



Llywodraeth Cymru
Welsh Government

The Common Agricultural Policy Reform

Greening Booklet (Revised August 2017)



Important - please read this carefully

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COMMON AGRICULTURAL POLICY REFORM

GREENING BOOKLET

Introduction

This guidance has been updated following changes introduced by the European Commission (EC), July 2017.

The key changes include

The EC has banned the application of Plant Protection Products (PPP) on nitrogen-fixing crops and fallow land. Therefore, if you apply PPP on a potential EFA you are advised to consider EFA options listed at paragraph A19 to meet the 5% EFA threshold to comply with your Greening obligations.

This ban will apply from sowing to harvest; so therefore includes any Nitrogen Fixing Crops sown in 2017.

Where you declare fallow or Nitrogen Fixing Crops and use PPP on other parts of your holding, you may need to provide Rural Payments Wales (RPW) with evidence to show PPP has not been applied to the EFAs. The 2018 Single Application Rules Booklet will provide further information.

In addition, the EC has instructed member states to change the way farm businesses carry out agricultural activities on fallow land, even when the fallow period has closed. As a result, what grows during the fallow period cannot be utilised by the farm business. Therefore:

- No grazing may take place for the rest of the calendar year.
- Cut and leave cuttings on the ground to rot and not remove, burn or use them.

From 2018, trees in line will be available as an EFA. Trees in line are defined as trees with a crown diameter of 4 metres and the canopies being no more than 5 metres apart.

A General

A1.1 As part of the Basic Payment Scheme (BPS) you must undertake agricultural practices that are beneficial for the climate and environment, commonly referred to as Greening. Greening is not optional as you cannot forego the Greening payment and still claim the remaining BPS payment.

A1.2 You will receive an additional payment linked to your main BPS payment for meeting the Greening rules. The Greening payment is funded by a 30% “top slice” of the Welsh Direct Payments (Pillar 1) budget.

A1.2.1 Greening payments will be made using a percentage of the total value of an individual farmer’s BPS payment, that percentage is calculated each year by dividing the Greening budget by the total value of all BPS entitlements activated

A1.3 There are three elements that make up the Greening practices:

- Permanent Grassland.
- Crop Diversification.
- EFA.

A1.4 Greening applies to all the eligible agricultural land that is at your disposal on 15 May, even if you are not using the land to activate BPS Entitlements for payment.

A2 Which Greening elements apply to me?

A2.1 If you have 10 hectares or more of eligible arable land you are required to carry out crop diversification – unless you qualify for an exemption.

A2.2 If you have more than 15 hectares of eligible arable land you are required to carry out both crop diversification and EFA.

Area of eligible arable land I will have in 2018 is:	Do I need to follow the crop diversification rules?	Do I need EFA ?
No arable land	No	No
Less than 10 hectares	No	No
10 hectares to 15 hectares	Yes, unless you qualify for an exemption	No
More than 15 hectares	Yes, unless you qualify for an exemption	Yes, unless you qualify for an exemption

A2.3 Organic land can automatically qualify for the Greening payment, although some organic farmers may prefer to opt out of automatically qualifying for the Greening payment on their organic land preferring to carry out the Greening practices on all their land.

A2.4 For Greening purposes, eligible arable land is defined as:

- Land cultivated for crop production – including land used for combinable crops, crops grown for fibre, root crops, crops grown for animal feed such as forage maize and forage rape, field vegetables, cut flowers or bulbs and soft fruit (other than permanent crops*). This includes where these crops are grown under greenhouses, under cover, on soil or grass.
- Land sown with pure leguminous/herbaceous forage crops (not mixtures of seeds for pastures or meadows) such as alfalfa or clovers.
- Temporary grassland (including herbaceous forage mixes). This is where the land has been included in the crop rotation of the holding and has been in grass or other herbaceous forage mixes for less than five years. Herbaceous forage is herbaceous plants traditionally found in natural pastures or normally included in mixtures of seeds for pastures or meadows, including Lucerne, Sainfoin, forage vetches and clovers.
- Arable crops used as forage (e.g. turnips, fodder rape, kale) are considered arable land.
- Areas available for crop production, but lying fallow. Fallow land is land that has no crop production or grazing on it. This land must be maintained in a state that makes it suitable for grazing or cultivation.
- Arable land that is set-aside under Rural Development Agri Environment commitments (e.g. certain no production Glastir options), the arable status of the land is 'frozen' during the set-aside commitment.

*Permanent crops are not classed as arable land, but are eligible for BPS.

Note: Arable land that is set-aside under a Welsh Government Rural Communities – Rural Development Programme for Wales 2014 – 2020 e.g. Glastir contract, retains its arable status, i.e. the 5 year arable rotation period is frozen. A field that grew an arable crop in the year preceding a Glastir set-aside commitment would remain classified as arable for five years after your Glastir contract ends, before becoming permanent grass, unless you grow another arable crop during those 5 years. Where a field had been growing temporary grass for 2 years prior to a Glastir set-aside commitment, it would remain arable for 3 years after your Glastir contract ends before becoming permanent grass, unless you grow another arable crop during those 3 years.

A3 Crop Diversification exemptions

A3.1 You are not required to undertake crop diversification if:

1) More than 75% of your **eligible agricultural land** is:

- Permanent grassland.
- used to produce grasses (or herbaceous forage mixes), including temporary grass.
- Used for the cultivation of crops under water (**i.e. watercress**)
- a combination of the above.

- Your remaining arable land, not covered by the points above, is 30 hectares or less.

Or

2) If more than 75% of your **arable land** is:

- Lying fallow
- Used to produce grasses (or herbaceous forage mixes), including temporary grass
- A combination of the above.

- Your remaining arable land, not covered by the points above, is 30 hectares or less.

Or

3) Specifically for farmers who have taken on new arable land, an additional exemption is available, there are two parts to this exemption and both must be met for it to apply:

- More than 50% of the eligible arable land you declare on your SAF 2018 application must be different to the land you declared on your SAF 2016 application.
- All the eligible arable land you declare on your BPS 2018 application must be used to grow a different crop compared with the 2017 calendar year.

If you have new land and different crops you will need to show that all the crops grown on your land in 2018 are different to those grown in 2017. You will need to have information available to prove which crops were being grown on the land in 2017. This information could include:

- Crop traceability records.
- Pest monitoring and spray records and invoices.
- Seed labels.
- Sales and delivery notes for seed sown.
- Reports from an independent professional, such as an agronomist or a farm assurance inspector.

As you are declaring new land, you will need to obtain this information from the previous farmer, if you do not already have it.

A3.2 If you qualify for one of these exemptions from the crop diversification requirements, you must still follow the other Greening rules in respect of EFA and permanent grassland.

A3.3 You should check carefully whether these exemptions apply to you otherwise you risk Greening reductions being applied to your claim if, following checks, the areas you declare are found to be smaller.

A4 EFA exemptions

A4.1 You are exempt from the EFA conditions if:

1) more than 75% of your **eligible agricultural land** is:

- Permanent grassland.
- Used to produce grasses (or herbaceous forage mixes), including temporary grass.
- Used for the cultivation of crops under water (**i.e. watercress**)
- A combination of the above.

- Your remaining arable land, not covered by the points above, is 30 hectares or less.

Or

2) more than 75% of your **eligible arable land** is:

- Lying fallow
- Used to produce grasses (or herbaceous forage mixes), including temporary grass
- Used for the cultivation of leguminous (nitrogen-fixing) crops
- A combination of the above

- Your remaining arable land, not covered by the points above, is 30 hectares or less.

A4.2 You should check carefully whether these exemptions apply to you otherwise you risk Greening reductions being applied to your claim if following checks the areas you declare are found to be smaller.

A5 Organic land exemption

A5.1 All certified organic land, including land in conversion, will automatically qualify for the Greening payment without having to meet the Greening practices as long as it has been certified by an accredited body for the calendar year.

A5.2 This means that organic arable land is exempt from the EFA and crop diversification requirements. If you also have other non-organic land at your disposal on 15 May you will have to meet the Greening practices on that land. If some of your land is organic then you should only count your non-organic land to work out your eligible arable area to see how many crops you need to grow, or whether you need EFAs. The crops and EFAs you use to meet the rules must be located on your non-organic land.

A5.3 You can choose to opt out of automatically qualifying for Greening payments as an organic farmer if you wish and instead qualify for Greening payments by meeting the Greening practices on all your land. If you choose to count your organic land for Greening then you can include the organic arable area when you do your Greening calculations. Then you will be able to count the crops and EFAs on your organic land, as well as on your non-organic land. You should answer the relevant question on the SAF.

