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European Agricultural Fund for
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Glastir

Glastir Organic

Rules Booklet

Wales Rural Development Programme 2014-2020



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Key messages

- Glastir Organic is an element of the Welsh Government's Glastir Scheme. Glastir Organic provides support to organic farmers and producers that deliver positive environmental land management. Glastir Organic is open to those who wish to convert to organic production and to existing organic producers who meet the eligibility criteria. Glastir Organic is a 5 year contract with the Welsh Government.
- As part of Welsh Government's commitment to a digital Wales, the Glastir Organic application has been developed online and is available through the Rural Payments Wales (RPW) Online service.
- If you are not yet registered with RPW Online and do not have an activation code, please call the Customer Contact Centre on 0300 062 5004 **as soon as possible**. They will send you the details you need through the post.
- Guidance on completing your Glastir Organic application online is available from www.gov.wales/rpwonline. If you do not have access to broadband or need additional help, you should contact the Customer Contact Centre **as soon as possible** on 0300 062 5004 to discuss digital support and alternative application routes.
- Applications for a Glastir Organic 2015 contract will be available from 1 October 2014 and must be submitted by midnight 29 October 2014.
- In order to benefit from Glastir Organic, you must be an Active Farmer – see Section B for further details regarding Active Farmer.
- You will be required to submit a Business Plan by no later than 31 December 2015.
- Please note there is a competitive selection process to gain access to Glastir Organic. Applications will be assessed and scored against the Welsh

Government's Glastir objectives for positive environmental land management. Applications which score the highest will be selected in line with the available budget.

- In order to fulfil the Glastir Organic obligations, all land under contract must be continuously certified with a recognised Organic Control Body for the entire duration of the Contract, commencing 1st January 2015. The most recent Organic Control Body Certificate and Land schedules must be submitted by no later than 30th April in the first year of the contract and within 30 days of expiry of the last certificate thereafter. Should they be submitted after these dates, this will be considered as a scheme breach and your Glastir Organic payment will be subject to a financial penalty. Please note that no payments will be released where an outstanding certificate is due.
- It is important to have full management control for all the land entered into the organic contract or the full contract period.
- If you have land under an existing transitional Organic Farming or Organic Farming Conversion scheme contract, which comes to an end on 31 December 2014, you will need to submit an application to be considered for a Glastir Organic 2015 contract.
- You will be required to submit a Single Application Form (SAF) annually via RPW Online for the duration of your contract.
- Glastir Organic payment will be capped at 400 hectares of eligible land per Customer Reference Number (CRN).
- It is important to respond to any queries raised by the Welsh Government regarding your Glastir Organic application promptly. Failures or delays in responding within the given time may prevent the offer of a Glastir Organic contract.

- The Glastir scheme is subject to approval by the European Commission which may result in changes to this guidance. Changes will be publicised in Gwlad (www.gwladonline.org) and, where necessary, we will contact farmers directly.
- The last date for submitting a field maintenance form to register new land to be included in a 2015 contract is the 17th October 2014.

Section A- Introduction

This guidance has been written for farmers and producers who intend to submit an application to join Glastir Organic. There is no requirement for applicants to join other elements of Glastir, nor to already be in other elements of Glastir, to be eligible to apply for Glastir Organic.

Glastir Organic provides support to organic farmers and producers that deliver positive environmental land management. Glastir Organic is a full 5 year contract jointly funded by the Welsh Government and the European Union as part of the Rural Development Programme for Wales - 2014 to 2020. Glastir Organic is open to those who wish to convert to organic production and to existing organic producers who meet the eligibility criteria. Glastir Organic will contribute to address the overarching Glastir aims of:

- Reducing Carbon and Green House Gas emissions.
- Building greater resilience into farm and forest businesses by adapting to climate change.
- Managing water resources to improve water quality and reduce flood risks.
- Contributing to economic sustainability of farms, forestry and the rural community.
- Protecting and improving access to the landscape and the historic environment.
- Developing and improving Wales' native biodiversity.

This Contract is made in accordance with the Welsh statutory instrument which applies to the Rural Development Plan for Wales 2014-2020, Council Regulation (EU) No. 1305/2013 of the Parliament and of the Council of 17 December 2013 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD); Commission Delegated Regulations (EU) No. 807/2014 of March 2014 supplementing Regulation (EU) No 1305/2013 of the Parliament and of the Council on support for rural development by the EAFRD and; Commission Implementing Regulation (EC) No. 808/2014 of 17 July laying down rules for the application of Regulation 1305/2013 of the European Parliament and of the Council

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on support for rural development by the EAFRD (“the Regulations”) all as amended from time to time.

Glastir support is subject to approval by the European Commission and approval may result in changes to this guidance. Changes will be publicised in Gwlad (www.gwladonline.org) and where necessary, we will contact farmers directly.

Organic standards

All food sold as ‘Organic’ must be produced according to European laws on Organic production.

These laws require growers and processors to be registered with and approved by Organic Control Bodies (OCB), which are approved and authorised by the UK competent authority for controlling organic operators.

Farmers who register with an OCB, whose standards go beyond the European law, will have to meet the specific OCB requirements in order to be registered with that OCB.

