# National Basic Payment Support Scheme 2016-17

This is an old version of the page Date published: 13 September, 2016 Date superseded: 9 February, 2018



https://www.youtube.com/embed/37y1K4GaoFg

In advance of your 2016 SAF being processed, the Scottish Government wants to ensure that you have funding available to support your business and to give you some financial certainty during the process.

Therefore, we have set up the National Basic Payment Support Scheme (NBPSS16).

In order to respond to any questions you may have in relation to SAF 2016 payments, please see the following Q&A or watch the accompanying video.

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## am due?

There are specific EU rules around advance payments which at this stage of processing 2016 claims would mean we could not make advance payments.

Therefore, we are making the offer of loans from domestic funding which is not constrained by EU rules.

#### What if I don't receive a letter?

Letters will be sent from the 27th September and will continue to be issued as claim eligibility is confirmed. We will write separately to any applicants who we believe are not eligible for CAP BPS and Greening payments in 2016 to explain why this is the case.

### What amount of funding will I receive?

If you are eligible for payment and apply for a loan you will receive 80 per cent of your 2016 anticipated Basic Payment Scheme and Greening payment. A cap will be applied at 150,000 euros. For more details on individual cases, please contact the helpline on 0300 300 2222 or email nationalBPSscheme@gov.scot

#### When will I receive a letter?

We will write to farmers and crofters who are eligible for payment with more information. Offer letters will be sent from Tuesday, 27 September and will continue to be issued as we clear claims for loan eligibility.

#### When can I expect to receive payment?

If your offer letter is dated 27th September and you return your application slip by the 12th October then we will pay the loan in the first two weeks of November.

#### Will I be charged interest on my NBPSS payment?

These loans will be interest free for customers who receive them. Because of European Union state aid rules, we have to calculate a notional amount of interest on the loan, which the EU considers to be state aid benefit to the loan recipient. If you receive a loan, we will notify you of this but no customer will need to pay the interest on their loans, provided they adhere to the terms and conditions.

#### How do I repay the money?

We have designed this new scheme so that your Basic Payment and Greening payment 2016 total should be more than the sum paid by NBPSS. This lets us deduct the NBPSS payment from your CAP Basic Payment and Greening 2016 total and pay the balance into your bank account.

#### <u>The payment instalments of my Basic Payment Scheme and</u> <u>greening payment are less than the amount I receive from the</u> <u>NBPSS – will I be charged interest?</u>

If your CAP Basic Payment and Greening payment 2016 total is less than the NBPSS you have been paid then, under the terms and conditions of the loans, you will have to repay the difference between the two amounts.

Interest could be charged if the difference is not repaid according to the terms and conditions.

#### What are the state aid rules and do they affect me?

State aid rules are set and controlled by the European Commission. They apply to all forms of public funding and Member States are legally obligated to observe them. There are many different State Aid regulations. The regulation which applies in this instance is 1408/2013 which is the Agricultural De-Minimis Regulation.

This allows farmers to receive €15,000 from any public source over a three-year fiscal rolling period.

The state aid element of your NBPSS payment is the notional interest and not the actual payment amount. It is your responsibility to make sure that you do not breach the state aid limit.

By accepting the funding, you are declaring that you have not exceeded the de minimis threshold. Failure to do so could result in the funding being recovered with interest by the European Commission.

We will send you a letter detailing the amount of state aid benefit you have had in the form of interest from the scheme once your CAP Basic Payment and Greening payment has been made.

Some examples of schemes which come under de minimis rules are:

- Bull Hire Scheme
- Sea Eagle Scheme

- Rural Priorities Outcome Plan
- AECS Farm Environmental Assessment Payment
- New Entrants and Others 2013
- Weather Aid Scheme 2013
- BVD Check Payments
- Fallen Stock Fund
- Fox Control Scheme
- Biofuels Programme
- Resource Efficient Scotland
- Clyde and Avon Valley Tree Planting Scheme
- Dairy Farmer Island Concession Scheme
- Weather Impact Support Schemefor Westray Farmers
- Cash Flow Loan Scheme
- 2015 National LFASS Scheme
- 2015 National BPS Scheme

This list is not exhaustive and other schemes may also be subject to de minimis.

# What if I don't want this offer of receiving a payment from the NBPSS?

If you do not wish to accept the offer you do not need to take any action.

#### What if I miss the deadline to apply in the letter?

You will still be able to enter the loan scheme, however we cannot guarantee when this payment will be processed. To avoid this, you should respond as soon as possible.

#### What if I change my mind?

Please contact us as soon as possible by phoning 0300 300 2222 or emailing nationalBPSscheme@gov.scot

#### I have been inspected - am I included in this?

Yes, so long as you are eligible for the CAP Basic Payment and Greening payment 2016.

#### What other help and support is available?

Customers can contact the RPID Customer Information Line on 0300 300 2222 or email nationalBPSscheme@gov.scot