PERMANENT GRASSLAND

A6 What are the permanent grassland rules I need to meet?

A6.1 The ratio of permanent grassland to the agricultural area established in 2015 for Wales (as a whole) must not fall by more than 5%. If it does, farmers who have ploughed permanent grassland may be required to reinstate some or all of their permanent grassland.

A6.2 Additionally, if the 5% threshold is broken or is close to being broken, restrictions may be introduced to prevent any further ploughing of permanent grassland without prior individual authorisation, to preserve the remaining permanent grassland in Wales.

A6.3 The ratio of permanent grassland to agricultural area will be monitored annually. The Welsh Government will contact farmers individually if any land has to be reinstated as permanent grassland or if the additional controls have to be introduced. This is similar to the permanent pasture rules in previous years, but now included as a Greening requirement.

A7 What are the additional environmentally sensitive permanent grassland rules?

A7.1 Permanent grassland that is in a Special Area of Conservation, a Special Protection Area or a biological Site of Special Scientific Interest (SSSI) (excluding those designated for geological/earth science features) are considered environmentally sensitive and therefore ploughing (to reseed) or converting to arable use any environmentally sensitive permanent grassland is not permitted at any time, unless you have received permission from Natural Resources Wales.

A7.2 If you are found to have ploughed any environmentally sensitive permanent grassland you will be required to reinstate the permanent grassland and will have some or all of your Greening payments withheld.

A7.3 If your SSSI notification requires or allows you to plough or convert certain areas of your SSSI, the land may not be designated environmentally sensitive permanent grassland. If you intend to plough, reseed or convert any SSSI areas, you should initially contact your Natural Resources Wales conservation officer before undertaking any operations to ensure they will not damage the special feature.

CROP DIVERSIFICATION

A8 What are the crop diversification rules I need to meet?

A8.1 You will need to meet crop diversification rules if:

1) You have between 10 hectares and 30 hectares of eligible arable land:

- You will need to grow at least 2 different crops, none of which may cover more than 75% of your arable land.

2) You have more than 30 hectares of eligible arable land:

- You will need to grow at least 3 different crops, none of which may cover more than 75% of your arable land. The two largest crops together must not cover more than 95% of your arable land.

For example: a farmer has 150 hectares of arable land, of which 112 hectares (75%) is used to grow crop 1 (which is not temporary grass, herbaceous forage mixes or fallow). For the remaining 38 hectares a maximum of 30.5 hectares can be used to grow crop 2 and at least 8.5 hectares must be used to grow crop 3.

Or

3) If grasses, herbaceous forage mixes or fallow land cover more than 75% of your arable land and you have more than 30 hectares of other arable land, the main crop on the remaining arable land must not exceed 75% unless it is also used to grow grasses, herbaceous forage or fallow land.

For example: a farmer has 150 hectares of arable land, of which 115 hectares (76%) is used to grow crop 1 (and this is temporary grass or herbaceous forage mixes or fallow). For the remaining 35 hectares a maximum of 26.25 hectares (75%) can be used to grow crop 2 and at least 8.75 hectares (25%) must be used to grow crop 3.

A9 Which crops are distinct for crop diversification purposes?

A9.1 The botanical classification of crops classifies all plants into different genus and species (as well as families, sub families etc). For the purposes of crop diversification crops will count as a distinct crop if they are classified into a different genus or for those that belong to the botanical genera *Brassicaceae*, *Solenaceae* and *Cucurbitaceae* a different species.

A9.2 The 2018 land use/ crop code table of the SAF 2017 Guidance Booklet shows the crop codes to be used for Wales, a column indicating the genus or species has been included where different crop codes are needed to differentiate between different commonly grown crops from the same genus/species. You should check that if you are not exempt from the crop diversification requirements you are growing at least two or three crops from a different genus and/or species and observing the rules set out above on the proportions of arable crops that need to be present.

A9.3 Crops that are sown in spring or winter are considered to be distinct crops, even if they belong to the same genus. Separate crop codes have been provided to identify these. The decision on whether they are a spring or winter crop will be based on the variety, rather than the date of planting. The National List and the Processors and Growers Research Organisation's (PGRO) Recommended List both have details on whether a crop is a spring or winter variety.

A9.4 The National List is published every year by the Food and Environment Research Agency (FERA): www.gov.uk/guidance/national-lists-of-agricultural-and-vegetable-crops

A9.5 The PGRO Recommended List is part of the National List: www.pgro.org

A9.6 Temporary grassland, herbaceous forage mixes and fallow land all count as distinct crops for crop diversification purposes. Permanent grassland including environmentally sensitive permanent grassland does not because it is not arable.

A10 Crop diversification cultivation period

A10.1 In Wales the cultivation period used to determine the shares of crops for crop diversification purposes is **1 May to 15 July**. The crop diversification rules must be maintained throughout this period and an area of land can be counted only once in determining the area and number of crops grown.

A10.2 Only crops being grown at this time will count towards your crop diversification obligations. Checks will be undertaken, including field inspections, use of satellite imagery or aerial photography to ensure the declaration made via the SAF reflect the size and types of crops being grown on the land. During a field inspection we will need to see either the eligible crops used for crop diversification or a crop residue (such as stubble) if the crop has already been harvested. No other evidence of the crop will be acceptable.

A11 Mixed cropping

A11.1 The following examples explain how crops of a different genus/species that are sown in the same field will be counted for crop diversification purposes.

A12 Field split into distinct areas

A12.1 Both areas (providing they exceed 0.01 hectares) will count as distinct areas and not mixed cropping. You will need to draw the boundary between these two

crops using the RPW Online mapping tools provided in the SAF or book a digital assistance appointment.

A13 Under-sowing a main crop

A13.1 If a main crop is under-sown with a second crop, the main crop should be declared on the SAF and only the main crop will count for crop diversification purposes.

A14 Sowing a seed mixture

A14.1 Where a seed mixture is sown this entire area will count as a single crop, even if different genera/species are included in the seed mix. The predominant crop should be declared as the main crop.

A14.2 If two different seed mixtures are grown in distinct areas of a field (or separate fields) these can count as separate crops if:

- It can be shown that the species included in each of them are different from each other.
- They do not fall under the definition of temporary grassland.

A15 Growing rows of two or more crops at the same time

A15.1 If you grow two or more crops at the same time in distinct rows each crop can be counted as a distinct crop when it covers at least 25% of that area.

A15.2 To work out the area covered by a distinct crop grown in rows the area of the mixed cropping should be divided by the number of crops that cover at least 25% of the area; it does not matter what the actual share of the crop is on that area.

A16 Temporary grass/herbaceous forage

A16.1 Grass seed mixes, e.g. grass/clover, should be declared as GR1 and will not count as a mixed crop for crop diversification purposes.

A17 Fallow land (if not being declared as EFA)

A17.1 For crop diversification purposes the specification of fallow for EFA purposes applies except land must not be used for production between 1 May and 15 July. If the same area is also being declared as EFA fallow the land must not be used for production between 1 February and 31 July. The EC has instructed member states to change the way farm businesses carry out agricultural activities on fallow land, even when the fallow period has closed. As a result, what grows during the fallow period cannot be utilised by the farm business. Therefore:

- No grazing may take place for the rest of the calendar year,
- Cut and leave cuttings on the ground to rot and not remove, burn or use them.

EFA

A18 What are the EFA rules I need to meet?

A18.1 If you have more than 15 hectares of eligible arable land you must have EFAs. These must be equivalent to at least 5% of your total eligible arable land. You cannot apply PPP to nitrogen-fixing crops or fallow land.

A19 What are the EFA measures available in Wales?

A19.1 The EFA measures available in Wales are:

On arable land:

- Fallow.
- Nitrogen-fixing crops.

On or adjacent to arable land:

- Hedges or wooded strips or trees in line.
- Traditional stone walls.

On any agricultural land on the holding:

- Short rotation coppice.
- land afforested under an eligible Welsh Government Rural Communities – Rural Development Programme for Wales 2014 – 2020 scheme commitment (only if that land was used to activate SPS payment entitlements in 2008).

A19.2 The definitions and specifications for all EFAs are contained in Annex 1 of this Booklet.

A20 How do I register my EFAs?

A20.1 Hedges or wooded strips or trees in line, traditional stone walls and short rotation coppice can be registered your SAF.

A20.2 For fallow land or nitrogen-fixing crops the area is declared each year on your annual SAF declaration. Where the same area is declared for 3 (or more) years this becomes a “stable in time” EFA (i.e. it is, or is expected to be, available to you or anyone else for 3 years or more).