Section B – Eligibility

To be eligible for Glastir Organic you must:

- Be a registered customer with the Welsh Government, and have been issued with a Customer Reference Number (CRN)
- Have registered your land with the Welsh Government's Land Parcel Identification System (LPIS)
- Be an Active Farmer on agricultural land. This means you will be required to undertake and pass the Active Farmer test each year for the duration of your contract
- Be the sole claimant of European Aid schemes (e.g. the Basic Payment Scheme (BPS) and Glastir)
- Ensure land that is entered into a Glastir Organic contract, is continuously certified with an OCB for the entire duration of the contract, commencing 1st January 2015
- Have a minimum three hectares of eligible land
- Have an Organic Business Plan or provide one to the Welsh Government by no later than 31 December 2015

Active farmer

You will only be eligible to enter into a Glastir Organic contract if you pass the Active Farmer test every year. This test will be included on the 2015 SAF. See Annex 3 for further details of the Active Farmer test.

Organic Business Plan

An Organic Business Plan must be submitted to the Welsh Government within the by no later than 31st December 2015.

Support may be made available to applicants through the Welsh Government's proposed Knowledge Transfer and Advisory services within the Rural Development Programme for Wales 2014-2020. The Wales Rural Development Programme 2014-

2020 schemes are subject to change until the full programme has been agreed by the European Commission.

As a minimum, your plan will contain;

- The organic farming system plan, including livestock numbers and cropping
- Livestock herd/ flock health plan
- Manure management plan
- Crop rotation plan
- Crop pest and disease control plan
- Future developments plan

Section C - Land eligibility requirements

- All field parcels must be certified with an approved OCB for the full 5 years of the Glastir Organic contract
- You must maintain Management Control of the land entered into the Glastir Organic contract for the full duration of the Glastir Organic 5 year contract
- The criteria for Management Control can usually be met by the following:
 - An Owner Occupier of the land
 - A Tenant with a tenancy agreement under the Agricultural Tenancies; Act 1995 Farm Business Tenancy or the Agricultural Holdings Act 1986
 - A Licensor
- Only whole field parcels are eligible for a Glastir Organic contract
- All field parcels must be located in Wales
- Only Common Land which is used for grazing and where you are the sole registered grazier shall be eligible for consideration for a Glastir Organic contract

The following land is not eligible for Glastir Organic

- Land that is located outside Wales
- Land that is excluded from agricultural production
- Common Land with multiple graziers
- Ungrazed Woodland
- Field parcels that are subject to shared grazing
- Part field parcels
- Field parcels that are being used to claim for European Common Agricultural Policy (CAP) payments by another applicant
- Land that is not certified with an OCB on 1 January 2015
- Field parcels under Options 30 and 32 of a Glastir Entry contract are not eligible for Payment Rate 1 under Glastir Organic.
- Land claimed under a different European Union CAP aid scheme by a another farmer

Dual Use of Land

The practice of dual use of land (i.e. the same parcel of land being used by two different beneficiaries to claim under different European Union CAP aid schemes e.g. the Basic Payment Scheme and Glastir) is not permitted under Glastir. This is because two different land managers cannot have the necessary management control on the same land at the same time. If you are a landlord or tenant who wishes to enter Glastir, you are advised to carefully consider your business and tenancy arrangements accordingly, to ensure you can meet the eligibility criteria set out above.

Further information regarding dual use can be found on the Welsh Government's website <http://gov.wales/topics/environmentcountryside/farmingandcountryside/farming/dualuseoflandqa/?lang=en>

Certification Requirements.

You must hold a valid and up to date OCB Certificate and Land Schedule, with an accredited and authorised OCB for the entire duration of the contract. Payments cannot be made unless the Welsh Government has received a valid OCB certificate that is current at the time of payment

- You must ensure the valid and current OCB certificate and Land Schedule must use the same Sheet Reference and Field Numbers as registered with the Welsh Government's Land Parcel Identification System (LPIS) and also be the same as entered on the Single Application Form (SAF)
- You must ensure that any works e.g. bracken spraying, due to be carried out under any other agri-environment schemes, such as other Glastir elements, are compatible with the rules set out by your Organic Control Body (OCB). Failure to ensure this could place your Glastir Organic certification and Glastir Organic payments at risk

- Glastir Organic contracts may be terminated on land where the Organic Control Body (OCB) or Rural Payments Wales (RPW) has notified a breach on that land. Full repayment with interest may be required and over-declared penalties may be applied, depending on the reason for the breach that led to the termination of the contract
- It is important to note that reductions and recoveries may be applied to land under contract that does not remain certified as organic for the full duration of the contract

Section D - Glastir Organic Rules

- Your annual payments will be restricted to the area of land use category approved on your application and validated against your original OCB certificate.
- You must submit a valid OCB certificate and land schedule to the Welsh Government by 30th April or within 30 days of expiry of the last certificate thereafter
- You must comply with the requirements of cross compliance. See Annex 3 for further details.
- You must submit a Single Application Form (SAF) annually by 15 May to claim payment on eligible field parcels under the Glastir Organic contract. It is important to note that all agricultural and non agricultural land on your holding must be declared annually on the SAF. Claims for payments must be received by the Welsh Government no later than 15 May each year to avoid late claim penalties.
- You must not make a false or misleading statement or declaration, or furnish false or misleading information intentionally or as a result of negligence.
- You must allow all land to be inspected at a time notified by the Welsh Government or other authorised persons and provide any document or record that the Welsh Government or other authorised persons may require.
- You must notify the Welsh Government within 30 days of the event of any changes to your contract or the land managed under Glastir Organic.

Land in other schemes

Details of the relationship between Glastir Organic and land entered into other schemes are set out below.

Organic Farming and the relationship with the new Common Agricultural Policy Basic Premium Scheme (BPS) and the Greening Requirements.

Any certified organic land, including land 'in conversion', will automatically qualify for the greening payment without having to meet the greening requirements, as long as it has been certified by an accredited body. This means that this land is exempt from the Ecological Focus Area (EFA) and crop diversification requirements. Any other conventional land you have does however have to meet the greening requirements.

