The current CAP reform
- threats and opportunities for common grazings

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Content of talk

• Discuss some of the main threats to common graziers (and therefore common grazings) in CAP proposals

• Discuss some opportunities
Proposals of October 13th 2011

- Draft Reg on Direct Payments (DP)
- Draft Reg on Rural Development (EAFRD)
- Draft Reg on Common Market Organisation (CMO)
- Draft Management Reg (MR)
Will touch on....

- Definition of agricultural land
- Allocation of forage for Basic Payment
- Opportunities to support common grazings
Definition of agricultural land (DP Art. 4.1.h)

• *Can only be*
  – Arable
  – Permanent crops (orchards, olives, vines…)
  – Permanent grassland (NOT ‘pasture’ any more)
**Definition of permanent grassland**

- “Permanent grassland" means land used to grow grasses or other herbaceous forage naturally (self-seeded) or through cultivation (sown) and that has not been included in the crop rotation of the holding for five years or longer; it may include other species suitable for grazing provided that the grasses and other herbaceous forage remain predominant;”

- Excludes vegetation dominated by woody plants, e.g. heathers

- A case for immediate attention?
Basic Payment (SPS replacement)

- To be non-historic, standard per ha payment, possibly differentiated regionally
- To be given only to active farmers (but very weak definition) (DP Art 9)
- To be established in 2014, but only by those claiming SPS in 2011 (DP Art 21)
Regionalised SFP - an example of the problem:

Hill farm A
- 1000 ha
- 1000 ewes
- 1 farmer
- £17000 of historic SFP
- 1000 ha claimed forage
- £17/ha = £17000
- Assuming Basic payment rate is £40/ha
- £40000 Basic Payment?

Common grazings B
- 1000 ha
- 1000 ewes
- 10 shares, 4 active
- £17000 of historic SFP
- 400 ha claimed forage
- £42.50/ha = £17000
- Assuming Basic payment rate is £40/ha
- £16000 Basic Payment?
What are the issues?

• *Issue of regions is important of course…*
  – Look at lessons from England…..

• *BUT this is just about being paid for the forage you ACTUALLY MANAGE*

• *On Scotland-wide basis*
  – 360,360 ha claimed in IACS
  – 537,615 ha of parcels SOME of which are claimed
  – 177,255 ha also managed, but not claimed (33%)
  – Another 54,286 ha not declared in IACS at all
Portree & Inverness areas – forage claimed, IACS 2009

- Chief tenants: 57%
- Other tenants: 10%
- Other locals: 4%
- Strangers: 0%
- Unclaimed: 29%
Actual forage versus claimable forage, Portree & Inverness IACS 2009 claims

-95%

502 ha

22 ha
Possible solutions??

• *Not possible to claim for first time in 2014 (unless have allocation from reserve)*

• *Could use powers of grazings committees to reallocate shares for 2014 to 2011 claimants*
  – Easy (in theory)
  – But, once entitlements established by 2011 claimants, will probably ‘fossilise’ the situation; what about new entrants? What about people who become inactive in practice?

• *Would it be a good idea to use the National Reserve?*
  – Provide specifically for grazings committees to be eligible applicants
  – Set aside 200,000 ha, perhaps with time limit for application
  – Would require a LOT of capacity building and SG help
Rural development and grazings

- Although grazings deliver significant benefits, little reward for managing them
  - Poor range of schemes/measures
  - Little integration or joined-up thinking
  - High threshold for agreement
  - No recognition of extra effort required
  - No guidance on what is ‘fair’

- Poor uptake of schemes

- Very negative overall policy message
Thematic sub-programmes (EAFRD Art. 8)

- *Can include them to address specific needs, esp. as regards:*
  - Mountain areas
  - Small farms
  - Young farmers
  - Short supply chains [sic.]

- *A common grazings sub-programme?*

- *Requires separate analysis (good thing – common grazings not mentioned at all in current RDP analysis!)*

- *Easy identification by CPH no. would help!*
Co-operation measures (EAFRD Art. 36)

• “…co-operation among small operators in organising joint work processes, sharing facilities and resources;”
• “…collective approaches to environmental projects and ongoing environmental practices;”
• *Can cover costs of:*
  – Planning
  – Set-up
  – Running costs
  – Cost of specific projects
  – Promotion activities
Transaction costs (EAFRD Art. 29)

• *in agri-environment can pay for* …”transaction costs to a value of up to 20% of the premium paid for the agri-environment-climate commitments. Where commitments are undertaken by groups of farmers, the maximum level shall be 30%.”

• *They include (Camilla Widmark):*
  – Collection and analysis of data before decisions made
  – Collective decision-making costs
  – Collective operational costs
An opportunity then?

• **Sub-programme for common grazings**
• **Measures for positive action (not just avoidance of damage)**
  – A properly thought-out measure for hill cattle
  – But very importantly also one for sheep
• **Support for existing grazings committees, and for setting up new ones (including under 1911 and pre-1955 Crofting Acts!), updating regs etc?**
• **Possibility of setting up a support infrastructure for common grazings (advisory services), at least as part of wider advisory package**
• **Recognition of transaction costs**
Aspects of the timetable

• *Should come into effect Jan 2014*
• *Subject to co-decision (Council and Parliament) for the first time*
Average duration in months of the procedure from Commission proposal until signature

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Aspects of the timetable

- **Should come into effect Jan 2014**
- **Subject to co-decision (Council and Parliament) for the first time**
- **Maybe Regs finished by end 2012??**
- **Budget may not be agreed until end 2013**
- **Commission has 6 months to approve an RDP**
- **Programme written in first half of 2013?**
2012 is only real chance to develop innovative approaches!

Needs to come from people who understand common grazings – no use waiting for Dept to do it!