A21 What conversion and weighting factors will be used for EFA?

A21.1 The following table shows the conversion and weighting factor for each EFA. Conversion factors convert hedges or wooded strips or trees in line and traditional stone walls into an area, the weightings take account of the ecological impact these areas have.

A21.2 The converted and weighted EFA area will be used to assess if you have declared the equivalent of at least 5% of your arable land as an EFA.

A21.3 You need to carry out this conversion for the features you declare so that you know when you have met the 5% equivalent area requirement.

Features	Conversion factor (m to m ²)	Weighting factor	EFA Area
Fallow (per 1 m ²)	Not required	1	1 m ²
Hedges or wooded strips or trees in line or trees in line (per 1 m)	5	2	10 m ²
Traditional stone walls (per 1 m)	1	1	1 m ²
Short rotation coppice (per 1 m ²)	Not required	0.3	0.3 m ²
land afforested under an eligible Welsh Government Rural Communities – Rural Development Programme for Wales 2014 – 2020 scheme commitment (only if that land was used to activate SPS payment entitlements in 2008) (per m ²)	Not required	1	1 m ²
Nitrogen-fixing crops (per 1 m ²)	Not required	0.7	0.7 m ²

A21.4 For hedges or wooded strips or trees in line or trees in line and traditional stone walls, the **length** of the feature is multiplied by the conversion factor and weighting factor to calculate an EFA. For the remaining types of EFA the area being used is multiplied by the weighting factor only to calculate an EFA area.

Note: provided all information is entered correctly, these calculations will be performed automatically when your SAF is completed online.

Example

You declare 80 hectares of eligible arable land in 2018 with:

- 6,200 metres of hedges or wooded strips or trees in line (you are using both sides of your qualifying hedges or wooded strips or trees in line).
- 1,500 metres of traditional stone walls.
- 1 hectare of nitrogen-fixing crops.

You need the equivalent of at least 4 hectares of EFA (5% of 80 hectares of eligible arable land).

The calculation of the EFA area of your hedges or wooded strips or trees in line and traditional stone walls is as follows:

Hedges or wooded strips or trees in line	$6,200 \times 5 \times 2 = 62,000$ square metres
Traditional stone walls	$1,500 \times 1 \times 1 = 1,500$ square metres
Nitrogen-fixing crops	$10,000 \times 0.7 = 7,000$ square metres

Total area = 70,500 square metres

To convert your square metres into hectares, divide by 10,000. So the area of your EFA in hectares is: 70,500 divided by 10,000 = 7.05 hectares

To check what percentage your EFA is of your arable land divide the total area of your EFA by the total arable area; then multiply this answer by 100. In this example:

$$\frac{7.05 \text{ hectares}}{80 \text{ hectares}} \times 100 = 8.81\%$$

This is the EFA percentage for your declared land which, if 5% or more, means you have met the EFA rules.

A22 How do I calculate the EFA area if I am using only one side of a hedges or wooded strip or trees in line?

A22.1 To calculate the EFA area if using only one side of a hedge or wooded strip:

For a 60 metre long hedge or wooded strip, multiply length by 5 x 2 and halve the area: $60 \times (5 \times 2) = 600 \times 0.5 = 300$ square metres.

A23 What if I declare more EFA than is required?

A23.1 There is no penalty for declaring more than the 5% EFA requirement, in fact it is recommended that you declare more than 5% EFA to ensure any deductions that could be made will not affect your Greening payment.

A23.2 Only the EFA areas that you have claimed on the SAF can be taken into account when verifying administratively you have met the EFA requirement, however during inspections EFA can be compensated.

A24 Where can EFAs be located?

A24.1 Short rotation coppice and afforested land can both be located on any agricultural land on the holding, i.e. they do not have to be located on arable land.

A24.2 Fallow land and nitrogen-fixing crops must be located on arable land.

A24.3 Hedges or wooded strips or trees in line and traditional stone walls may be located either on, or adjacent to, arable land. In Wales hedges or wooded strips or trees in line and traditional stone walls are protected by Cross Compliance so are considered to be on arable land, unless an ineligible feature measuring more than 5 metres wide exists between the arable land and the potential EFA.

A24.4 EFAs are considered to be adjacent to arable land when they are physically touching an agricultural parcel of arable land on the longest hedge of the related EFA.

A24.5 Illustrative diagrams are included in Annex 2 of this Booklet.

B1 Glastir and Greening

B1.1 If you claim BPS and are required to create EFA's and have a Glastir Advanced or Glastir Entry contract, which contains arable options, you need to be aware that some of the arable management options have the potential to result in double funding if you also declared these as an EFA. This would mean your Glastir payment would be reduced. You should therefore consider alternative EFAs to avoid a reduction in your Glastir payments. Cross checks between BPS Greening and Glastir will be undertaken and in circumstances where double funding occurs as a result of a Glastir arable option being declared as an EFA, the Glastir payments will be reduced accordingly. The table below details which arable options would result in double funding if also used as your Greening EFA.

Glastir Entry Management Options		Greening EFA
26	Fixed rough grass margin on arable land	Fallow
26B	Rotational rough grass margin on arable land	Fallow
Glastir Advanced Management Options		Greening EFA
170	Uncropped fallow - lapwing nesting	Fallow
174	Rough grass buffer zone	Fallow
Glastir Advance and Entry Management Options		Greening EFA
27	Fallow Crop Margin	Fallow
33	Establish a wildlife cover crop on improved land	Fallow
34	Unharvested cereal headland	Fallow

Note: The EFA fallow period runs from 1 February to 31 July, your Glastir fallow period may have different dates. If you declare land under one of these options you must ensure no production is carried out on this land for the entire EFA and Glastir fallow periods or risk financial penalties.

B1.2 Management Options or capital works covering hedgerows, wildlife corridors up to 3 metres wide or stone walls can be used as an EFA as there is no double funding. They do not result in double funding because their payments are for activities above the minimum requirements for Greening in BPS.

B1.3 If you have entered into a Glastir Organic contract, the land under contract can qualify for Greening without having to meet any other Greening requirements if you have chosen to use the organic exemption.

C1 Greening (Reductions and Penalties)

C1.1 EC regulations state that reductions and administrative penalties should be applied from 2017 if you breach the Greening requirements. Breaches may be identified from administrative checks or on-the-spot inspections. This is different to 2016 when only reductions were applied, not administrative penalties.

For Permanent Grassland

C1.2 If the ratio of permanent grassland to agricultural area for the whole of Wales reduces by 5% or more, areas of permanent grassland recently converted to arable use may have to be reconverted to permanent grassland.

C1.3 Any areas not reconverted to permanent grassland when requested by Welsh Government will be removed from the area eligible for Greening payments in the following year.

C1.4 The Welsh Government does not expect the ratio of permanent grassland to agricultural area to reduce significantly but must monitor any changes and may have to introduce a new rule that requires farmers to apply to convert permanent grassland for arable use. This will only be required if the ratio actually reduces by 5% or gets close to doing so. If that new rule is introduced we will publicise the new requirement and detailed rules for applying those Greening reductions and penalties, including removing any areas that do not receive prior approval to convert to arable use from the area eligible for Greening payments.

C1.5 You must comply with Greening on all your agricultural land but the area used to activate BPS Entitlements will be used to calculate your Greening payments and any reductions and administrative penalties.

For Environmentally Sensitive Permanent Grassland

C1.6 Any area that has been ploughed to grow arable crops or for reseeded will be removed from the area eligible for payment. That area will have to be reconverted to environmentally sensitive permanent grassland.

Example: if a farmer ploughs 0.5 hectares of environmentally sensitive permanent grassland then Greening payments will be reduced by 0.5 hectares. The reduction in Greening payments will be applied each year until the environmentally sensitive permanent grassland has been reconverted. No subsequent Greening reductions/penalties will be applied if the land is reconverted by the 15th May the following year.

For Crop diversification reductions

C1.7 If you are required to undertake Crop diversification and you do not grow the correct number or share of crops the shortfall will be used to calculate a 'ratio of difference' and calculate the area to be removed from the area eligible for Greening payments.

Example: a farmer has 91.6 hectares of arable land, of which the main arable crop is 50 hectares (54.6% of arable land), the maximum share of the main crop is 75% - complies with crop diversification.

The second arable crop is 38 hectares, so the two main crops cover 88 hectares (96.1%); the maximum share of 2 main crops is 95% (87.02 hectares) - does not comply with crop diversification.