Glastir Organic and other Glastir elements

Land entered into the Glastir Organic scheme is compatible with other elements under Glastir, apart from Glastir Commons and Glastir Woodlands. However, field parcels under Options 30 and 32 of a Glastir Entry contract are not eligible for Payment Rate 1 under Glastir Organic.

If you are thinking of converting land within Glastir Organic to stock excluded woodland (either independently or with other support) then you should be aware that the Glastir Organic 2015 support would be terminated on that land and any previous payment made may be recovered.

Glastir elements that require exclusion of stock from woodland include Glastir Woodland Creation, and some specific aspects of Glastir Entry, Glastir Advanced and Glastir Woodland Management options.

Section E – Applying for Glastir Organic

You should apply for a Glastir Organic 2015 contract through the RPW Online service. The Glastir Organic application will be available to apply from 1 October 2014 and will close at midnight on 29 October 2014.

If you are already registered with RPW Online, you will be able to access the Glastir Organic application via the Applications and Claims area of your RPW Online account. If you are not yet registered and do not have an activation code, please call the Customer Contact Centre **as soon as possible**. Their telephone number is 0300 062 5004 (Open 8.30 to 17.00 Monday to Thursday and 8.30 to 16.30 on Friday).

Step by step instructions on how to complete your application are available from the Welsh Government website at www.gov.wales/rpwonline

If you require additional help to complete your application online or are unable to apply online, please contact the Customer Contact Centre, who will be able to offer digital support to you, as **soon as possible**.

Please Note: If a Glastir Organic contract is offered to you, you must submit your original Organic Control Body (OCB) certificate and land schedule by 30th April 2015. OCB Certificates and land schedules received after this date will be rejected and the offer of a Glastir Organic contract will be withdrawn.

The Selection Process

If the available budget is not sufficient to offer all applicants a contract, the Welsh Government will use a competitive selection process to decide which applicants are offered a contract.

A number of maps showing the distribution of the Glastir Organic objectives throughout Wales have been developed. Your farm will be assessed for its potential to deliver against the Glastir objectives identified on the maps and will be allocated a score based upon the range and scale of delivery that can be achieved.

All farms will be ranked according to the score that they have achieved and the highest scoring farms will be prioritised for a contract.

Further detail on the scoring is available at:

<http://gov.wales/topics/environmentcountryside/farmingandcountryside/farming/schemes/glastir/glastir-advanced/glastir-advanced-documents/?lang=en>

The basis of the scoring process may change in future years to reflect changing policy priorities. This means that a low scoring application that is unsuccessful in one year may possibly be successful in future years if priorities change.

You will be notified whether your application has been successful or not and informed of the objectives identified on your farm that were used to calculate your score.

Glastir Organic contract offer

If you are successful in your Glastir Organic application you will need to complete the online contract offer acceptance form which will include the full terms and conditions before being offered a formal contract online.

You will need to accept the offer online, print out the contract and send an original signed copy to the Rural Payments Wales, Customer Contact Centre, within 14 days of your notification. Acceptance forms received after this date will be rejected and the offer of a Glastir Organic contract will be withdrawn.

If, after being selected, you decide not to proceed with your application or fail to return the signed contract within the time permitted, you will not be able to apply for Glastir Organic for a further 2 years.

If you decide to withdraw from the contract prior to the end of the full contractual term (5 years) you will be required to repay all of the monies you have received under the Glastir Organic contract with interest.

Subject to the publication of the new Rural Development European Commission Regulations and any changes needed to the Rural Development Programme 2014 – 2020 as a result of regulatory changes, the Glastir Organic contract may be terminated at the end of 2020.

Section F - Payments

Area based payment

There are three area-based Payment Rates available under Glastir Organic to support land under conversion to organic status and the maintenance of fully organic land. See Table 1 below. Each parcel under a Glastir Organic contract will be approved for a 5 year schedule of payments dependent on the in conversion or maintenance status of the parcel when entering the scheme on 1 January 2015.

Table 1: Glastir Organic Area Payment Rates and Contribution towards Certification costs

	Conversion		Maintenance	Annual Certification Costs*
	Years 1 – 2	Years 3 - 5	Years 1 – 5	
Payment Rate 1	£600 / ha	£400 / ha	£400 / ha	£80 / ha
Payment Rate 2	£130 / ha	£65 / ha	£65 / ha	£10 / ha
Payment Rate 3	£15 / ha	£15 / ha	£15 / ha	£3 / ha

* Certification costs will be capped at £500 per contract per year.

The field parcel area under contract that will be eligible for payment will be the total field size as held on the Welsh Government's Land Parcel Identification System, (LPIS), taking into account the following ineligible areas within the parcel.

Ineligible Areas

- Buildings and Yards
- Hard standings
- Ponds/Rivers and streams
- Roads
- Scree/Rock outcrops/Boulders

Applicants will need to provide details of ineligible areas on their application for any

new parcels being entered into the scheme

Area of land that maybe entered into a Glastir Organic contract:

- A minimum of 3ha of eligible land (Total of payment rate 1, 2 and 3) may be entered into contract.
- Payments will be capped to 400ha (Total of payment rate 1, 2 and 3) per contract.
- A maximum of 20ha of payment rate 1 land may be entered into contract.

