

# Basic Payment Scheme: Greening

November 2017

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## Impact of the European Parliament's decision to ban plant protection products on Ecological Focus Areas |

### Introduction

The European Parliament has voted in favour of a ban on the use of plant protection products (PPPs) on fallow, cover and catch crops, and nitrogen-fixing crops on Ecological Focus Areas (EFAs)<sup>1</sup>. The ban applies from the time of sowing the crop, even if this is before 1 January 2018, to harvesting. The ban also applies to seed dressings.

The reason for the ban is to increase the environmental benefit from EFAs, due to concerns that they produce little benefit at present. Policy makers seem to now be thinking about the quality of management of EFAs, which environmental bodies would say is at least as important as the area they cover. Greening was introduced to improve the environmental performance of farming, with a new Greening payment 'for agricultural practices beneficial for the climate and environment' paid in addition to the Basic Payment Scheme from 2015.

The ban is likely to have an impact on EFA option selection. Peas and beans, which have been a popular choice since EFA obligations began, are going to be less popular if they can't be treated with PPPs as the gross margins are already tight.

Buffer strips, field margins, trees in a line and hedgerows will now be a very attractive way to meet EFA requirements due to their strong weighting and minimal impact to current farming operations. Fallow and / or catch and cover crops may be needed to meet any shortfall. Farms with Stewardship agreements (excluding Higher Level and Entry Level Stewardship agreements) should consider inexpensive cover and catch crops to limit income reduction from double funding and taking more land out of production than is necessary.

Precisely how the rule changes will be applied remains unclear. Grazing or mowing may be banned on land declared as EFA fallow after the fallow period ends until the end of the relevant calendar year. Various bodies are discussing how the changes will be implemented with DEFRA and the RPA, and this briefing note will be updated if there are any changes.

### Greening payments

The Greening payment is incorporated within the Basic Payment and is made in return for the provision of certain agricultural practices beneficial for the climate and the environment. The measures involved are in addition to the Cross Compliance obligations.

The Greening measures involve three obligations – Ecological Focus Areas (EFAs), Crop Diversification and Permanent Pasture.

### EFA options

EFA obligations apply to all farms and must be 5% or more of the arable land unless they qualify for one of the exemptions (see end of this note). There are eight options which count towards EFA obligations:

- Fallow land
- Buffer strips
- Field margins
- Hedges
- Trees in a line
- Catch crops
- Cover crops
- Nitrogen-fixing crops

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<sup>1</sup> It is one of 14 measures under the Greening simplification package.  
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These options must be located on the arable land area, with the exception of hedges, trees in a line, field margins and buffer strips, which must be adjacent to, or within five metres of, the arable land.

The advantages and disadvantages of each EFA option are listed below and should be considered when deciding which options to choose and how they interact with your cropping plan and / or Stewardship agreement<sup>2</sup>.

## Fallow Land

This is land which has no crop production or grazing on it, but which is maintained in a state suitable for grazing or cultivation.

EFA period	1st January to 30th June.
Weighting	1 ha of fallow = 1 ha of EFA, so a heavy weighting / contribution.
PPP Ban Implications	PPPs can only be applied outside of the EFA period 1st January to 30th June. This restricts use of Glyphosate on EFA fallow and seed treatments/herbicides/insecticides used for establishment of wild bird seed mixes.
Advantages	Disadvantages
<ul style="list-style-type: none"> <li>Can help control problematic weeds, using cultivations / mowing / topping, which may be important on land affected by black grass.</li> <li>Areas are easy to measure when submitting BPS forms.</li> <li>It can be used to take out difficult to manage field corners that are not conducive to modern machinery or less productive parts of fields.</li> </ul>	<ul style="list-style-type: none"> <li>Without non-selective herbicides, control of problematic weeds is largely going to be achieved through cultivations or mowing/topping so there may be an increase in maintenance costs. There is no restriction on when cultivation, mowing or topping can take place.</li> <li>Potential complications with land in Entry Level Stewardship and Countryside Stewardship to avoid 'double funding' issues (see end of this note).</li> <li>Can affect the yield of the following crop.</li> <li>Can be costly to establish and for seed for wild bird mixes / nectar mixes.</li> </ul>

Wild bird seed mixes or nectar sources can be included as fallow areas, but PPPs cannot be used to aid their establishment. In both cases these must be an unharvestable mix of at least two crops that support wildlife and pollinators and should not be grazed (either during or after the fallow period).

