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THE BASIC PAYMENT SCHEME IN WALES – UPDATE 20TH JANUARY 2015

The Common Agricultural Policy has been reformed and the changes will take effect from January 2015.

Under the new scheme your total payment will be made up of a Basic Payment Scheme (BPS) and a Greening Payment.

To apply for BPS you will need to be an active farmer and have at least 5 hectares of eligible land.

Like the Single Payment Scheme before, you will need entitlement to claim BPS. Once you have claimed and been allocated BPS entitlements in 2015, then in future years you will need to make an application to “activate” them against eligible land in order to get the BPS payment.

Given that the new BPS entitlements are being issued for the first time later in 2015 the earliest you can transfer or lease BPS entitlements to another active farmer are for use in 2016.

Now that Wales has different regions, entitlements can be leased or transferred only within the region in which they are allocated.

Hopefully by January 2016 the value of the BPS entitlements will be notified, to arrive at this figure the Welsh Assembly will use the value of the entitlements held in 2014 and the total area of eligible land available in 2015.

Thereafter the value of your entitlement will move annually in equal steps to the 2019 flat rate figure for the related payment regions and until 2019 each individual farmer is likely to have a different entitlement unit value.

The usage rule will change under BPS, you must activate all your entitlements at least once in every two years, you will no longer be able to rotate your entitlements.

If you intend selling or buying in 2016, or have any queries regarding entitlements or the transition into Basic Payment Scheme please contact Ron Thomas at the Cardigan Office 01236 612 343 or on 07812 127 817.

Prepared by Ron Thomas FNAEA on behalf of J. J. Morris.

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