

EXECUTIVE NOTE

THE COMMON AGRICULTURAL POLICY SINGLE FARM PAYMENT AND SUPPORT SCHEMES (SCOTLAND) AMENDMENT REGULATIONS 2007 SSI/2007/414

Introduction

1. The above Regulations are made by the Scottish Ministers in exercise of the powers conferred by section 2(2) of the European Communities Act 1972 and of all other powers enabling them to do so. The Regulations are subject to negative resolution procedure.

Policy Objective

2. The purpose of these Regulations is to amend The Common Agricultural Policy Single Farm Payment and Support Schemes (Scotland) Regulations 2007 ('the principal Regulations') which contain rates of voluntary modulation to be applied to support provided through Single Farm Payments. They amend Regulation 10(2) of the principal Regulations by the addition of voluntary modulation rates covering the next six years from 2007 to 2012 inclusive. These rates are the rates decided by the Scottish Government and are, in respect of 2007, 5%, in respect of 2008, 8%, in respect of 2009, 8.5%, in respect of 2010, 9%, in respect of 2011, 9% and in respect of 2012, 9%. The rates of voluntary modulation are in line with the requirements of Council Regulation (EC) No 378/2007.

3. The Regulations also amend Regulation 10(2) of the principal Regulations in that they change the definition of relevant purposes to include purposes now specified in Commission Regulation 1698/2005. The Regulations also update references in the principal Regulations at Regulation 2(1) to refer to Commission Regulation (EC) No. 1698/2005 and Council Regulation (EC) No. 378/2007.

4. Voluntary modulation enables Member States to redirect Common Agricultural Policy (CAP) resources from Pillar 1 (direct payments and market support through the CAP) to rural development resources under Pillar 2 (CAP support for rural development and agri-environment) and the revenue raised through voluntary modulation will contribute to the implementation of the new Scotland Rural Development Programme 2007-13. The amending instrument is required to enable the timely collection of the modulation from the single farm payments to be made later in 2007.

Financial Impact

7. A full regulatory impact assessment has not been produced for this Regulation.

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