



Circular No. 9 Date: 10/03/2022

#### **REAP Advisors – Transfer of REAP contract**

The purpose of this circular is to remind Advisors that in accordance with the REAP terms and conditions - all REAP contract transfer requests must be made in advance, in writing, to REAP Section.

### **Background**

The definition of 'farmer' in the REAP Terms & Conditions reflects the regulatory definition as set out in Article 4 of Council Regulation 1307/3013 and as companies and Registered Farm Partnerships have a legal status in Irish law they are the 'farmer' for REAP purposes. Similarly a natural person or group of natural persons (herd number in name of joint or multiple natural persons) are deemed to be the 'farmer'.

As the REAP contract is approved in the name of the applicant farmer any change to the legal status of the farmer which transfers control of the holding to a new entity requires prior approval for the transfer of the REAP contract.

Each application for approval to transfer a REAP contract is examined on its own individual merits. Situations that have arisen include the following:

**1. Individual farmer adding another individual to existing herd number** (e.g. farmer adding spouse or family member to existing herd number).

The individual/s added to the herd number will be required to sign an acknowledgement of their acceptance of responsibilities in delivering REAP commitment.

2. Removal of individual farmers from a herd number that originally had Joint/multiple individual farmers recorded as herd owners

At least one of the original individual farmers must have retained the herd number as herd owner.

# 3. Death of approved individual farmer

A survivor entitled to give the necessary undertakings may take over the contract with prior approval. Where the deceased died intestate no person can be deemed to be in a position to give the necessary undertakings and the REAP contract is terminated.

Where the person taking over the holding is not a beneficiary under the Will of the deceased or the grant of Probate he/she will not be deemed a survivor entitled to give the necessary undertakings. All commitments and associated land parcels as existed at the time of death must be included in any application to transfer. – Applications must be submitted in writing to the REAP section.

# 4. Individual approved REAP farmer forming a Company

Applications must be made in writing to REAP Section.

# 5. Individual approved REAP Farmer(s) forming a Registered Farm Partnership

Payment will continue to be calculated and controls effected based on the information and LPIS parcels submitted by the individual farmer but payments will issue to the Registered Farm Partnership. It should be noted that commitments must continue to be delivered on nominated parcels in the original REAP approval letter. In this scenario the original REAP commitments must be delivered and the REAP payment becomes an asset of the Partnership.

### 6. REAP application and approval in the name of a Registered Farm Partnership.

Where a partnership is dissolved, the REAP contract associated is deemed invalid, unless prior approval is sought to re-constitute the partnership in the following circumstances;

- a. Partnership member deceased;
- b. Partnership member removed due to force majeure.

All transfer requests must be made in advance, in writing, to REAP Section with a brief explanation of the circumstance of the transfer, agreeing to the REAP scheme terms and conditions and must be signed by the all parties involved. In addition,

- A REAP participant can only hold one REAP contract,
- Transfer approval will only become effective, once the transferee becomes the registered herd owner. This approval is valid for a period of twelve months and is subject to review if Herd Owner status hasn't been transferred with the local DVO.
- All approved REAP participants must submit a valid BPS application form in each of the years of their contract; in the herd number/ partnership ID their REAP contract is currently held. REAP payments issue to whom the BPS application has been submitted for in that particular year. If there are outstanding payments due, they will issue to the original REAP participant;
- Failure to comply with the scheme Terms & Conditions may result in the application of sanctions up to and including termination of contract and recoupment of all monies previously paid.

### REAP

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