### 2009 No. 60

## **AGRICULTURE**

# The Agriculture (Hardship Payment) Scheme (Northern Ireland) 2009

Made - - - - 19th February 2009

Coming into operation - 5th March 2009

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The Minister of Agriculture and Rural Development(a) makes the following Scheme in exercise of the powers conferred by sections 1(1) and 2 of the Agriculture (Temporary Assistance) Act (Northern Ireland) 1954(b) and with the approval of the Minister for Finance and Personnel.

#### Citation and commencement

1. This Scheme may be cited as the Agriculture (Hardship Payment) Scheme (Northern Ireland) 2009, and shall come into operation on 5th March 2009.

#### Interpretation

- 2. In this Scheme—
  - "application" means an application for a hardship payment made in accordance with Article 5;
  - "authorised officer" means a person authorised by the Department for the purposes of this Scheme:
  - "eligible crop" means a crop referred to in Article 4(1);
  - "crop establishment cost" means—
  - (a) in the case of potatoes, £2,559 per hectare;
  - (b) in the case of cereals, £931 per hectare; and
  - (c) in the case of vegetables, £1,918 per hectare;
  - "the Department" means the Department of Agriculture and Rural Development;
  - "eligible producer" means a producer who falls within Article 4; and
  - "hardship payment" means a payment by the Department under and for the purposes of Article 3.

#### **Hardship Payments**

**3.** The Department may, under and in accordance with the following provisions, pay any eligible producer a hardship payment in respect of hardship suffered as a consequence of flooding on 16 August 2008.

<sup>(</sup>a) Formerly the Department of Agriculture for Northern Ireland; see S.I. 1999/283 (N.I.1), Article 3(4)

<sup>(</sup>b) 1954 c. 31; the Act was amended by Article 7 of S.I. 1984/702 (N.I. 2)

#### Eligibility for payment

- **4.**—(1) An eligible producer for the purposes of Article 3 is a person who in August 2008 was engaged in the production of potato, vegetable or cereal crops and who—
  - (a) had an area of his crop damaged beyond economic recovery by the flooding which occurred in that month and as a direct result suffered an economic loss of at least £500 in aggregate for all those crops;
  - (b) reported this loss to the Department; and
  - (c) had his loss verified by an inspection and report by an officer of the Department.
- (2) For the purposes of paragraph (1) (a) a person's economic loss in relation to each eligible crop shall be X where—
  - (a)  $X = A \times B$ ;
  - (b) A is the area in hectares of that crop that was damaged as described in paragraph(1); and
  - (c) B is the crop establishment cost per hectare for that area.

#### **Application for payment**

- **5.**—(1) The Department shall publish, in such manner as it considers appropriate, a notice inviting applications for a hardship payment.
  - (2) A notice under paragraph (1) shall specify the closing date for such applications.
- (3) A notice under paragraph (1) may be amended by further notice published by the Department in the same manner.
- (4) An application for a hardship payment shall be made in such form or manner and shall be delivered to such address as the Department may specify in the notice under paragraph (1) and shall be received by the Department before the closing date specified in that notice.
- (5) An applicant shall furnish all such information relating to the application as the Department may specify in the notice under paragraph (1) or from time to time require in writing.

#### Calculation of hardship payment

- **6.**—(1) In the case of any eligible producer the hardship payment in relation to each eligible crop shall be his economic loss in relation to that crop x = 0.528854.
  - (2) An eligible producer may receive a hardship payment for each eligible crop grown by him.
  - (3) Hardship payments for any eligible producer shall not exceed £6532.50 in aggregate.

#### **Reduction of Aid Payment**

- 7.—(1) Where any eligible producer is entitled to receive a payment under any contract of insurance which becomes payable to him as a result of the damage to an area of eligible crops referred to in Article 4(1)(a), the amount of any such payments—
  - (a) shall be deducted from the amount that would otherwise be payable to him under this Scheme; or
  - (b) where the amount has been paid without the deduction referred to in sub-paragraph (a), shall be recoverable by the Department.
- (2) Any payments made to an eligible producer as de minimis aid, for any purpose, in the last 3 years under the conditions of Commission Regulation EC 1535/2007 shall be deducted from any amount that would otherwise be payable to him under this Scheme.