Payment Rate Definitions

Payment Rate 1

- You must have a maximum of 20 hectares of land under your Glastir Organic contract that is used as part of a rotation for the production of horticulture crops to be eligible to receive Payment Rate 1. See Annex 1 for crops eligible for Payment rate 1.
- You must ensure at least 40% of the total eligible Payment Rate 1 land under contract must be cropped with a horticultural crop each year.
- You must ensure all of the land receiving payment rate 1 must be cropped for horticulture at least once during the 5 year contract period.
- You must ensure soft fruit and commercial orchards are eligible for payment rate 1 by cross checking with the Welsh Government list of eligible crops on an annual basis. The crop codes will be updated annually in time for you to complete your Single Application Form (SAF).

Field parcels under Options 30 and 32 of a Glastir Entry contract are not eligible for Payment Rate 1 under Glastir Organic.

Payment Rate 2

- Land located below the unenclosed upland boundary and predominately agriculturally productive will be eligible to receive Payment Rate 2.
- Field Parcels with less than 50% of the total field size made up of grazed woodland, blanket bog, coastal and lowland heath, Saltmarsh or bracken/scrub

Payment Rate 3

The Glastir Organic online application will identify unenclosed upland and sole-grazier, grazed common land field parcels eligible for Payment Rate 3.

- Unenclosed upland; is defined as land above the agricultural enclosure and is characterised by its open nature and has received limited agricultural improvement.
- Common Land which is used for grazing and where you are the sole registered grazier (Sole Grazed Common Land).
- Field parcels with 50% or more of the total field size made up of grazed woodland, blanket bog, coastal and lowland heath, Saltmarsh or bracken/scrub

It is very important to note that land that is found to have been placed in an inappropriate category, following validation of annual claims, will incur a financial reduction.

It is also very important to note that applicants who are found to have artificially created conditions to influence their application and /or payments or who have

placed significant areas of land into inappropriate categories, may be terminated and all payments made will be fully reclaimed with interest.

Eligibility for ‘In conversion’ payment rates.

To be eligible to receive 2 years of ‘in conversion’ payments, a land parcel entered into the Glastir Organic contract must have started conversion between 2 January 2014 and 1 January 2015 inclusive.

Eligibility for ‘Maintenance’ payment rates.

- Land parcels on which conversion started before 2 January 2014 will be eligible for maintenance payment rates only for the duration of the Glastir Organic contract.
- Land that has received organic support within 3 years of the start of the Glastir Organic contract on 1 January 2015. (Land under an Organic Farming contract or Organic Farming Conversion Scheme contract in the years 2012, 2013 or 2014).

Organic Control Body certification costs

An annual contribution towards certification costs will be made in line with Table 1 above for the duration of the contract. Certification costs will be capped at £500 per contract per year.

What must I do to receive payment?

You must:

- Have entered into a Glastir Organic contract and adhere to the requirements of the scheme, including Cross Compliance. Submit a Single Application Form (SAF) annually to claim Glastir Organic. Claims for payment must be received no later than 15 May each year to avoid late claim penalties.

- Declare all agricultural and non agricultural land on your holding on the Single Application form.
- Not make false or misleading statements or declaration or furnish false or misleading information.
- Not artificially create the conditions required to obtain the payments (for example, splitting field parcels to obtain higher rates of payment).
- Allow all land to be inspected at any time following notification by the Welsh Government or other authorised persons and provide any document or record that the Welsh Government or other authorised persons may require.
- Notify the Welsh Government within 30 days in the event of any changes that impact on your contract or the land included in your Glastir Advanced contract
- The Welsh Government will only make payments by Bank transfer (BACS). If you already receive any agricultural support you will be receiving payment by this method and there will therefore be no need to do anything else. Glastir payments will only be made in Sterling.
- If you are a new customer to the Department you will be required to complete a BACS form which is available from the Customer Contact Centre. They can be contacted on 0300 062 5004
- If you do not claim on a parcel of land under contract on your Single Application Form (SAF) submission annually, then that field will be removed from the Glastir Organic contract and no payment will be made. Previous payments will also be recovered with interest.

Following the validation and verification of the above, payments will commence February 2016.

Section G – Contract Amendments

Transferring or Selling Land under Contract

When you sign your Glastir contract you are making a commitment for 5 years. If you subsequently sell or transfer all or part of your land during the 5 years contract period, you may be subject to financial penalties and / or having to repay money you have already received.

The transfer of a Glastir contract to a new occupier is subject to approval by the Welsh Government. Where the prospective new occupier decides to take over the Glastir commitment from you and the land continues to meet the minimum eligibility criteria, the new occupier must continue with the commitment on the land transferred for the remainder of the contract period. The prospective occupier should be made aware of the Glastir commitment in advance of agreeing to the transfer of the land in question.

Following the sale or transfer of part of your land, any land which you retain and is the subject of the original Glastir contract must continue to meet the minimum eligibility criteria. In the event that this does not happen, you will be required to repay all of the payments made in respect of that land.

If you transfer or sell any land which forms part of your Glastir Contract, then you must notify the Welsh Government in writing within 30 calendar days of the event. Failure to notify the Welsh Government within this period may result in a penalty.

In the event that you transfer and sell any land under a contract which the Welsh Government considers that the environmental objectives of Glastir have been undermined as a consequence, the contract may be terminated and all payments made recovered with interest.

What will happen if I cease to farm organically prior to the end of my contract

- If you stop farming your land organically before the end of your contractual commitment, the Welsh Government will recover all the Glastir Organic payments made to you in respect of that land, with interest. Payments will be recovered, with interest, on land under contract that does not remain registered for the duration of the contract with an OCB.
- Payments will be withheld if a claim is made that is not supported by a valid OCB Certificate and Land Schedule.

Acquiring Additional Land during the Contract Period

If you acquire land after your contract start date you will need to apply to enter that land into Glastir Organic.

