

## **EXPLANATORY MEMORANDUM TO**

### **The Common Agricultural Policy Direct Payments and Support Schemes (Cross Compliance) Regulations (Northern Ireland) 2014**

**2014 No. 291**

#### **1. Introduction**

- 1.1. This Explanatory Memorandum has been prepared by the Department of Agriculture and Rural Development to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.
- 1.2. The Statutory Rule is made under section 2(2) of the European Communities Act 1972 and is subject to the negative resolution procedure.

#### **2. Purpose**

- 2.1. These Regulations make provision in Northern Ireland for the administration and enforcement of Regulation (EU) 1306/2013 of the European Parliament and of the Council, Commission Delegated Regulation 640/2014 of the European Parliament and of the Council, Commission Implementing Regulation (EU) 809/2014 in relation to cross compliance under the revised system of direct support schemes under the Common Agricultural Policy.
- 2.2. The Regulations give legal effect to the Northern Ireland Good Agriculture and Environmental Condition requirements. They also establish inspection responsibility for the cross compliance standards.
- 2.3. The Regulations will come into force on 1 January 2015.

#### **3. Background**

- 3.1. The European Union has established that those in receipt of direct agricultural support have important responsibilities towards the protection of the environment, climate change, animal health and welfare and public and plant health. Under the Common Agricultural Policy applicants are required to observe certain conditions in these areas in return for receipt of direct agricultural support (this includes the Direct Payments Scheme). This is known as cross compliance.
- 3.2. There are two aspects to cross compliance. Applicants must meet the requirements of a number of existing European laws (known as the Statutory Management Requirements) as well as maintaining the land in Good Agricultural and Environmental Condition (GAEC).
- 3.3. The Statutory Management Requirements are a set of laws which are already in force throughout the EU (in Northern Ireland all are currently implemented through domestic legislation). The second element of Cross Compliance is that all those in receipt of agricultural support payments have to maintain their land in GAEC.
- 3.4. Cross Compliance is a continuing requirement of the CAP. These Regulations provide for the revised SMR and GAEC requirements under CAP reform.

#### **4. Consultation**

- 4.1. The revised GAEC requirements were the subject of a consultation exercise in April 2014.

#### **5. Equality Impact**

- 5.1. This Regulation has been screened using DARD's Equality and Human Rights Screening procedure. The Department is satisfied that the legislation has no impact on equality or human rights and an Equality Impact Assessment is not required.

#### **6. Regulatory Impact**

- 6.1. A Regulatory Impact Assessment has been carried out. This identified that the Regulations place additional requirements on farm businesses. However a number of these are driven by European Commission requirements that must be implemented to avoid disallowance. In respect of the remaining issues it is considered the the minimal additional costs would be offset by the environmental benefit provided by the requirements.
- 6.2. DARD is content that the proposed legislation meets the Department's commitment to Better Regulation and "gold plating" is not applicable.

#### **7. Financial Implications**

- 7.1. There are no financial or resource implications involved in the making of the Regulations.

#### **8. Section 24 of the Northern Ireland Act 1998**

- 8.1. The Regulations do not have any human rights implications, nor are they incompatible with EU law. The Regulations are therefore deemed to comply with the requirements of section 24 of the Northern Ireland Act 1998.

#### **9. EU Implications**

- 9.1. These Regulations are required to ensure that the Department can fully enforce the Cross Compliance obligations imposed by the EU Regulations.

#### **10. Parity or Replicatory Measure**

- 10.1. Similar measures will be required to enforce the EU requirements in England, Scotland and Wales.

#### **11. Additional Information**

- 11.1. Not applicable.