

The Andersons Centre - Latest News Update

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Set-Aside Goes After 20 Years

Farmers planning their autumn plantings can safely count on not having to set any of their land aside. The EU Commission has confirmed that compulsory set-aside will not return for the 2009 harvest. This marks the end of this policy after being in place in one form or another for 20 years.

It will be November before political agreement on the Health Check would be achieved – including any deal to end set-aside. This potentially left Europe's farmers in a dilemma. They would be planting their crops in autumn 2008 without knowing for certain there would be no set-aside for the 2009 harvest. Although it was a very remote prospect, there was a possibility that the Health Check negotiations could result in set-aside being retained.

The EU has addressed this problem by issuing a statement from the Special Committee on Agriculture (SCA). This states that 'the vast majority of Member States will agree to abolish set-aside . . . farmers can already benefit from the measure as from their autumn 2008 and spring 2009 sowings'. In fact, it is reported that only the Belgians were in favour of retaining set-aside – and they wanted it set at 0%!

The statement gives farmers 'legitimate expectations' that set-aside will definitely go for harvest 2009 (and afterwards). The Commission would probably face a raft of legal challenges if they subsequently tried to re-impose set-aside. Therefore it's as good as certain that farmers have seen the back of this supply control measure, first seen in 1988.

Therefore from 1st January 2009 there will be only two types of entitlement left, Normal (or Standard in Scotland), and Special (but there are very few of these in UK). Set-aside entitlements will become Normal ones and retain their current valuation basis. In England this will be the regional flat rate, increasing from an estimated €192.2 per Ha in 2009 to the final €330.7 per Ha flat rate in 2012 in England Non SDA (before any deductions).