Land Changes and Land Sale Notification Requirements

You will be required to inform the Welsh Government of changes to land parcels (fields) within 30 days of the change.

These changes include:

- Fields not previously registered for IACS purposes (i.e. have not previously been included on the Single Application Form (SAF))
- Fields which have been permanently divided
- Fields which have been permanently amalgamated
- Fields which have new boundaries
- Fields which have changes to their permanent features.

You will also be required to inform the Welsh Government of changes to land occupation including changes of ownership and any tenancy agreements within 30 days.

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To notify the Welsh Government of these changes, you will need to obtain a *Field Maintenance (FM) Application Form* from the Customer Contact Centre and submit it within 30 days of the change.

Legislation Changes (Including Changes in Interpretation)

European Regulations may change from time to time and you will be required to abide by any changes imposed following notification from the Welsh Government.

Changes to Scheme Rules

We may need to make changes to your contract if there are any changes to the scheme rules. For example, we may need to update the management conditions to take account of the latest scientific advice, amend scheme rules to take account of any changes within the Wales Rural Development Plan or revise payment rates. We will publicise the changes in Gwlad, on the Welsh Government website (www.wales.gov.uk) and where necessary write to you.

Section H - Management Control

It is a condition of the scheme that you have management responsibility and control over the land for the full 5 year period of the contract to enable you to fulfil the obligations of the scheme.

If it is determined that you do not have the required management control, the land will be withdrawn from the contract and all payments made in relation to the land will be recovered and financial penalties may be applied.

Management control can usually be met by:

- An owner and occupier
- A tenant with a tenancy under the Agricultural Tenancies Act 1995 (Farm Business Tenancy (FBT)) or the Agricultural Holdings Act (AHA)1986
- A licensor

In some circumstances landlords may also qualify as having management control where the tenancy agreement contains suitable clauses to ensure delivery of the Glastir contract obligations.

It is your responsibility to ensure that the commitment you have made under your contract can be delivered for the full 5 year period. If you fail to fulfil this commitment it is likely that you will be required to repay all previous payments.

If you wish to include land with a Full Agricultural Tenancy (as regulated by the 1986 Agricultural Holdings Act) or Farm Business Tenancy (as regulated by the 1995 Agricultural Tenancies Act) , it is your responsibility to ensure that your tenancy agreements do not preclude you from fulfilling all aspects of your Glastir contract. If the tenancy agreement expires before the end of the 5 year period of the contract you will need a landlord indemnity.

If you wish to include land with an unwritten tenancy it is your responsibility to obtain a signed Landlord Indemnity form from your landlord. If you cannot obtain a landlord indemnity you should not include these fields in your expression of interest.

You can only include land that you own and rent out if you have retained management control (i.e. tenancy agreement contains suitable clauses). If you have not retained management control you should include these fields in your expression of interest.

Owner and Occupier

If you are the owner and occupier of the land it is likely that you will have management control of the land.

If you let out your land on a grazing licence refer to paragraphs titled Grazing Licences.

Tenancies under The Agricultural Tenancies Act 1995 (FBT) or The Agricultural Holdings Act 1986

If you are a tenant with a Farm Business Tenancy (FBT) regulated by the 1995 Agricultural Tenancies Act or a tenancy under the Agricultural Holdings Act (AHA) 1986 it is likely that you will have the required management control enabling you to fulfil all of the obligations of the contract.

Some tenancy agreements may prohibit a tenant from entering agri-environment schemes or may contain other provisions that make it impossible or unfeasible for tenants to enter Glastir. You must ensure that entering Glastir does not breach the conditions of your tenancy agreement.

Please note that in some circumstances landlords may qualify as having management control where the tenancy agreement contains suitable clauses to

ensure delivery of the Glastir contract obligations. In such circumstances the Tenant will not be eligible for Glastir.

Tenancies with less than 5 years remaining or containing a Break Clause

If your tenancy contains a break clause or is due to end before the end of the 5 year period of the Glastir contract (even if an extension or renewal is expected) then the land can only be entered into a Glastir contract if the landlord agrees to take over the commitment when the tenancy ends. This is known as a landlord indemnity.

Landlord Indemnity

A landlord indemnity is an agreement between you and your landlord in which your landlord agrees to take over the Glastir contract for the rented land at the end of your tenancy.

You will be required to provide a copy of your landlord indemnity prior to entering into a Glastir contract.

An example of a landlord indemnity form has been provided at Annex 2 for guidance purposes only. Once signed, the indemnity is legally binding; as such both parties are advised to seek independent legal advice before entering into such an agreement.

If your landlord agrees to an indemnity, your Glastir contractual commitments relating to that tenanted land it will be transferred to them when the tenancy comes to an end. Once the commitment has been transferred, your landlord must ensure that the commitments continue to be met until the end of the 5 year period.

It is your responsibility to ensure that your landlord signs and accepts the transferred Glastir contract when the tenancy of that land ends. If your landlord does not take over the contractual commitments relating to that tenanted land we will be required to seek

recovery of the payments you have received on that land. Please note that a landlord indemnity will not be accepted on land that fails to meet the minimum eligibility criteria for the scheme (e.g. minimum of three hectares) and therefore such land will be excluded from the Glastir contract.

If you have a tenancy agreement with a term which will cover the 5 years of your Glastir contract but your landlord decides to take the land back from you prior to the end of your Glastir contract, we will recover payments made to you, unless your landlord or the new tenant agrees to continue with the contractual commitments. It is therefore important that only land which you can confirm will be under your full management control, or land for which you have secured a landlord indemnity, should be entered into the scheme.