Crop diversification ratio of difference

Area over 75% (max share of main crop) - 0.00 hectares = 0.00
Area that should be main crop (25%) - 22.90 hectares

Area over 95% (max share of two main crops) - 0.98 hectares = 0.21
Area that should have grown 3rd crop (5%) - 4.58 hectares

Crop diversification area reduction = ratio of difference (0.21) x arable land (91.6) x 50% = 9.7 hectares.

Note: if both the 75% and 95% thresholds are breached, both ratio's of difference are added together, capped to a maximum value of 1.

C1.8 If the crop diversification rules are breached in three years, the ratio of difference calculation will use the total arable area (rather than 50%).

For EFA reductions

C1.9 If you are required to comply with EFA requirements and you do not establish at least 5% of your eligible arable area as an EFA, the shortfall will be used to calculate a 'ratio of difference' and used to calculate the area to be removed from the area eligible for payment.

Example: a farmer has 91.6 hectares of arable land, of which 4.40 hectares EFA have been declared and determined, but the 5% EFA requirement is 4.58 hectares - does not comply with EFA.

EFA ratio of difference:

EFA shortfall - 0.18 = 0.039
EFA requirement (5%) - 4.58

EFA Area removed = ratio of difference (0.039) x arable land (91.6) x 50% = 1.8 hectares.

Note: if the EFA rules are breached more than once in a three year period, the ratio of difference calculation will use the total arable area (rather than 50%).

C2 Greening Administrative Penalties

C2.1 Where the difference between the area used for the calculation of the Greening payment and the area to be used for the calculation of the Greening payment after the Greening reductions is more than either 3% or 2 hectares, but no more than 20% of the area to be used for the calculation of the Greening payment after Greening reductions, the area eligible for Greening payment will be reduced by twice the difference found.

C2.2 Where the difference is more than 20%, no aid shall be granted.

C2.3 Where the difference is more than 50% in addition to receiving no payment for the claim year and the claim in the next calendar year will be reduced by an amount that is equal to the amount which corresponds to the difference between the area used for calculation of the Greening payment and the area for calculation of the Greening payment after Greening reductions.

C2.4 If you do not declare all your arable land with the result that you would be exempt from crop diversification and/or EFA obligations and/or you do not declare all your permanent grassland which is environmentally sensitive and the non-declared area is more than 0.10 hectares, the area to be used for the calculation of the Greening payment after Greening reductions shall be further reduced by 10%.

C2.5 The Greening reduction calculated at C2.1, 2.2 and 2.3 shall be divided by 5 and limited to 20% of the amount of the Greening payment you would have been entitled.

C2.6 If the full penalty cannot be taken from the payments in the next calendar year, the remainder will be deducted from payments made in the following two years, as necessary. Reductions required in the three years following the over-declared can be taken from BPS payments and any Welsh Government Rural Communities – Rural Development Programme for Wales 2014 – 2020 scheme payment.

Example of Greening Administrative Penalties

9.7 hectares/81.9 hectares $(91.6 - 9.7) \times 100 = 11.84\%$

As this difference is greater than 3% or 2 hectares, the Greening payment will be calculated as follows:

The administrative penalty is calculated at twice the difference found which is $9.7 \times 2 = 19.4$ hectares.

This administrative penalty is divided by 5 to determine the cap on the Greening penalty area.

19.4 hectares divided by 5 = 3.88 hectares.

Area eligible for Greening payments before non-compliance reductions is 91.6 hectares.

The administrative penalty calculated is limited to 20% of the amount the farmer would have received had the Greening requirements been met. $91.6 \times 20\% = 18.32$.

The final area for calculation of the Greening payment is the determined area minus the sum of the administrative penalty minus the non-compliance reduction.

$91.6 \text{ hectares} - 3.88 \text{ hectares} - 9.7 \text{ hectares} = 78.02 \text{ hectares}$.

ANNEX 1: GREENING AND EFA SPECIFICATIONS

AN1.1 Introduction

AN1.1.1 This Annex provides definitions of each of the EFAs for Wales and sets out the requirements for each of these. It explains how landscape feature EFAs should be declared if they are available to more than one farmer. There are also examples of different scenarios identifying whether hedges or wooded strips or trees in line or traditional stone wall is considered to be adjacent to arable land or not. PPPs cannot be applied to nitrogen-fixing crops or fallow land.

AN1.2 Fallow Land

AN1.2.1 General Definitions

- Must be on arable land.
- Cannot be on permanent grassland. If considering using a field that is or has become permanent grassland that land must first be converted to arable use (by growing an arable crop). If you plant an arable crop after 15 May on a permanent grassland field, you should notify Welsh Government to update the secondary crop you declared on the SAF declaration and change the status of the area to arable land.
- Cannot be on environmentally sensitive permanent grassland.
- Cannot be on Permanent crop land.
- Must be excluded from all agricultural production, i.e. no crop production or grazing or storage of bales, silage, straw muck or farm machinery. Fallow land can be topped during the fallow period but only to control injurious weeds as required under the Weeds Act e.g. creeping or sword thistle, the residues must remain within the curtilage of the fallow land.
- What grows during the fallow period cannot be utilised by the farm business. Therefore, no grazing may take place, or a cut taken after the fallow period has closed. You should leave and not graze for the rest of the calendar year, or cut and leave cuttings on the ground to rot and not remove, burn or use them.

AN1.2.2 Specifications

- Land must remain as fallow for a minimum continuous period of 6 months. beginning 1st February and ending 31st July.
- Must have a minimum width of 2 metres.

- Must have a minimum area of 0.01 hectare.
- Temporary grass can be used as fallow, providing the land is in an arable rotation, and meets the fallow land definitions and specifications.
- Land declared as fallow for EFA purposes will be considered to be continuing in an arable rotation for as long as it is declared as fallow for EFA purposes.
- Temporary grass cover if sown prior to the fallow period, cannot be grazed or baled after the fallow period has ended. Grass cover can only be sown during the fallow period if required for example under Rural Development Agri Environment scheme or Natura 2000 agreements.
- You cannot sow an arable crop during the fallow period to be harvested outside the fallow period, but you can sow an arable crop after the fallow period has ended.
- The seeding of wild bird cover and nectar sources that are an un-harvestable mix of at least two crops that support wildlife and pollinators is permitted as a fallow crop.
- You must indicate the type of fallow land you have by declaring one of the following: Fallow Grass Sown – FA4, Fallow Natural Regeneration – FA3, Fallow Wildlife Cover Sown – FA5.
- Areas declared as fallow as part of a Rural Development contract (Glastir Entry, Glastir Advanced or Glastir Organic) can be used as EFA's, but European rules consider this to be double funding (B1.1).
- PPPs cannot be applied to fallow land.
- What grows during the fallow period cannot be utilised by the farm business. Therefore:
 - No grazing may take place for the rest of the calendar year,
 - Cut and leave cuttings on the ground to rot and not remove, burn or use them

AN1.3 Nitrogen-fixing Crops

AN1.3.1 These can be planted as a single crop or as a mixture of nitrogen-fixing crops within the same area. You cannot however plant a mixture of nitrogen-fixing crops and other non nitrogen-fixing crops in the same area as this will be counted as mixed crops or temporary grass and will not meet the nitrogen-fixing crop requirement e.g. grass with clover in it is not eligible as a nitrogen-fixing crop. PPPs cannot be applied to nitrogen fixing crops.

General Definitions

AN1.3.2 Crops which contribute towards the fixation of nitrogen in soils, which are eligible under this EFA are as follows:

Medicago sativa – alfalfa / lucerne

Medicago lupulina – medick

Lotus corniculatus – bird's foot trefoil

Cicer arietinum – chickpea

Phaseolus vulgaris – green bean / fava bean / broad bean

Vicia faba – broad bean

Vicia sativa – common vetch or tares

Vicia villosa – hairy vetch

Trifolium repens – white clover
Trifolium pratense – red clover
Trifolium incarnatum – crimson clover
Pisum sativum – field peas / vining peas
Lens culinaris – lentil
Glycine max – soybean
Melilotus albus – sweet clover
Lupinus spp. – lupins (various species)
Vigna radiata – mung bean
Onobrychis viciifolia – sainfoin.

AN1.3.3 All must be:

- Established on arable land.
- Present during the growing season, i.e. sown by 15th May and present for 14 weeks after sowing or until 1st August, whichever is the later.
- For your own use, or sold.

