An Roinn Talmhaíochta, Bia agus Mara Department of Agriculture, Food and the Marine



ACRES Circular 11.1/2023

Revised 8th August 2023

# Agri-Climate Rural Environment Scheme (ACRES) Transfer of ACRES contract

To ACRES Advisor

The purpose of this Circular is to give further information on the requirements and outline the process for submitting a transfer request. This circular replaces ACRES Circular 11, issued June 20<sup>th</sup>, 2023, with immediate effect.

Points to note when submitting a request are:

- A participant may only hold one ACRES contract.
- A participant continues to be fully responsible for the implementation of the commitments entered into under the contract for the duration of the contract, unless a request to transfer the ACRES contract has been approved.
- Only a transfer to a Family Member, as defined below is permitted.
- If a change in herd number is required, this must be advised at time of application for transfer.
- All ACRES commitments and associated land parcels must be included in any application to transfer. A scheme contract may not be divided.
- Transfer approval will only become effective, once the transferee becomes the registered Business ID owner.
- BPS/BISS applications must match the herd number on the ACRES contract.
- After the approval of an ACRES transfer, no further transfer of the contract will be permitted for a year unless it is due to death of the participant or certified serious illness.
- Following the transfer of the ACRES contract the transferee is liable for a full clawback, including
  payments issued prior to the transfer in the event of penalties including the withdrawal of
  actions or the entire contract.

# Process to be followed

In compliance with the ACRES Terms and Conditions, all ACRES contract transfer requests must be made in advance in writing using the attached 'Request for Transfer of ACRES Contract form.

The form must be signed by all parties requesting the transfer and returned by email to:

- <u>ACRES@agriculture.gov.ie</u> in the case of ACRES General contracts, or
- ACRESCP@agriculture.gov.ie in the case of ACRES Co-operation contracts, or
- by post to the address at the end of this Circular.

As you will see, there are a number of sections in the form so the following guidance is provided to assist in the completion of the 'Request for Transfer of ACRES Contract':

### **Section A - Name Change**

This Section is to be completed where:

- Farmer is adding another name to an existing herd number. (e.g., farmer adding spouse or family member to herd number or transferring herd number to spouse or family member)
- Removing a name from existing herd number that originally had joint/multiple names recorded as herd owners.

A Herd number forming a Company must provide a registered company number or certificate of incorporation and all directors must sign the transfer request form.

#### **Section B - Deceased Case**

As stated in Section 30.1 of the ACRES Terms and Conditions, 'Where a participant dies during the contract period, force majeure shall be applied terminating the agreement and no reimbursement of aid already paid shall be sought. Valid payment will be made up to date of death'.

This is the default position. Exceptions to this are:

- In the case of a joint herd where there is a joint tenancy with the deceased and the joint herd owner is not mentioned in the Will or it is an intestate case the joint herd owner by virtue of their mention in the joint tenancy agreement and in a position to give the necessary undertakings may apply to take over the entire contract. Confirmation of a joint tenancy must be provided to the ACRES section.
- If no joint tenancy exists a person who is the beneficiary of the land under the Will of the deceased and in a position to give the necessary undertakings is permitted to apply to take over the entire contract. A full certified copy of the Will must be submitted with the request.
- If the beneficiary of the ACRES contract/land does not want to take over the contract, they are not permitted to nominate another person to take it over. In such instances the contract will be terminated in line with force majeure as above.
- Where the deceased died intestate and no joint tenancy exists, no person can be deemed to be able to give the necessary undertakings and the scheme contract is terminated.
- Upon becoming aware of a death of a participant, the ACRES section will write to the estate of that
  participant. If no response is received within three months of the date of such letter, Force Majeure
  will be applied.

# Section C – Registered Farm Partnership Case

- Where an approved ACRES farmer is forming a Registered Farm Partnership (RFP), payments will continue to be calculated and controls effected based on the information and LPIS parcels submitted by the individual herdowner, 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 ACRES approval letter. In this scenario the original ACRES commitments must be delivered, and the ACRES payment becomes an asset of the Partnership.
- An RFP who is participating in ACRES may dissolve for the purposes of reconstituting as a new RFP but only where holding multipliers remain the same or in the case of the death of a participant or

- removal due to force majeure. It should also be noted that if lands initially included in the application are no longer claimed, the ACRES penalty schedule will apply.
- An RFP with a multiplier of 1 may revert to an individual herd number but may not reconstitute in the form of a company.