Considerations for Landlords and Tenants

Where the tenant wishes to enter into a Glastir contract but the tenancy agreement has a term of less than 5 years remaining they should consider either:

- obtaining a landlord indemnity, or
- seeking an extension to the term of the tenancy that will cover the full 5 year period of the Glastir contract.

Where a landlord does not wish to provide an indemnity and will not grant a longer term tenancy to cover the full 5 year period of the Glastir contract, this land will be ineligible and cannot be included in your contract.

Where a landlord has agreed to provide an indemnity, once the land returns to their control they become responsible for the full commitment including any penalties or recovery of payments made as a result of a scheme breach or over-declaration penalty. This includes any breaches detected after they take over the contract even where the breaches were caused by the tenant.

Other 'Rights' on Land

You should discuss your proposed application with any other parties with sporting or other rights over the land where these may affect the obligations of the contract. In such circumstances it is your responsibility to ensure you have management control and are able to fulfil all the obligations within the contract.

Grazing licences

Licensor (person granting the grazing licence)

If you are a licensor it is possible that you will have sufficient management control enabling you to enter the land into an Glastir contract. Where such land is entered into your contract, it is your responsibility to ensure the licensee (grazier) does not contravene any of your obligations under the contract as you must maintain full management control of that land.

Licensee (the grazier)

If you have the right to access land for grazing purposes under a grazing license, you will not be eligible to bring that land into a Glastir contract since you do not have the necessary management control.

Further Advice

The guidance contained in this section provides an overview of management control and only considers Glastir issues. It does not take into account other matters that may affect individual decisions. If you have any concerns or questions regarding your individual circumstances and management control you are advised to seek professional assistance. Further information regarding land occupation is available in the *Land Occupation Considerations Booklet* produced by the Glastir Land Occupation Group supported by the Welsh Government which can be found on the Welsh Government website www.gov.wales

Section I – Inspections and Record Keeping

The Welsh Government must enforce the Glastir scheme rules. Inspections will include on farm inspections and the use of Global Positioning Systems, aerial photography and the use of satellite imagery.

On Farm Inspections

Inspecting officers may need to count and verify the number of animals on your farm and check the land details and accuracy of any relevant documentation and record keeping. When it is necessary, to inspect animals, the whole flock or herd may need to be checked. You will be expected to gather your animals in a convenient place, and ensure that sufficient labour and adequate safe handling facilities are available.

Inspections will be spread over the year and will cover all the commitments and obligations which can be checked at the time of the visit. The Welsh Government and the specialist control bodies will try to ensure that visits cause you the minimum of disruption but some checks require inspections to be unannounced, which means it may not be possible to give you notice of a visit. Inspections may occur more than once during a calendar year.

If you refuse to allow an inspection, or obstruct an inspector or fail to give reasonable assistance, you will lose your payment and may be prosecuted.

Record keeping

You must keep, all of the records and information you need to evidence that you have provided complete and accurate information, and have complied with your undertakings.

You will be required to supply the Welsh Government any information about your Glastir Organic commitment and supply that information within the period determined by the Welsh Government.

Make available to the Welsh Government, its authorised persons or its agents, records, accounts, receipts and other information including access to computer data relating to your Glastir Organic commitments. Permit the Welsh Government to remove any such document or record to take copies or extracts from them.

Section J - Penalties

Penalties are applied where land has been under or over declared, a breach of the scheme rules has taken place or cross compliance requirements have not been followed.

Under Declaration

Failure to declare all the agricultural land/areas on your holding on the Single Application Form (including all owned and rented in land and not just that on which you are entering into Glastir e.g. woodland/forestry, tracks, yards, hardstandings, etc.), may result in your Rural Development and Basic Payment Scheme payments being reduced.

Over Declaration

Over Declaration penalties will be applied where the area declared for Glastir on the Single Application Form (SAF) is more than the determined area. Penalties are calculated using areas declared on the SAF which receive the same rate of aid (referred to as crop groups).

Breaches of Contract

Breaches of Glastir contract may be identified from administrative checks or on-the-spot inspections and you will be notified in writing if breaches are found. Where breaches of contract are discovered, appropriate levels of reductions and/or exclusions will be determined according to the severity, extent, duration, reoccurrence of the breach and will be applied to previous year's payments.

Where we consider a breach to be so serious that it cannot be rectified, this may result in the termination of your Contract. In serious circumstances this may also result in you being prohibited from entering another Agri-environment scheme, for up to 2 years.

The breaches are assessed against verifiable standards relating to the scheme commitments and matrix is used to determine the level of penalty to be applied. You

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can view both the verifiable standards and the penalty matrix on the Welsh Government' website (www.gov.wales)

Breach of Cross Compliance

You will be responsible for meeting the full Cross Compliance requirements for the full calendar year. If you fail to meet the Statutory Management Requirements or Good Agricultural and Environment Conditions requirements whether negligently or intentionally you could lose some or all of your Glastir payment, for one or more years. In determining these reductions and exclusions, account will be taken of the extent, severity, permanence and reoccurrence of the non-compliance.

Recovery of Payments

The Welsh Government may exercise its recovery of payments powers where an approved project for grant assistance has not been completed in full and the application has failed to comply with the terms and conditions of Glastir Organic. The Welsh Government is obliged to enforce the Glastir Organic scheme rules. Inspections will include checking the accuracy of data submitted in payment claims and supporting documents. They will also cover all the commitments and obligations which can be checked, such as works that have been carried out in accordance with the approved claim.

Section K - Appeals Procedure

The appeals process in Wales allows you access to an independent appeals procedure if you feel that the Welsh Government did not reach the correct decision according to the rules for Glastir.