#### Withholding of payment

**8.**—(1) Where a person, with a view to obtaining a hardship payment for himself or any other person, makes any statement or furnishes any information which is false or misleading, or refuses

to cooperate with an authorised officer exercising powers under this Scheme, the Department may withhold an amount equal to the whole or part of any amount payable to that person or such other person and may recover the whole or part of any payment already paid to that person or such other person.

- (2) Before withholding the whole or any part of any payment or recovering any amount equal to the payment or part of the payment which has been made under the provisions of paragraph (1), the Department shall—
  - (a) give to the person to whom any hardship payment would be payable, or from whom any such amount would be recoverable, a written notification of the reasons for the action proposed to be taken.
  - (b) afford that person an opportunity of appearing before and being heard by a person appointed for the purpose by the Department; and
  - (c) consider the report of a person so appointed and supply a copy of the report to the person mentioned in subparagraph (a).

#### **Recovery of payment**

**9.** Where an amount falls to be repaid to the Department by virtue of this Scheme, that amount or any part of it shall be recoverable as a civil debt.

#### Powers of authorised officers

- 10.—(1) An authorised officer may, after giving the occupier or other person in charge of the premises reasonable notice of his intention and upon production, if so required, of his authority, enter any land or premises for the purposes of exercising powers specified under this Scheme.
  - (2) An authorised officer may—
    - (a) inspect any land specified by the eligible producer in his application;
    - (b) require an applicant or any employee, servant or agent of an applicant to provide any relevant record or documentation ,or extracts therefrom, and to supply such additional information as is in that person's possession or under his control relating to an application under this Scheme.
    - (c) have access to, and inspect and copy any relevant records or documents (in whatever form they are held) or remove such records or documents to enable them to be copied;
    - (d) have access to, inspect and check the operation of, any computer and any associated apparatus which is or has been in use in connection with the relevant records or documents; and for this purpose may require any person having charge of, or otherwise concerned with the operation of, the computer, apparatus or material to afford him such assistance as he may reasonably require and, where a record is kept by means of a computer, may require the records to be produced in a form in which they may be taken away; and
    - (e) seize and retain any relevant record or document which he has reason to believe may be required as evidence in proceedings under this Scheme.

Sealed with the Official Seal of the Department of Agriculture and Rural Development on 19th February 2009.



Minister of the Department of Agriculture and Rural Development

The Department of Finance and Personnel hereby approves the foregoing Scheme.

Sealed with the Official Seal of the Department of Finance and Personnel on 19th February 2009.



Nigel Dodds
Minister for the Department of Finance and Personnel

#### **EXPLANATORY NOTE**

(This note is not part of the Scheme)

This Scheme provides for hardship payments to be made by the Department of Agriculture and Rural Development to producers who suffered financial loss as a direct result of the flooding in August 2008.

#### The Scheme—

- (a) establishes eligibility criteria (Article 4);
- (b) specifies the manner in which applications are to be made (Article 5);
- (c) specifies the method of determining the rates of payment (Article 6);
- (d) enables the Department to reduce any payment due or paid if a previous *de minimis* aid payment has been made to the applicant in the past three years, for any purpose, or if an insurance payment has been received or a claim made in respect of the same financial loss claimed under the Scheme (Article 7);
- (e) provides for the Department to withhold payment in any case where false or misleading information has been provided or where a person fails to cooperate with an authorised officer (Article 8);
- (f) provides for the recovery of payments made under the Scheme (Article 9); and
- (g) enables an authorised officer to exercise powers of entry and have access to relevant records and documents (Article 10).

Under Section 4(1) of the Agriculture (Temporary Assistance) Act (Northern Ireland) 1954, any person who, being required or authorised under or by virtue of this scheme to furnish any information, record or document, furnishes any information, record or document which, to his knowledge, is false in a material particular shall be guilty of an offence and shall, without prejudice to Article 10 of the Perjury (Northern Ireland) Order 1979 (S.I.) 1979/No. 1714 (N.I. 19), be liable on summary conviction to a fine not exceeding level 4 on the standard scale or to imprisonment not exceeding twelve months or to both such fine and such imprisonment.

Under Section 4(2) of that Act any person—

- (h) who acts in contravention of, or neglects or fails to comply with any provision contained in this Scheme; or
- (i) obstructs or impedes an authorised officer in the exercise of any power under this Scheme,

shall be liable on summary conviction to a fine not exceeding level 3 on the standard scale.

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