Draft Regulations laid before Parliament under sections 11(5) and 50(6)(a) of the Agriculture Act 2020, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2022 No.

AGRICULTURE, ENGLAND

The Direct Payments to Farmers (Reductions) (England) Regulations 2022

Made - - - -	***
Coming into force - -	***

The Secretary of State, in exercise of the powers conferred by sections 11(1) and 50(3) of the Agriculture Act 2020(**1**), makes these Regulations.

A draft of this instrument was laid before, and approved by a resolution of, each House of Parliament in accordance with sections 11(5) and 50(6)(a) of the Agriculture Act 2020.

Citation, commencement, extent and application

1.—(1) These Regulations may be cited as the Direct Payments to Farmers (Reductions) (England) Regulations 2022 and come into force on the day which falls 21 days after the day on which they are made.

(2) These Regulations extend to England and Wales but apply in relation to England only.

Amendment of Regulation (EU) No 1307/2013

2. In Regulation (EU) No 1307/2013 establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy(**2**), for Article 11A substitute—

(**1**) 2020 c. 21.

(**2**) EUR 2013/1307. Relevant amending instruments are S.I. 2020/91 and 1513 and S.I. 2021/407. EUR 2013/1307 was incorporated into domestic law by section 1 of the Direct Payments to Farmers (Legislative Continuity) Act 2020 (c. 2). Article 11A was inserted by regulation 3 of S.I. 2021/407.

"Article 11A

Progressive reductions of direct payments

The Secretary of State must reduce the amount of direct payments to be granted for the claim year 2022 to a farmer under Title III by the percentage specified in column 2 of the table below applied to the portion of the direct payment specified in column 1 of that table.

Portion of direct payment	*Claim year 2022: reduction percentage to be applied to the corresponding portion of the direct payment*
£30,000.00 or less	20%
Amounts above £30,000.00 and no more than £50,000.00	25%
Amounts above £50,000.00 and more than £150,000.00	35%
Amounts above £150,000.00	40%".

Saving

3. Notwithstanding the substitution, by regulation 2, of Article 11A of Regulation (EU) No 1307/2013 establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy, that Article, as inserted by regulation 3 of the Direct Payments to Farmers (Reductions and Simplifications) (England) (Amendment) Regulations 2021(**3**), continues to have effect for the purposes of determining any rights and liabilities to and in respect of direct payments for the claim year 2021.

Name
Minister of State
Department for Environment, Food and Rural Affairs

Date

(**3**) S.I. 2021/407.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend Regulation (EU) 1307/2013 (EUR 2013/1307) ("the Direct Payments Regulation") to make provision for and in connection with the phasing out of direct payments under the basic payment scheme in relation to England during the agricultural transition period.

Regulation 2 substitutes Article 11A of the Direct Payments Regulation in order to give effect to percentage reductions that are to be applied to direct payments granted to a farmer under the basic payment scheme for the claim year 2022. Article 11A was inserted into the Direct Payments Regulation by regulation 3 of the Direct Payments to Farmers (Reductions and Simplifications) (England) (Amendment) Regulations 2021 (S.I. 2021/407) to give effect to the first of the progressive reductions that applied to the claim year 2021.

Regulation 3 saves the effect of Article 11A of the Direct Payments Regulation, as inserted by regulation 3 of S.I. 2021/407, for the purposes of determining any outstanding rights and liabilities to and in respect of direct payments for the claim year 2021.

A full impact assessment has not been produced for this instrument as no, or no significant impact, on the private, voluntary or public sector is foreseen.