more than 3.5 metres or 12 metres where high tensile wire and droppers are used;</p> <p>c. Except as otherwise provided, a fence must have a minimum of 6 line wires or 2 line wires and woven wire netting; and</p> <p>d. Where fences are erected to enhance hedgerows they must be sited at least 1 metre from the centre line of the hedge.</p>
2) Conversion of a stock fence to a deer fence.	The conversion of an existing stock fence to a deer fence must have new strainers erected and full length stobs driven in every 12 metres and droppers on the top of the fence every 2 metres as well as the existing stobs.
3) Erection of a scare or temporary fence or rabbit proof netting.	<p>a. A scare fence must consist of a minimum of 2 line wires with posts at intervals on not more than 6 metres;</p> <p>b. Rabbit proofing shall be carried out with galvanised wire netting. The netting must not be less than 1.05 metres wide British Standards designation 18 and have a mesh no larger than 31 millimetres. The top edge of the netting must not be less than 0.9 metres above ground level;</p> <p>c. The netting shall be fastened to the fencing and the bottom edge of the netting must be buried in the ground to suitable depth or turned outward and anchored; and</p> <p>d. All gates in rabbit proofed fences must also be rabbit proofed.</p>

<p>4) Erection of a deer fence marked to reduce bird collision.</p>	<p>a. Deer fences must not be less than 1.8 metres high and have a minimum of 3 line wires and woven netting with stobs at no more than 3.5 metre intervals and 12 metre intervals with droppers every 2 metres for high tensil wires; and</p> <p>b. In areas where black grouse and capercaillie occur, to make the fence more visible and thus reduce the number of collisions, use either:</p> <p>(i) a double strip of orange barrier netting must be used, each strip being approximately 45 centimetres in width. Both strips must be secured with pig rings/wire twists at intervals of circa. 30 centimetres on the upper and lower edges. The top of the upper strip should reach the top strand of the fence. The top of the lower strip must reach the middle strand of the fence. The top of the lower strip must reach the middle strand of the fence;</p> <p>(ii) other fence marking designs approved by the Scottish Minister for this purpose.</p>
<p>5) Erection of a post and rail fence as a tree guard or water gate.</p>	<p>A post and rail fence erected as a tree guard or a water gate must have posts no more than 3 metres apart and 4 rails (70 millimetres x 20 millimetres).</p>
<p>6) Building or restoration of traditional drystone or flagstone dykes or walls.</p>	<p>Drystone or flagstone dykes or walls must be rebuilt with material traditional to the locality and to a standard normally found there.</p>
<p>7) Installation of self supporting guard for hedge plants.</p>	<p>Self supporting guards must be securely fixed to protect newly planted material from damage by rodents and grazing animals.</p>
<p>8) Installation of a water trough.</p>	<p>a. The water trough must be a purpose made item and incorporate a ballcock to shut off the water supply, and</p> <p>b. The trough must be permanently mounted on a durable base and a stopcock must be provided to control the water supply.</p>
<p>9) Planting, replanting, coppicing or laying of a hedge.</p>	<p>a. Where new hedging or gapping up of existing hedges is undertaken, plants must be established in a double row with a minimum of 6 plants per metre;</p> <p>b. A single species must not account for more than 75% of the plants established; and</p> <p>c. Species selected for the replanting or gapping up must already be present within the existing hedge.</p>

Appendix 7 - Glossary of terms

Arable land

Land to be classed as “arable land” under the Organic Aid Scheme is land which was in an arable crop in one or more years during the 5 years prior to 15 May 2003. From 2006 and for subsequent years it is land which was in an arable crop (or under set-aside or lying fallow as part of a normal crop rotation) in one or more years during the 5 years prior to 15 May in the year of application for aid under the Organic Aid Scheme.

Improved Grassland

Land to be classed as “improved grassland” under the Organic Aid Scheme is land in permanent pasture used for grazing where over one third of the sward comprises, singly or in mixture, ryegrass, coxfoot or timothy, or land that has been improved by management practices such as liming and top dressing, where there is not a significant presence of sensitive plant species indicative of native unimproved grassland.

Rough Grazing

Land to be classed as “rough grazing” under the Organic Aid Scheme is land in permanent pasture containing semi-natural vegetation including heathland, heather moorland, bog and rough grassland used or suitable for use as grazing.

Permanent Pasture

Permanent Pasture is defined as land used to grow grasses or other herbaceous forage naturally (self seeded) or through cultivation (sown) and that is not included in the crop rotation for five years or longer.

Certificate of Registration

A certificate issued by an approved organic Private Inspection Body in relation to land, specifying its status in relation to organic standards, that is

whether it is in conversion, fully organic or conventionally farmed.

Compendium of UK Organic Standards

The Compendium is the standard for organic food production that must be complied with in the UK. It is based on, and complies with Council Regulation (EEC) No. 2092/91, as amended.

Holding

A holding is defined as all the production units managed by a producer situated within the same Member State’s territory. It is, therefore, the same definition as that used for IACS purposes. Separate IACS applications may be submitted for different farms in which you are involved only if they are managed as separate businesses according to certain criteria.

In determining whether businesses are managed separately we will have to take account a range of criteria, including the legal status of the businesses and how far operations are run separately on a practical day-to-day basis. These could include separate farm records and accounts, independence of decision making between the separate farms and where the overall economic control of the business(es) rests. None of these factors is conclusive by itself. We may need to seek further information from you before determining whether businesses are separate.

EU

European Union.

IACS

Integrated Administration and Control System.

In Conversion

Land in the process of being converted to organic production.

NVZ

Nitrate Vulnerable Zone.

Livestock

Any creature kept for the production of food, wool or skins or for the breeding of any animal for any such purpose.

SSSI

Site of Special Scientific Interest.

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