#### Annex 1 – Terms & Condition & Definitions

The Terms and Conditions of ACRES include a number of provisions in relation to the transfer of ACRES contracts, specifically Section 14, where it states *inter alia*:

14.5 Contracts are non-transferable except in the case of:

- Certified serious illness.
- The transfer of the entire ACRES contract area subject to prior approval of the ACRES Section of the Department see below.
- Death of the participant.
- 14.6 The ACRES contract is approved in the name of the applicant farmer. Any change to the name of the farmer or legal status, which transfers control of the holding to a new entity, requires prior approval from ACRES Section of the Department for the transfer of the ACRES contract.
- 14.7 The participant must seek this prior approval by submitting a transfer request, in advance of the proposed transfer, on the ACRES Transfer application form to ACRES Section, in which s/he inter alia agrees to the Scheme Terms and Conditions.

### **Definitions in the context of ACRES**

As stated in Section 14.6 of the ACRES Terms and Conditions, "the ACRES contract is approved in the name of the applicant farmer.

The definition of 'farmer' in the ACRES Terms and Conditions reflects the regulatory definition as set out in Article 3 of Council Regulation (EU) 2021/2115 and, as companies and Registered Farm Partnerships, have a legal status in Irish law, they are considered the 'farmer' for the purposes of ACRES. 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'.

Section 14.6 continues that "Any change to the name of the farmer or legal status, which transfers control of the holding to a new entity, requires prior approval from ACRES Section of the Department for the transfer of the ACRES contract"

An example where this may arise is where a farmer seeks to add another name to an existing herd number (e.g. a farmer adding spouse or family member to herd number or transferring herd number to spouse or family member)

The definition of a "family member" in this case extends to Spouse/Civil Partner/Parent/Brother/Sister/Son/Daughter/Grandchild/Favoured Niece or Nephew.

As stated in Section 14.7 of the ACRES Terms and Conditions, "The participant must seek this prior approval by submitting a transfer request, in advance of the proposed transfer, on the ACRES Transfer application form to ACRES Section, in which s/he inter alia agrees to the Scheme Terms and Conditions".

Each request to transfer or amend the name of the farmer or the legal status of the entity that holds the contract will be considered on an individual basis.

Where it is found that an ACRES contract is transferred **without prior approval**, the associated penalty is a review of continued participation in the scheme, with a possibility of termination of contract and recoupment of monies paid.

# Section A – Name change

Business ID*:	New Business ID* (if applicable):			
Current Name:	New Name:			
Relationship between parties:				
Note: * 'Business ID' shall mean Herd Nuregistered with the Department.	umber, Registered Farm Partnership ID or Company ID			
•	the ACRES contract approved in the name of by the Terms and Conditions of the Agri-Climate Rural			
Environment Scheme (ACRES) and the ass contract was approved.	sociated Specifications for the Tranche under which the			
am/are fully aware that it is not permitte	currently hold an ACRES contract in any other name and ed to hold two ACRES contracts at the same time. I/we we made a false declaration, I/we will have to refund the all of the false declaration.			
Signature Signature	Date			
Section B – Deceased case:				
Business ID:	New Business ID (if applicable):			
Name of Deceased:	New Name:			
Certified full copy of Will attached (Y/N):				
Relationship between parties:				
Note: * 'Business ID' shall mean Herd Nuregistered with the Department.	umber, Registered Farm Partnership ID or Company ID			
	the ACRES contract approved in the name of by the Terms and Conditions of the Agri-Climate Rural			
	sociated Specifications for the Tranche under which the			

am/are fully aware that it understand that if it is late Department of all monies re	r found that I/w	e made a false de	claration, I/we w	•
Signature	Signature		Date	_
Section C - Partnership case	e:			
Business ID*:		New Farm Partne	ership Number:	
Name on Contract:		New Names on Partnership:		
Relationship between par	ties:			
Note: * 'Business ID' shal registered with the Departr		ımber, Registered	Farm Partnershi	p ID or Company ID
I/We hereby agree to				in the name of ne Agri-Climate Rural
Environment Scheme (ACR contract was approved.		•		-
 Signature	Signature		Date	_

I/We also hereby declare that I/we do not currently hold an ACRES contract in any other name and

# The completed form may be returned:

- by email to:
- o ACRES@agriculture.gov.ie in the case of ACRES General contracts, or
- o <u>ACRESCP@agriculture.gov.ie</u> in the case of ACRES Co-operation contracts, or
- by post to:

ACRES Section or ACRES CP Section (whichever is appropriate)
Department of Agriculture, Food and the Marine
Johnstown Castle Estate
Co. Wexford Y35 PN52

