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WELSH STATUTORY INSTRUMENTS

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**2006 No. 41**

**The Tir Cynnal (Wales) Regulations 2006**

**Withholding and recovery of aid**

**13.**—(1) Where any Tir Cynnal agreement holder, with a view to obtaining the payment of aid under these Regulations to himself or herself, or any other person, makes any statement or furnishes any information which is false or misleading, the National Assembly may withhold the whole or part of any payments of aid payable thereunder to that person or such other person and may, subject to the provisions of Articles 71 and 72 of Commission Regulation 817/2004 (which provides for recovery of wrongful payments with interest, a penalty system and exclusion for false declarations), recover the whole or part of any sums already paid by way of aid thereunder to that person or such other person.

(2) Where a Tir Cynnal agreement holder —

- (a) has failed to do something which he or she undertook to do if the aid was paid, or
- (b) is in breach of any conditions subject to which the aid was paid,

the National Assembly may withhold the whole or any part of any aid payable to that agreement holder under these Regulations and may recover the whole or any part of any aid already paid to him or her.

(3) Any dispute in any particular case as to the withholding or recovery of aid by reference to paragraph (1) or (2) above will be referred to and determined by a single arbitrator to be agreed between the parties or in default of agreement to be appointed by the President of the Royal Institution of Chartered Surveyors and in accordance with the provisions of the Arbitration Act 1996<sup>(1)</sup> or any statutory modification or re-enactment thereof for the time being in force.

(4) Where the National Assembly withholds or recovers aid under paragraph (2) above, it may also, in so far as is consequent upon Article 20(2) of the Commission Regulation (which requires Member States to determine a system of penalties which are effective, commensurate with their purpose and of adequate deterrent effect to be imposed for breaches of undertakings), require the agreement holder to pay to the National Assembly a sum equal to no more than 10% of the aid paid or payable to the agreement holder under these Regulations.

(5) Where the National Assembly takes any steps specified in paragraph (1), (2) or (4) above, it may also terminate the agreement referred to therein by giving notice of such termination to the Tir Cynnal agreement holder.

(6) Where under paragraph (5) above the National Assembly withdraws an agreement in connection with any step taken under paragraph (2) above, it may also, in so far as is consequent upon Article 20(2) of the Commission Regulation, by notice in writing to the agreement holder prohibit him or her from providing a new undertaking or entering a new agreement under an agri-environment scheme for such period (not exceeding two years) from the date of that termination as is specified in the notice.