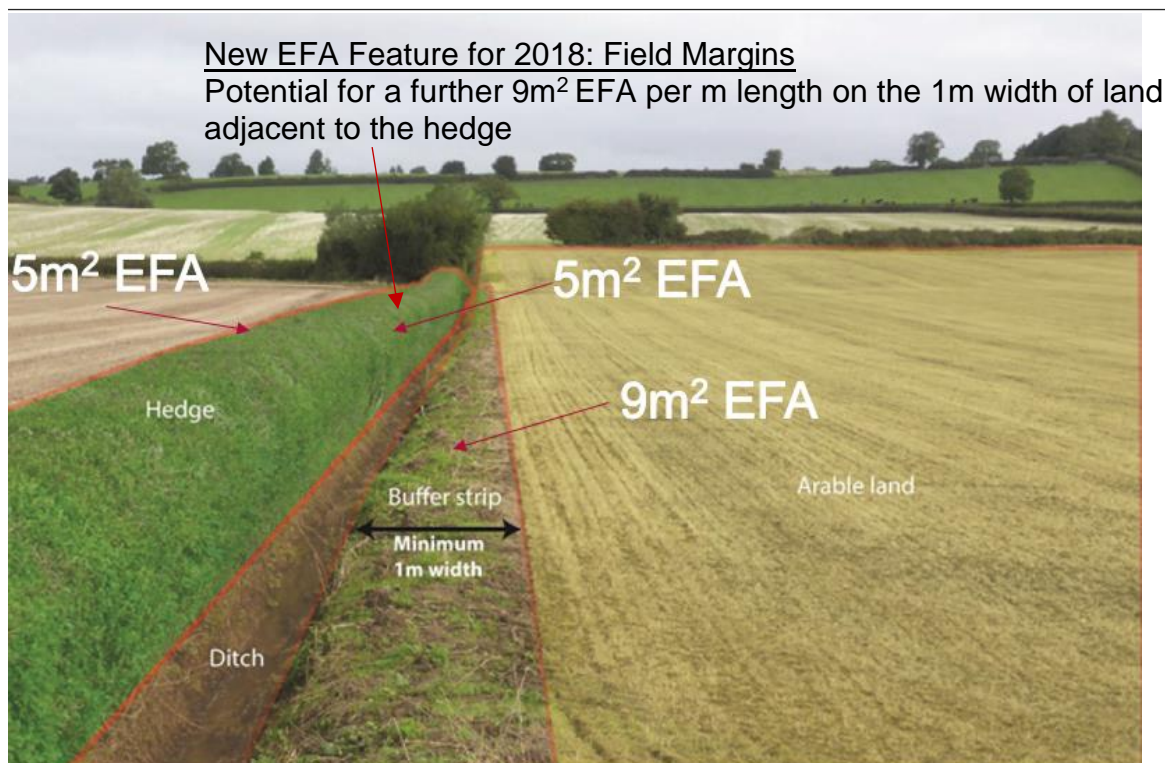
Approved wild bird seed mixes		Approved nectar mixes	
Establish a balanced seed mix of at least three small-seed bearing plants chosen from the following list:		Mixes should contain four nectar-rich plants and at least two perennials including both short-term nectar rich and perennial wildflower plants, such as:	
<ul style="list-style-type: none"> <li>Barley</li> <li>Triticale</li> <li>Kale</li> <li>Quinoa</li> <li>Linseed</li> </ul>	<ul style="list-style-type: none"> <li>Millet</li> <li>Mustard</li> <li>Fodder Radish</li> <li>Sunflower</li> </ul>	<ul style="list-style-type: none"> <li>Early and late flowering red Clovers</li> <li>Alsike Clover</li> <li>Sainfoin</li> </ul>	<ul style="list-style-type: none"> <li>Birdsfoot Trefoil</li> <li>Black Knapweed</li> <li>Musk Mallow</li> </ul>

## Buffer Strips

These are strips of land at least 1m wide next to a watercourse or parallel with and on a slope leading to a watercourse. They can be separated from arable land by a man made feature (fence), landscape feature (hedge) or an ineligible feature (track).