AN1.3.4 A mixture of nitrogen-fixing crops and other non nitrogen-fixing crops in the same area will be counted as mixed crops or temporary grass and will not meet the nitrogen-fixing crop requirement e.g. grass with clover in it is not eligible as a nitrogen-fixing crop.

Specifications

AN1.3.5 Nitrogen Fixing EFA can be created on any arable land in Wales, it is not restricted to Nitrate Vulnerable Zones.

AN1.4 Hedges or wooded strips or trees in line

AN1.4.1 General Definitions

- a row of bushes, shrubs or trees forming a hedge or wooded strip, which:
 - Acts as a landscape feature for the definition of boundaries on the ground or a means of containment for animals, and / or.
 - Acts as an in-field landscape feature, a wildlife habitat or a corridor for wildlife to move between habitats.
- To be eligible as an EFA the hedges or wooded strips or trees in line must be on or adjacent to arable land. Hedges or wooded strips or trees in line are considered to be adjacent to arable land when they are physically touching arable land on the longest hedge of the hedges or wooded strips or trees in line and not separated from touching the arable land by an in-field feature ineligible for BPS that is wider than 5 metres (e.g. a 6m ineligible track or ditch that does not form part of the arable area of the field would mean the adjacent hedge or wooded strip as ineligible to use). Where hedges or wooded strips or trees in line are fenced off, they are still considered to be on arable land

providing they do not exceed the 10 metre maximum width (regardless of the fence).

- To be eligible as an EFA the hedge or wooded strip must be at the farmer's disposal. Where a hedge or wooded strip forms the boundary between two field parcels then, for the purposes of BPS, it is considered that the boundary runs along the middle of the hedge or wooded strip. This means that where a hedge or wooded strips forms the boundary between land at the disposal of two separate farmers the total area for EFA gained by the hedge or wooded strip will be split equally to the land for each farmer, i.e. for weighting/conversion purposes each would use 50%.
- Where the hedge or wooded strip or trees in line forms the boundary with a public highway you can declare all of it providing you are responsible for its upkeep, since it is considered to be at your disposal.
- You must also be declaring the arable land the hedge or wooded strip or trees in line is on or adjacent to.
- Cut and leave cuttings on the ground to rot and not remove, burn or use them.

AN1.4.2 Specifications

- The hedge or wooded strip cannot be wider than 10 metres (5 metres in each field when acting as a boundary) along the entire length of the hedges or wooded strip or trees in line. Any lengths, including any tree canopy where the width exceeds 10 metres cannot count as EFA, the width is not applied as an average.
- There is no minimum length.
- Gaps, including gateways, up to 4 metres will be considered to be part of the hedge or wooded strip; any gaps wider than this, including the canopy of single trees or lines of trees, should be identified and cannot count towards the length of the hedge or wooded strip for EFA
- Trees in line are defined as trees with a crown diameter of 4 metres and the canopies being no more than 5 metres apart.
- The 1 metre no cultivation zone required under Cross Compliance GAEC 7 is categorised as arable land where more than 1 metre, but less than 5 metres has not been cultivated and the hedge or wooded strip is considered to be adjacent to arable land.
- Arable land that is set-aside under Rural Development Agri Environment commitment has its arable status frozen, whilst under agreement. Therefore arable fallow margins or strips created or maintained under a Glastir agreement (regardless of width) would not prevent a hedgerow/wooded strip (or traditional stonewall) from being adjacent to arable land. Once the Agri

Environment commitment comes to an end e.g. Tir Gofal, the 5 year arable. rotation period continues and these areas will become permanent grassland, if left uncropped.

- New planting for hedge creation or restoration is considered to be eligible to count as an EFA so long as the growth is sufficient to meet the minimum specifications.
- Hedges or wooded strips or trees in line that have been coppiced are considered to be eligible to count as an EFA.
- There are no defined species of shrub to be included in the hedge or wooded strip. Note: bracken is not eligible because it is not a woody species so lengths of 4 metres or more should be treated as if it is a gap.
- Where all of the hedge or wooded strip or trees in line is at your disposal and is between an arable parcel and a permanent grass parcel the whole hedges or wooded strips or trees in line counts for EFA purposes.

AN1.5 Traditional Stone Walls

AN1.5.1 General Definitions

- Acting as a landscape feature for the definition of boundaries on the ground or a means of containment for animals.
- Acting as an in-field landscape feature.
- Pembrokeshire Clawdd walls are included. These are dry walls where the slate/stone outer wall is constructed with an earth/rubble core, this type of EFA is not limited to Pembrokeshire, traditional stonewalls of a similar construction are found throughout Wales.
- Anything built with cement will not be considered eligible.
- Does not necessarily need to be stock proof.
- In cases where the farmer has stone walls with hedges or wooded strips or trees in line on top, the stone walls will be considered to be the EFA, as these are physically touching the arable land.
- To be eligible as an EFA the stone wall must be on or adjacent to arable land. Stone walls are considered to be adjacent to arable land when they are physically touching an arable parcel on the longest hedge of the stone wall, and not separated from touching the arable land by an in-field feature ineligible for BPS that is wider than 5 metres (e.g. a 6 metre ineligible track or ditch that does not form part of the arable area of the field).
- To be eligible as an EFA, the stone wall must be at the farmer's disposal. Where a stone wall forms the boundary between two field parcels then for the purposes of BPS it is considered that the boundary runs along the middle of

the stone wall. This means that where a stone wall forms the boundary between land at the disposal of two separate farmers, then the total area for EFA gained by the stone wall will be split equally for each farmer, i.e. for weighting/conversion purposes each would use 50%.

- Where the stone wall forms the boundary with non agricultural land such as a public highway you can declare all of it providing you are responsible for its upkeep on both sides, since it is considered to be at your disposal.
- You must also be declaring the arable land the traditional stonewall is on or adjacent to.

AN1.5.2 Specifications

- There must be no gaps in the wall. The end of the continuous length of wall is defined by any gaps, including gateways.
- Minimum height of 1 metre there is no maximum height.
- Maximum width of 4 metres; there is no minimum width.
- Must be dry stone walls of either slate or stone. This includes Pembrokeshire Clawdd walls (a dry stone outer with a compacted earth or earth/rubble core).
- Earth banks, including those stone faced on one side, are excluded.

AN1.6 Landscape feature EFA available to more than one farmer

AN1.6.1 Boundary - in different situations hedges or wooded strips or trees in line and traditional stone walls can be declared as EFA by one or more farmers depending on who is responsible for its upkeep and who declares the arable land associated with it:

What's on either side of the hedge or wooded strip	How much to count as an EFA
Arable land on both sides	As long as you are responsible for both sides of the hedge or wooded strip (the fields are at your disposal) you can declare both sides of the hedge or wooded strip as an EFA feature. If you are responsible for one side only, you can count only half of the hedge or wooded strip as an EFA feature unless you provide documentary evidence that the entire hedge or wooded strip is at your disposal.
Arable land on one side and non-arable land on the other	If you are responsible for both sides of the hedge or wooded strip, you can count the whole hedges or wooded strip or trees in line as an EFA feature. If you are responsible for the arable side only, you can count only that half of the hedge or wooded strip as an EFA feature.

Arable land on one side and non-agricultural land (for example, a road or woodland) on the other	If you are responsible for both sides of the hedge or wooded strip, you can count the whole hedge or wooded strip as an EFA feature.
Arable land on one side and land under someone else's control on the other (for example, land that belongs to a neighbour)	If you are responsible for the arable side only, you can only count that half of the hedge or wooded strip as an EFA feature. If you are responsible for both sides of the hedge or wooded strip, you can count the whole hedge or wooded strip as an EFA feature. If you are responsible for the non arable land only, you cannot count that half of the hedge or wooded strip as an EFA feature.

AN1.7 Short rotation coppice

General Definitions

AN1.7.1 Short rotation coppice is defined as areas planted with those tree species that consist of woody, perennial crops, the rootstock or stools remaining in the ground after harvesting, with new shoots emerging in the following season. Below is the list of eligible species:

- Alder (*Alnus*).
- Silver Birch (*Betula Pendula*).
- Hazel (*Corylus avellana*).
- European Ash (*Fraxinus excelsior*).
- Lime (*Tilia cordata*).
- Sweet chestnut (*Castanea sativa*).
- Sycamore (*Acer pseudoplatanus*).
- Willow (*Salix*).
- Poplar (*Populus*).