The appeals process consists of two stages:

- Stage 1: review by the head of the Divisional Office
- Stage 2: review by an Independent Appeals Panel (if you are dissatisfied with the Stage 1 response). The Independent Panel make recommendations to the Deputy Minister for Agriculture, Food, Fisheries and European Programmes who then takes the final decision.

The appeals process is concluded after the Minister's decision has been issued. There is no charge for Stage 1 of the process but there is a charge at Stage 2 - £50 for a written hearing or £100 for an oral hearing. These charges are repaid in full if the Stage 2 appeal is either partially or fully successful.

You must appeal to the customer Contact Centre within 60 days of receiving a decision, which may affect your payments.

Further details of the appeals process can be obtained from the Customer Contact Centre.

Complaints Procedure

Complaints will be dealt with under the Welsh Government's Code of Practice on Complaints. Further advice on how to make a complaint can be obtained from the Rural Payments Customer Contact Centre.

In addition you can write to any Member of the National Assembly for Wales about your complaint and you may also choose to contact:

Public Services Ombudsman for Wales,
1 Ffordd y Hen Gae, Pencoed, CF35 5LJ

Section L - Data Protection Act 1998: Fair Processing Notice

This notice informs you about the Welsh Government's use of the information provided on the Glastir [application](#) or any other document used in connection with your application for entry into the Glastir schemes, or which is created or obtained in connection with your application. The Welsh Government's use of the information will include sharing some information with other agencies and public bodies, and making some information available to the public.

The information will primarily be used for the purpose of processing and determining your application for the Glastir Organic. However, the Welsh Government (or its agents) may also make use of the information supplied for other purposes, which will include those connected with its functions and duties under the Common Agricultural Policy of the European Community and with its statutory environmental obligations.

Reasons for Sharing Personal Data

In particular, the information may be used for the following:

- Cross Compliance and cross checking between partner organisations to prevent breaches of the Agri-environment schemes each administer
- Administering applications
- The production and publication of maps showing the areas of land that have been brought into the agreements
- Compilation of reports of aggregated data to be made publicly available, via the Welsh Government Internet pages
- Preparation of summary statistical analyses (from which individuals cannot be identified)
- Informing decisions relating to policy changes and funding
- Identification of landowners/users in events of emergencies, e.g. disease control and breach control

- Protecting applicant's interest in land conservation and issues that may arise due to funding queries
- Disclosure to regulatory authorities, such as HM Revenue and Customs and the police, where it is in the public interest to do so
- Publication of certain information and responding to requests for information. The Publication and Disclosure of Information

The information will be managed and used by the Welsh Government in accordance with its obligations and duties under the:

- Welsh Government's Code of Practice on Access to Information
- Freedom of Information Act 2000
- Data Protection Act 1998
- Environmental Information Regulations 2004, and
- Commission Regulation (EC) No 908/2014

Therefore, your information, including your personal information, may be the subject of a request by another member of the public. When responding to such requests the Welsh Government may be required to release information, including your personal information. Its response to such requests will be in accordance with the Welsh Government's Code of Practice on Access to Information.

The Code is published on the Internet at:

www.gov.wales/publications

www.llyw.cymru/cyhoeddiadau

Commission Regulation 908/2014 Requires member states to publish details of the amounts paid to CAP beneficiaries (claimants). Payments will be published for all beneficiaries in receipt of more than €1,250 in a given year. Details will be published on 30th April each year on a searchable website and will include the business name, and municipality (nearest town) of the beneficiary with details of the amounts and schemes for which grants were paid. Beneficiaries who received less than €1,250 in total in that year will not be published. The information will be available on the DEFRA website at: <http://cap-payments.defra.gov.uk/>

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Rights under the Data Protection Act 1998

The Data Protection Act 1998 gives individuals certain rights in respect of the personal data held on them. Whilst not intending to be exhaustive, examples of these rights include:

- The right for any personal data held about them to be processed fairly and lawfully
- The right to ask for and receive copies of the personal data that the Welsh Government holds about them, although the Welsh Government can sometimes withhold some data or not provide copies
- The right, in some circumstances, to prevent the Welsh Government processing personal data if doing so will cause damage or distress
- The right, in some circumstances, to have wrong data put right.

Individuals also have the right to ask the Information Commissioner, who enforces and oversees the Data Protection Act 1998, to assess whether or not the processing of their personal data is likely to comply with the provisions of the Act.

The information will not go outside of the European Union area, unless there is due concern to do so (e.g. in the case of a disease outbreak). If it does, the Welsh Government will make sure that the information continues to be processed in accordance with the rules of the Data Protection Act 1998.

Seeking Further Information

For further information about the information collected and its use, any concerns about the accuracy of your personal data, or if you wish to exercise any of your rights under the Data Protection Act 1998, you should contact Rural Payments Wales Customer Contact Centre.

Annex 1 - Crops eligible for Payment Rate 1

Apples

Artichokes

Asparagus

Aubergine

Basil

Beans - Green / French/ Runner

Beet

Borage

Buckwheat

Cabbages and other brassicas

Carrots

Celeriac

Chicory

Comfrey

Cress - salad

Cress - water

Daffodils

Cucumbers

Dill

Fennel

Fenugreek

Gooseberries / Redcurrants Blackcurrants /White currants

Grapes

Hops

Horseradish

Lettuce

Lupins - sweet

Lucerne / Medicks

Marrows / Pumpkins / Squash / Courgette

Melons

Horticulture - mixed production

Onions / Leeks / Shallots / Garlic

Oregano

Parsley

Parsnips

Peas - chickpeas

Pears

Peas (vining and other)

Plums / Greengages / Damsons / Mirabelle

Potatoes

Radishes

Rhubarb

Rocket

Roses

Saffron

Sage

Salsify

Scorzonera

Sain foin

Spinach

Strawberries

Sunflower seed

Swedes / Turnips / Typhon

Tomatoes

Tulips

Vetches

Annex 2 - Example Deed of Indemnity

Where a Deed of Undertaking and Indemnity between Tenant and Landlord is required

Tenants who wish to apply for Glastir Organic are usually required to have and demonstrate management control over part/all of the land included within their application for the entire term of the proposed Glastir contract being applied for.

