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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations adjust the 2020 national and net ceilings for the United Kingdom set out in Annexes 2 and 3 of Regulation (EU) No. 1307/2013 of the European Parliament and of the Council of 17 December 2013 establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy to take into account decisions taken pursuant to Articles 7A and 14 of that Regulation. The net ceiling in Annex 3 is also reduced to take into account of the calculations made by each relevant authority pursuant to Article 11.

Article 14 enables the relevant authorities to make available up to 15% of their share of the national ceiling for claim year 2020 as additional support for measures under rural development. The ceilings for claim year 2020 in annexes 2 and 3 are adjusted to take the resulting decrease to the ceilings into account.

Article 7A enables the Secretary of State to decide to increase the national and net ceilings for claim year 2020 having regard to the recommendation in the report of the Bew Review. The Welsh Government is to use its allocated funding for 2020-21 arising out of the Bew Review for direct payments in claim year 2020. The ceilings in annexes 2 and 3 are adjusted to take the resulting decision to increase the ceilings into account.

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