AN1.7.2 Specifications

- No use of mineral fertilizers (manure, mushroom compost, treated sewage sludge and compost are all permissible).
- No use of plant protection products, except for spot treatment of invasive non-native species, e.g. Rhododendron, Japanese knotweed and Himalayan balsam, as well as invasive injurious weeds e.g. common ragwort, dock, curled dock, within the first two years of planting.
- Can be located on any agricultural land on the holding.
- The maximum harvest cycle (the period between harvests) is 20 years.

AN1.8 Land afforested under an eligible Welsh Government Rural Communities – Rural Development Programme for Wales 2014 – 2020 scheme commitment (only if that land was used to activate SPS payment entitlements in 2008).

AN1.8.1 General Definitions

This includes areas which were afforested under the following schemes, and were paid for Single Payment Scheme (SPS) in 2008:

- Woodland Grant Scheme (WGS 3).
- Farm Woodland Premium Scheme (FWPS).
- Better Woodlands for Wales (BWW).
- Improved Land Premium (ILP).
- Glastir Woodland Creation (GWC).
- Glastir Woodland Creation Premium (GWCP).

AN1.8.2 These areas were claimed for SPS under the crop codes BW1 and CW1 prior to 2015.

AN1.8.3 Specifications

- Can be located on any agricultural land on the holding.

AN1.9 Location of EFAs examples

The following examples identify whether hedges or wooded strip or trees in line or traditional stone wall is considered to be adjacent to arable land or not.

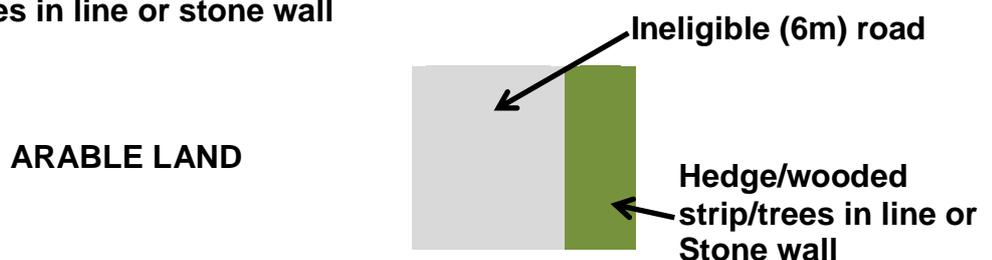
Example 1– Hedges or wooded strip or trees in line or stone wall adjacent to arable land.



The hedge or wooded strip or trees in line or stone wall is adjacent to arable land along its longest hedge and the whole hedges or wooded strip or trees in line is therefore considered as a potential EFA.

Example 2a – Ineligible feature (>5 metres) next to hedges or wooded strip or trees in line or stone wall.

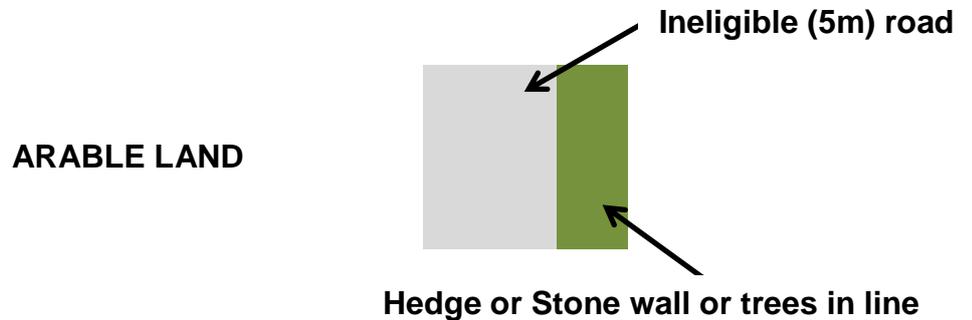
Hedge/wooded strip/trees in line or stone wall



The hedges or wooded strip or trees in line stone wall is adjacent to an ineligible

road and not adjacent to arable land. It **is not**, therefore, considered as a potential EFA.

Example 2b – Ineligible feature (<5 metres) next to hedges or wooded strip or trees in line or stone wall.

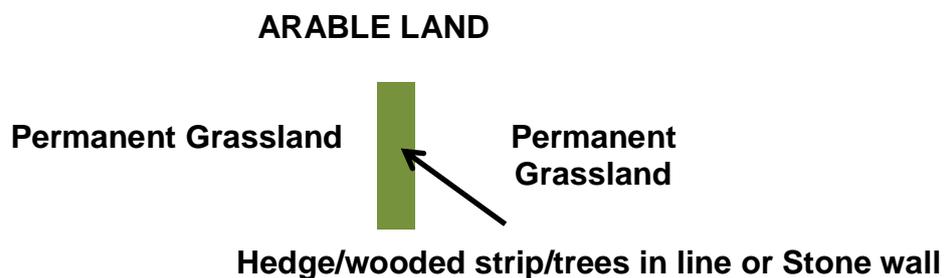


The hedge or wooded strip or trees in line or stone wall is adjacent to an ineligible road but within 5 metres of the arable land. It is therefore, considered as a potential EFA.

Note: Under cross compliance you must not cultivate (e.g. plough, rotovate, tine or disc) within 1 metre of a hedge, earthbank or surface water; no pesticides or fertiliser can be used (minimum) within 2 metres of surface water. These areas inherit the arable status from the land they are adjacent to.

Where farmers choose not to cultivate field corners or strips of land over several years and the widths exceed 5 metres, the land may be considered to be permanent grass (or ineligible if scrubbed over). Any length of EFA feature that is more than 5 metres away from the arable land will not be considered to be a potential EFA.

Example 3 – Hedges or wooded strip or trees in line or stone wall does not touch arable land on its longest hedge.



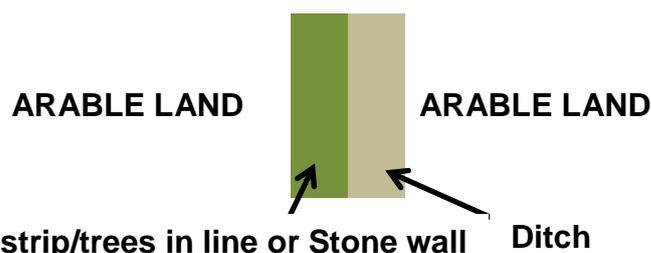
The hedges or wooded strip or trees in line or stone wall does not touch arable land on its longest hedge. It is therefore not adjacent to the arable land and **is not**, therefore, considered as a potential EFA.

Example 4 – Hedges or wooded strip or trees in line or stone wall adjacent to a ditch which is adjacent to arable land.



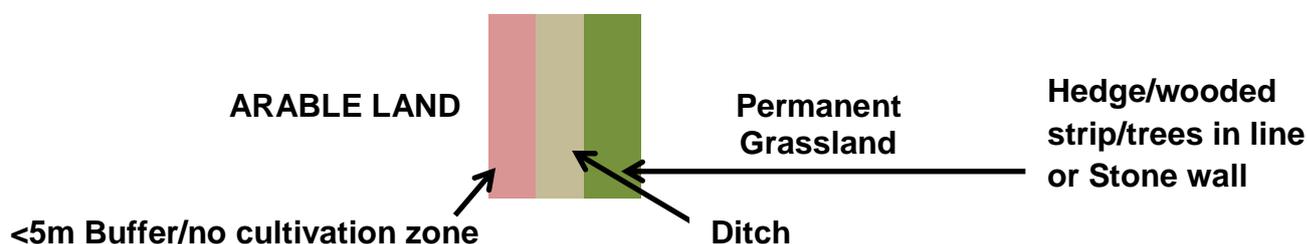
In this example, the ditch (which is not an EFA, but is protected by Cross Compliance) is adjacent to arable land and the hedges or wooded strip or trees in line or stone wall is adjacent to the ditch. The hedges or wooded strip or trees in line or stone wall is, therefore, considered as a potential EFA.

Example 5 – Hedges or wooded strip or trees in line or stone wall and ditch, both adjacent to arable land.



In this example the hedges or wooded strip or trees in line or stone wall is on or adjacent to both arable land parcels so is a potential EFA for both parcels.

