

EXPLANATORY MEMORANDUM TO
THE DIRECT PAYMENTS TO FARMERS (CROSS-COMPLIANCE) (AMENDMENT)
REGULATIONS (NORTHERN IRELAND) 2023

2023 No 210

1. Introduction

- 1.1. This Explanatory Memorandum has been prepared by the Department of Agriculture, Environment and Rural Affairs to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.
- 1.2. The Statutory Rule is made under sections 48 and 50(3)(a) of, and paragraph 5 of Schedule 6 to, the Agriculture Act 2020 and is subject to the negative resolution procedure.

2. Purpose

- 2.1 These Regulations amend S.R. 2022 No 240 The Direct Payments to Farmers (Cross-Compliance (Amendment) Regulations (Northern Ireland) 2022.
- 2.2 These Regulations also amend Article 68 (4) of retained Commission Implementing Regulation (EU) No 809/2014 with regard to the integrated administration and control system, rural development measures and cross compliance.

3. Background

- 3.1. S.R. 2022 No 240 removed the requirement, in respect of nationally funded schemes for certain repeated penalties to be treated as intentional on further repetition.
- 3.2. Regulation 2 amends Regulation 1 (2)(b) to extend this provision to all schemes for direct payment to farmers made under retained Regulation (EU) No. 1305/2013 of the European Parliament and of the Council of 17 December 2013 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and repealing Council Regulation (EC) No. 1698/2005.
- 3.3. Regulation 3 amends Regulation 2, to remove the application to direct payment schemes only.
- 3.4. Regulation 4 amends retained Commission Implementation Regulation (EU) No. 809/2014 by removing provisions at Article 68(4) regarding the frequency of on-the-spot checks.

4. Consultation

- 4.1. A focused consultation with key stakeholders was held for eight weeks from 18 September 2023 to 13 November 2023 and one response was received. The views of the consultee have been taken into account in drafting the legislation.

5. Equality Impact

- 5.1. Consideration was given to Section 75 of the Northern Ireland Act 1998 but an Equality Impact Assessment has not been prepared for these Regulations as they have no impact in terms of equality of opportunity.

6. **Regulatory Impact**

- 6.1. A Regulatory Impact Assessment has not been prepared for these Regulations as they have no impact in terms of costs on business, charities, social economy enterprises or voluntary bodies.

7. **Financial Implications**

- 7.1. None.

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

- 8.1. The Regulations remove the automatic application of intentional penalties and the requirement to increase the inspection rate when significant levels non-compliance are found within requirements or standards. They 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. None.

10. **Parity or Replicatory Measure**

- 10.1. None.

11. **Additional information**

- 11.1. None.

12. **Contact**

- 12.1. Denise Phillips at the Department of Agriculture, Environment and Rural Affairs, (Tel: 028 774 42258 or email: denise.phillips@daera-ni.gov.uk) can answer any queries.