EFA period	All year
Weighting	1m of buffer strip = 9m <sup>2</sup> of EFA, which is the best weighting / contribution.
Advantages	Disadvantages
<ul style="list-style-type: none"> <li>Help with compliance with LERAP requirements.</li> <li>The 1m buffer strip for EFA can be the same as the '1m from the top of the bank' required under cross compliance.</li> <li>Minimal land area taken out of production</li> </ul>	<ul style="list-style-type: none"> <li>Cannot be used where a hedge is performing the role of the buffer strip.</li> <li>If adjacent to EFA Fallow, the two must be visually distinguishable (eg. Different vegetation height).</li> <li>Require accurate measurement of length and detailed checking for eligibility</li> </ul>

<sup>2</sup> Farmers with Entry Level Stewardship (ELS) agreements preceding January 2012 were able to use relevant options in their ELS agreements to count towards their Greening obligations without any changes to payments. However, these five year agreements have now all come to an end and anyone in new Countryside Stewardship will be affected by double funding rules, which prevent farmers being paid twice for the same land or management.



Source: Basic Payment Scheme: rules for 2017, RPA.

The picture above demonstrates an eligible buffer strip as it is located next to a watercourse. However, a hedge next to a watercourse cannot count as an EFA buffer strip<sup>3</sup>.

### Field Margins

Like buffer strips an EFA field margin must be at least 1m wide, and located within 5m of arable land. Field margins must be maintained for the whole calendar year and cannot be used for any crop production. It is required to be visually different to any adjoining agricultural land.

Field Margins differ from buffer strips in that they do not have to be adjacent to water course, they can be adjacent to a hedge, a fence, a bank or track/road. If adjacent to an EFA hedge it is possible to claim 5m<sup>2</sup> EFA per m of hedge per side and also 9m<sup>2</sup> of EFA for a Field Margin provided there is a clear 1m width of fallow uncultivated land from the edge of the hedge (NB this may be in addition to the cross compliance strip for a particularly wide hedge, which is measured as 2m from the centre of the hedge).

Care should be taken to ensure an EFA Field Margin does not overlap with a Countryside Stewardship (CS) SW1 buffer strip which would result in a double funding situation and a reduced payment of the CS option.

EFA period	All year
Weighting	1m of field margin = 9m <sup>2</sup> of EFA, which is the best weighting / contribution.
Advantages	Disadvantages
<ul style="list-style-type: none"> <li>The 1m buffer strip for EFA can be the same as required under cross compliance adjacent to a hedge.</li> <li>Does not need to be located next to a watercourse so can include areas adjoining tracks.</li> </ul>	<ul style="list-style-type: none"> <li>If adjacent to EFA Fallow, the two must be visually distinguishable (eg. Different vegetation height).</li> <li>Must not overlap with a Countryside Stewardship SW1 buffer strip to avoid double funding.</li> </ul>

<sup>3</sup> In the example, assuming the farmer has control of both sides, he can claim 10m<sup>2</sup> of hedge and 1 x buffer strip on the right. He can't use a buffer strip on the left as the hedge is performing the role of a buffer strip. If the farmer didn't have management control of the left side it would be only 5m<sup>2</sup>. If the farmer had management control of the left hand side but it was permanent pasture or a road / track, he can still claim 10m<sup>2</sup> because the hedge is within 5m of arable land and both sides are managed. Assuming the farmer has control of the left hand field and there is a 1m uncultivated strip alongside the hedge, a Field Margin can be claimed for a further 9m<sup>2</sup> of EFA per m length.

## Hedges and 'Trees in a Line'

The hedge must be located on or within five metres of arable land, along the longest edge which is at the claimant's disposal. It may be separated from the arable land by a feature that is ineligible for BPS (e.g. a track). A hedge must be a continuous length of at least 20m but this can include any number of gaps (including gateways) so long as each individual gap is not more than 20m.

The definition of a hedge has been amended to include trees in a line, which are trees with a crown diameter of 4 metres and canopies no more than 5 metres apart. This is a provisional definition.