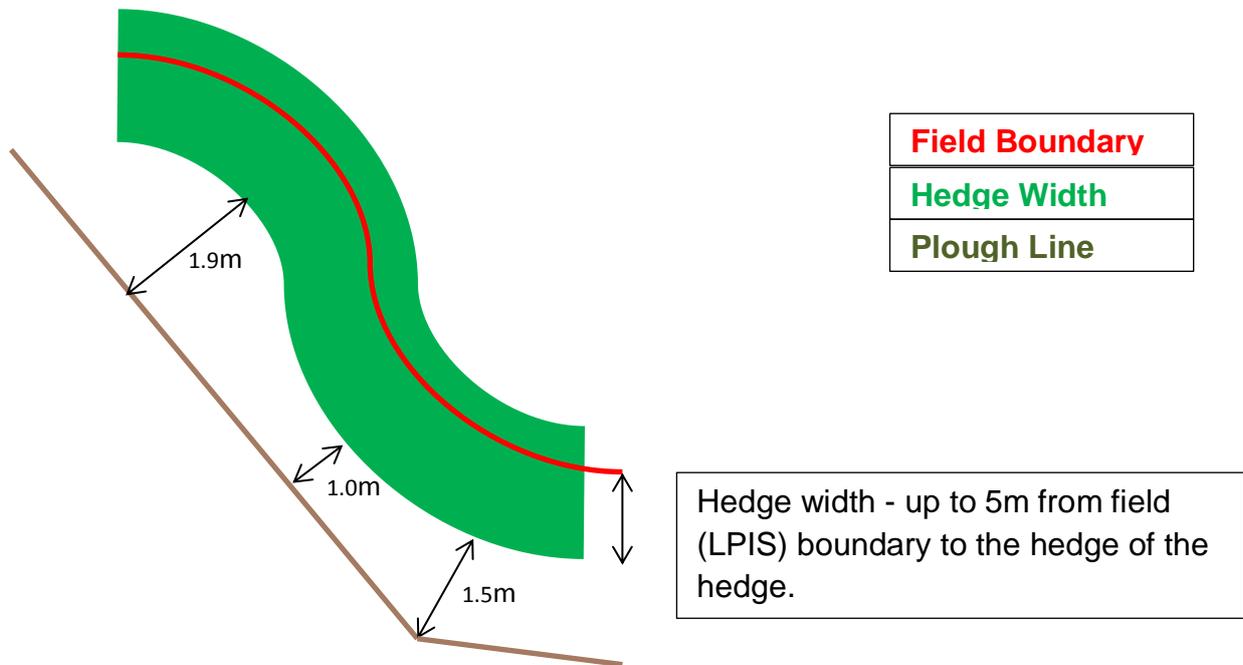
Example 6 – Buffer strip on arable field, making the ditch adjacent to arable land and the hedges or wooded strip or trees in line or stone wall adjacent to the ditch.



The buffer strip is located on the arable land, the ditch is adjacent to arable land. The ditch is eligible for BPS (protected under GAEC), so the hedges or wooded strip or trees in line or stone wall is adjacent to the ditch which is adjacent to arable land so the hedges or wooded strip or trees in line or stone wall is a potential EFA.

Annex 2 - Measuring hedgerows or wooded strips and traditional stonewalls.

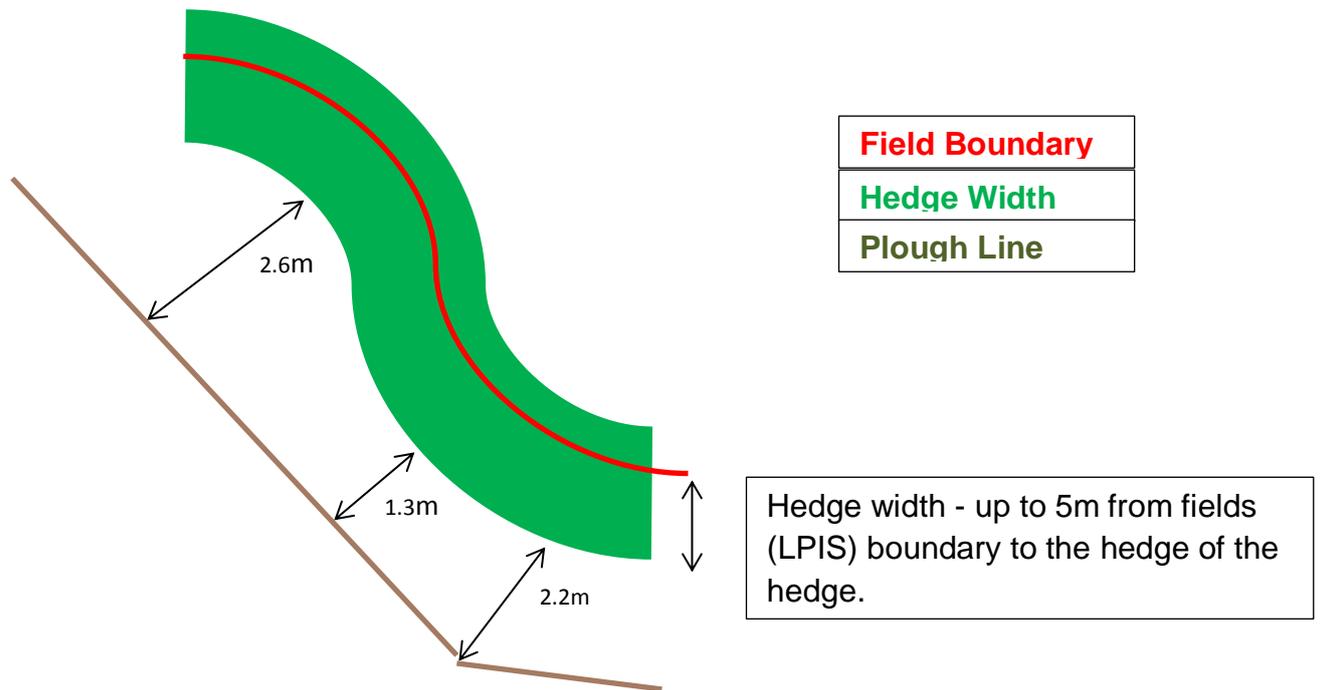
Diagram 1: Buffer Strip accepted as Cross Compliance boundary buffer under GAEC 7 – Eligible EFA.



The width of the buffer strip between the hedge of the hedge and the plough line is less than 2 metres at the widest points along the full length of the hedge.

The whole buffer strip can be regarded as a Cross Compliance under GAEC 7.

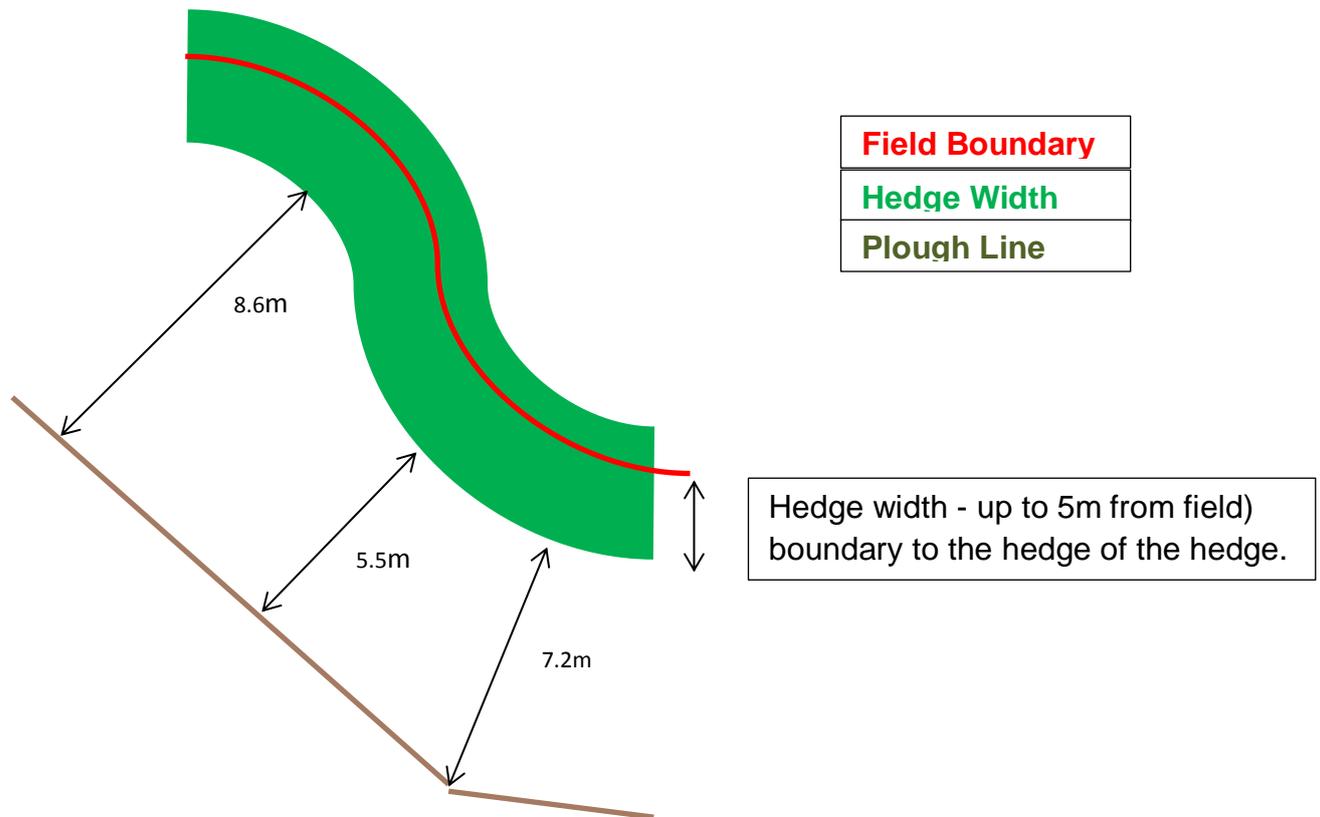
Diagram 2: Field Margin Buffer Strips – Eligible EFA.