If you will not have management control over part/all of the land included within your application for the entire term of the contract, you must submit a Deed of Undertaking and Indemnity signed by yourself and your Landlord(s) as part of your application. Below is an EXAMPLE of a Deed.

Important: If you need to submit a Deed of Undertaking and Indemnity, please read the Glastir General Guidance, Technical Guidance and the Glastir Land Occupation Consideration Guidance before doing so.

You are required to submit the Deed with your Glastir application. You are advised to keep a copy of your Indemnity form for your own records.

EXAMPLE DEED OF UNDERTAKING AND INDEMNITY

This deed is made on the _____ day of _____ between
(1) (full name) of (correspondence address) (the "Landlord")
(2)

Customer Reference Number (CRN), where applicable: _____
(2) (full name) of (postal address) (the "Tenant") and

Customer Reference Number (CRN): _____

WHEREAS

(1) The Landlord is the holder of the freehold or superior interest of the land or lands known as _____ (address or description of tenanted property) (the "Property") more particularly listed in Table 1 of this document.

(2) The Landlord (has entered a Tenancy dated _____ / intends to enter a Tenancy) – delete as appropriate (the "Tenancy") in relation to the Property with the Tenant

(3) The Tenant intends to enter into a contract (the 'Contract') with the Welsh Government under Glastir run by the Welsh Government ("Glastir") in relation to land at the Property which is subject to the Tenancy (the "Contract Land").

NOW THIS DEED WITNESSES AS FOLLOWS

- (1) The Landlord has read and understood the Glastir Entry Guidance Booklets, including the Technical Guidance relevant to the scheme for which the Tenant is applying.
- (2) In the event that the Tenant ceases to have control over the Contract Land or any part thereof, the Landlord will thereafter have control over the Contract Land or such part thereof which has ceased to be controlled by the Tenant for the remainder of the Contract.
- (3) The Landlord undertakes with the Tenant, for so long as he/she (the Landlord) holds the freehold interest in the Contract Land, to procure that on the expiry or termination of the Tenancy or any part of it and the control of it passing back to the Landlord, the Contract Land will be maintained in accordance with the Glastir Entry and will ensure that all the obligations under the Contract over the Contract land will be properly fulfilled until the expiry date of the Contract made by the Tenant with the Welsh Government under the Glastir Scheme.
- (4) The Landlord shall indemnify the Tenant against any losses, costs, charges or expenses the Tenant may suffer, in particular in respect of any sums repayable to Welsh Government in consequence of the breach of any such Contract arising from the expiry or termination of the Tenancy or any part of it and the control of it passing back to the Landlord.

IN WITNESS OF WHICH each party to this deed has executed this deed in the presence of an attesting witness and has delivered it on the day and year stated.

Signed as a deed by the
above-named (landlord) _____ (signature of landlord)

in the presence of _____ (signature of witness)

_____ (name of witness)

(address of witness)

Day: Year:

Signed as a deed by the
above-named (tenant) _____ (signature of tenant)

in the presence of _____ (signature of witness)

_____ (name of witness)

(address of witness)

Day: Year:

Annex 3 – Active Farmer Test

From 2015 you will need to pass the Active Farmer test to be eligible apply for Glastir Organic.

You will qualify if:

You are a farmer undertaking farming and land management activities on eligible land that is at your disposal/in your control and your business does not operate any of the following: railway services: airports, waterworks, real estate services managed on a fee or contractual basis, permanent sport and recreational grounds.

You may not qualify if:

You operate any of the following: railway services: airports, waterworks, real estate services managed on a fee or contractual basis, permanent sport and recreational grounds and you cannot satisfy at least one of the following criteria:

- The amount of Direct Payments (for 2015 use 2014 SPS) is at least 5% of your receipts obtained from non agricultural activities. To satisfy this test you will need to submit a letter from a chartered accountant confirming that they have examined your accounts and can confirm that you satisfy this test.
- Your total agricultural activity receipts are at least one third of your total receipts. To satisfy this test you will need to submit a letter from a chartered accountant confirming that they have examined your accounts and can confirm that you satisfy this test.
- You are registered with Companies House (or you are a registered charity) and the principle business is an agricultural activity. For this test you should submit your articles of association.

You will need to supply the required supporting information by 15 May every year you operate the services, to enable at least one of these criteria to be verified and are advised to take independent legal and/or financial advice to ensure you can satisfy these conditions. If you fail to declare that you operate one of these services and our controls reveal you do then you would lose all of your entitlements and any payments made.

Land naturally kept in a state suitable for cultivation and grazing

If more than 50% of your agricultural land is classed as being “naturally kept in a state suitable for cultivation and grazing” (in Wales this is considered to be saltmarshes and coastal sand dunes), you may not qualify as an active farmer unless you:

- undertake at least a minimum level of grazing (in the range 0.01-0.05 Livestock Units per hectare a year)
- maintain stock proof fencing and provide fresh water for livestock, or control injurious, invasive plants
- use the naturally kept land for agricultural activity.