EFA period	n/a
Weighting	1,000m of two-sided hedge = 1 ha of EFA, so good weighting / contribution. i.e. 5m <sup>2</sup> EFA per m of hedge per side
<b>Advantages</b>	<b>Disadvantages</b>
<ul style="list-style-type: none"> <li>Any width or height of hedge can be included, including newly planted hedges.</li> <li>Few obligations in terms of management of the hedges (provided they are not included in a Stewardship agreement) or trees.</li> <li>No double funding – EFA is for the presence of the hedge, Stewardship is for the management.</li> </ul>	<ul style="list-style-type: none"> <li>More complicated to measure accurately, must be declared as a measurement per parcel.</li> <li>If the hedgerow overlaps with fallow / nitrogen-fixing crops / catch and cover crops then the area of the latter needs to be reduced by 2.5m<sup>2</sup> per metre length of hedge to account for the overlap.</li> </ul>

## Catch and Cover Crops

These must be a sown mix of at least two different cover types – one a cereal, the other a non-cereal. These mixes should establish and grow quickly to achieve good ground cover.

Approved Catch and Cover Crops	
Cereal	Non-Cereal
<ul style="list-style-type: none"> <li>Barley</li> <li>Rye</li> <li>Oats</li> </ul>	<ul style="list-style-type: none"> <li>Mustard</li> <li>Vetch</li> <li>Phacelia</li> <li>Oilseed radish</li> <li>Lucerne</li> </ul>

Grass can be used as a catch or cover crop as long as it was undersown in the previous crop and it is sufficiently established by the start of the EFA period.

EFA period For the 2018 Claim Year	EFA catch crops must be maintained for a minimum of 8 weeks starting on 20 August 2018 and must be retained until at least 14 October 2018.  EFA cover crops must be maintained at 1 October 2018 to 15 January 2019
PPP Ban Implications	PPPs can only be applied outside of the respective EFA periods. This restricts use of Glyphosate for destruction until after the respective period and also seed treatments/herbicides/insecticides used for establishment of the mixes.
Weighting	1 ha of cover or catch crop = 0.30 ha of EFA, so a low weighting / contribution.
<b>Advantages</b>	<b>Disadvantages</b>
<ul style="list-style-type: none"> <li>Do not take land out of production.</li> <li>Where there is insufficient EFA this can be declared in the May of the claim year and sown after harvest.</li> <li>Can improve soil condition and organic matter as well as help prevent soil erosion.</li> <li>Can help control problematic weeds if a highly competitive mix is sown that covers the ground and uses available nutrients.</li> <li>Good way to conserve soil moisture and even protect it from evaporation by the sun and wind.</li> <li>Possibility to fix nitrogen in the soil by using leguminous species.</li> <li>Short EFA period means a second crop can be grown that can then be harvested to offset cost.</li> </ul>	<ul style="list-style-type: none"> <li>Establishment can be challenging and seed expensive (especially when labour is included).</li> <li>Some of the crops that are permitted are prone to pressure from pests (e.g., oil radish to Cabbage Stem Flea Beetle).</li> <li>Can cause allelopathic consequences onto successive crops from the release of biochemicals.</li> <li>Crop residues can be difficult to incorporate within the soil especially if they have got particularly well established and contain a large amount of material.</li> <li>Crops that are usually grazed (eg. Stubble Turnips) cannot be used.</li> <li>Crops cannot be grazed during the respective EFA period (but can be after the end of the period).</li> </ul>

**Nitrogen-Fixing Crops**

These include crops grown as arable crops (e.g., beans and peas) and pasture legumes (e.g., clover, lucerne and sanfoin). In addition to pure stands of a nitrogen-fixing crop you will be allowed to use:

- mixtures of different nitrogen-fixing crop species; or
- mixtures of nitrogen fixing crops and other crops, as long as over 50% is nitrogen-fixing crops.

EFA period	1 May to 30 June
PPP Ban Implications	PPPs cannot be applied for the entire duration of a N-Fixing crop used for EFA. I.e. from sowing of the crop until the crop is harvested. For multi-annual N-Fixing crops such as Lucerne, the current advice is that the ban still applies for the duration of the crop, therefore if PPPs have been used on a crop already, these should be not be used EFA in 2018.
Weighting	1 ha of nitrogen-fixing crop = 0.7 ha of EFA.
Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Benefits the following crop by raising nitrogen levels in the soil.</li> <li>• Little change to rotations as these crops are already grown.</li> <li>• Additional income generated as crops can be harvested.</li> </ul>	<ul style="list-style-type: none"> <li>• Without plant protection products, it will be challenging to keep the crop free from pests, disease and weeds. So yields likely to be impacted and end market for produce limited.</li> <li>• N-Fixing crops may not be profitable in a conventional farming system without PPPs.</li> <li>• In the longer term, potentially higher levels of soil borne diseases could affect legume crops grown as part of a rotation.</li> </ul>

**Exemptions from EFA obligations**

- The eligible agricultural area included on a BPS claim is less than 10ha;
- or land which is registered for organic production or in conversion for organic production;
- or more than 75% of the arable land is in temporary grassland or fallow or (in the case of EFA) is used for cultivation of leguminous crops, and the remaining arable area does not exceed 30ha;
- or more than 75% of the eligible agricultural area is permanent or temporary grassland, and the remaining arable area does not exceed 30ha.