The width of the buffer strip between the hedge of the hedge and the plough line exceeds 2 metres at various points along the length of the hedge.

The whole buffer strip needs to be declared as a separate Crop Code Cover identified for the area of the Buffer Strip in the parcel.

Diagram 3: Field Margin Buffer Strips over 5 metres wide

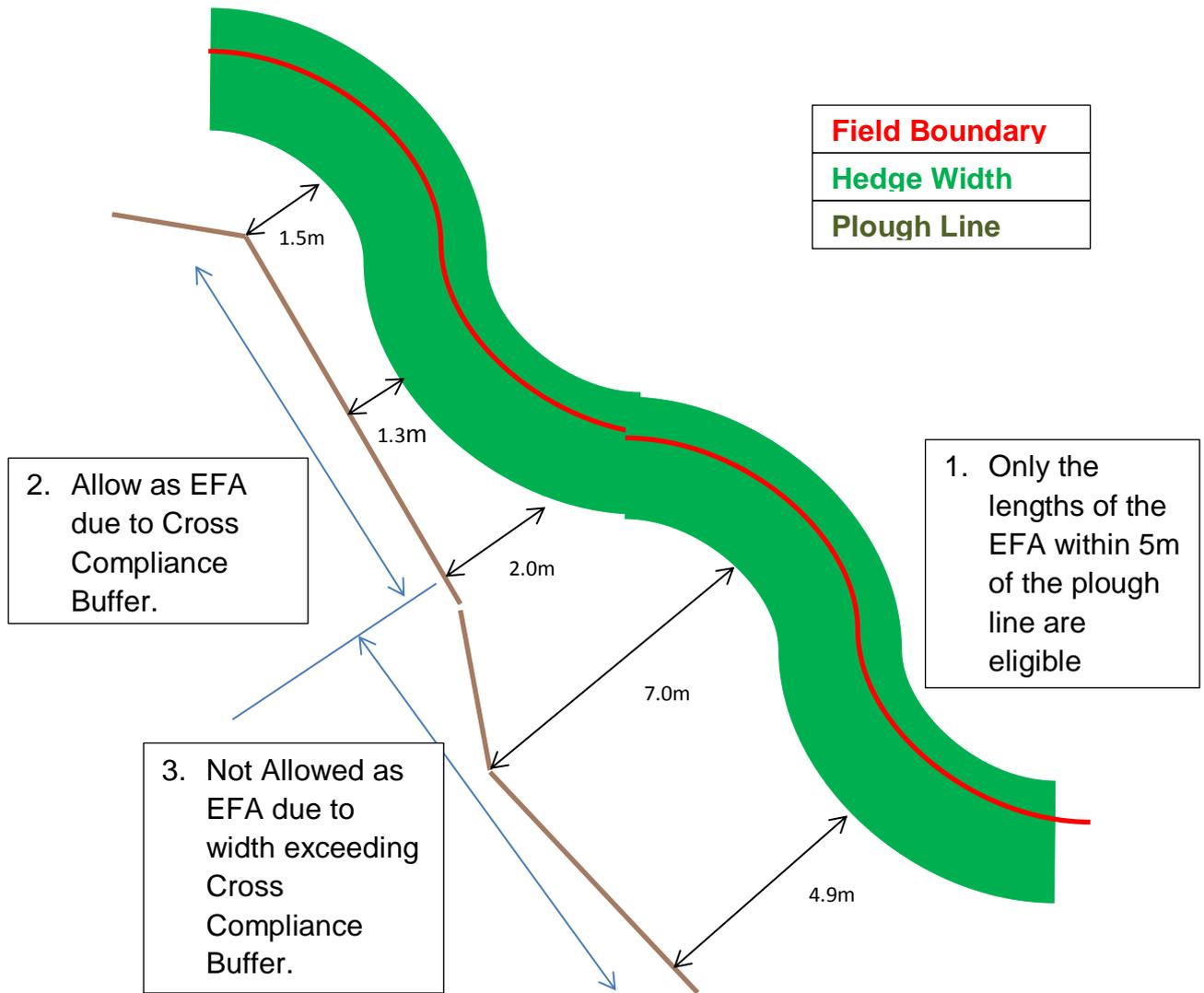


The width of the buffer strip between the hedge of the hedge and the plough line exceeds 5 metres along the length of the hedge.

The whole buffer strip needs to be declared as a separate Crop Code Cover identified for the area of the Buffer Strip in the parcel.

- If the Buffer Strip is GR1 (or other Arable Land Crop) then the EFA is still eligible for Greening.
- If the Buffer Strip is GR2 (or any other Permanent Grassland Crop) then the EFA is Ineligible for Greening.

Diagram 4: Field Margin Buffer Strips – Eligible and Ineligible EFA.

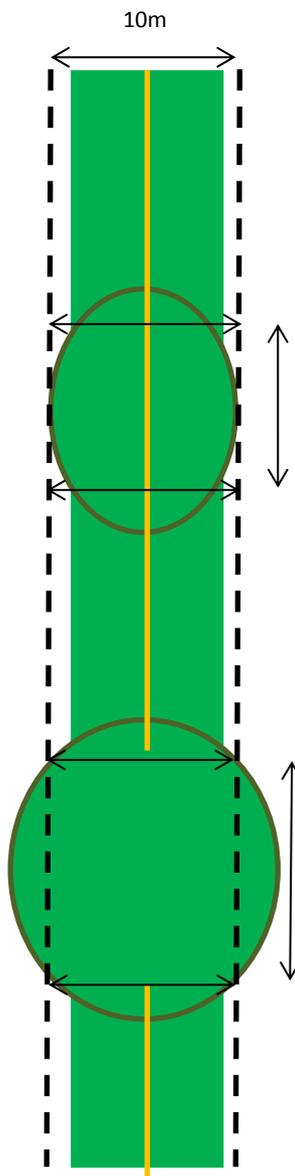


The width of the buffer strip between the hedge of the hedge and the plough line takes into account rough grazing/wet lands along a part of the hedge.

1. Provided the length of the field margin buffer strip is within 2 metres, this can be considered a Cross Compliance buffer and declared as part of the cropped area
2. Where the buffer strip exceeds 2 metres, the area needs to be declared as a separate Crop Code Cover identified for the area of the Buffer Strip in the parcel.

- If the Buffer Strip is GR1 or GR2 (less than 5 metres) then the EFA is still eligible for Greening, regardless of the width of the buffer strip.
- If the Buffer Strip is GR2 (or any other Permanent Grassland Crop) and goes beyond 5 metres for a length of 4 metres or over, the adjacent EFA feature is ineligible, as the 5 metres buffer allowed has been exceeded beyond the length of gap allowed. In this instance an EFA feature would have an end point where the buffer width first exceeds 5 metres; and a new EFA feature start point where the buffer width comes back to 5 metres or less.

Diagram 5: Exclusion of Linear EFA from Mark Up, where width exceeds 10 metres



Eligible EFA - Hedge/Wooded Strip width - up to 10m.

In this example the hedgerow is within the 10m width allowed, with a couple of tree canopies exceeding 10m.

Tree canopy does not exceed the 10m width allowed to be eligible for EFA. This area is included in the EFA Linear Measurement.

Canopy exceeds the 10m width allowed to be eligible for EFA. This length exceeding 10m is excluded from the EFA Linear Measurement

EFA Linear
Hedge Width
Tree Canopies

In this instance, two separate lengths of EFA should be recorded.