**How will the PPP ban be enforced?**

It is likely a combination of the following will be employed by the RPA to enforce the ban:

- Operator and Farm records
- On the spot checks
- Tissue testing of plant material for PPP residues.

**Greening Administrative Penalties**

- These are new penalties being introduced in 2017 which can be applied to your Greening payment.
- If a BPS claimant does not follow the greening rules (Crop Diversification, Ecological Focus Area and / or Environmentally Sensitive Permanent Grassland), they will be subject to both a Greening Reduction<sup>4</sup> as well as a Greening Administrative Penalty<sup>5</sup>.
- Previously, a claimant not meeting the greening requirements would be subject to a 100% Greening Reduction (the full Greening payment which makes up 30% of the total Basic Payment).
- However for the 2017 scheme year, the maximum penalty can now reach 120% of the Greening payment and this increases to 125% for the 2018 scheme year onwards<sup>6</sup>.

<sup>4</sup> For EFA, the RPA applies a greening reduction which reduces the greening payment by ten times the amount of the missing EFA hectares

<sup>5</sup> The RPA applies a greening administrative penalty based on ten times the amount of the missing EFA. There will be no Greening Administrative Penalty where the greening payment reductions are less than 3% (or 2 ha) of the determined area that the greening payment is calculated on.

<sup>6</sup> In 2017, the size of the Greening Administrative penalty will not exceed 20% of the total greening payment due. This increases to 25% in 2018.



## Double funding explained

Farmers with a Countryside Stewardship Scheme agreement that contains any of the double funded arable options will get a reduction in the value of their stewardship payment if these areas are used for EFA Fallow. Agreement holders are asked to declare this on an annual basis in the annual claim form. The table below shows the common reductions:

Higher Level Stewardship agreement holders are not affected by double funding and can continue to use appropriate option areas towards EFA Fallow without a reduction in stewardship payment. Existing Entry Level Stewardship agreement holders may have already received a double-funding payment adjustment<sup>7</sup> regardless of whether they were using the double-funded option area as EFA Fallow or not. As a result, these option areas can be used as EFA Fallow without any further penalty.

### Common Countryside Stewardship options and the reduction in payments if used as Ecological Focus Area

CSS Option	Code	Detail	CSS £/ha	After double funding reduction	ELS/HLS <sup>8</sup> equivalent £/ha
4-6m buffer strip	SW1	4-6m grass buffer next to hedge / ditch etc.	£353	£79	£400
Watercourse buffer	SW4	12-24m grass buffer next to ditch / river etc.	£512	£96	£400
Nectar flower mix	AB1	Mix of 4 nectar-rich plants + 2 perennials	£511	£107	£450
Basic overwinter stubble	AB2	Cereal / OSR / linseed stubble to 15th Feb	£84	n/a	£120
Flower-rich margins/plots	AB8	Grasses + perennial flowering plants mix	£539	£209	£485
Winter birdfood	AB9	Annual spring established cereal / brassica mix	£640	£271	£450
Autumn bumblebird mix	AB16	Bird + insect mix established Sept (yr 1 + 3)	£550	£146	n/a
Hedgerow management	BE3	Maintain a 2m high, 1.5m wide hedge by yr 2	£8*	n/a	£11*

## Changes to Mixed Cropping

Member States can permit land parcels on which small areas of different crops are grown next to each other to be declared as 'mixed crops' if individually these would otherwise be too small to claim (areas less than 0.01ha). This is to be permitted in England.

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<sup>7</sup> ELS agreements which started post 1<sup>st</sup> January will have had their stewardship payments adjusted for greening where they include 'double funded' options and where other surplus options (which are unaffected by double funding) were not available.

<sup>8</sup> These schemes are now closed to new entrants but existing agreements will continue on many farms; their payments are only shown for comparative purposes.