
WELSH STATUTORY INSTRUMENTS

2020 No. 1556

**The Direct Payments to Farmers and Rural
Affairs (Miscellaneous Amendments
etc.) (Wales) (EU Exit) Regulations 2020**

PART 2

Direct Payments: Horizontal Legislation

Amendment of Regulation (EU) No. 1306/2013

2.—(1) Regulation (EU) No. 1306/2013 of the European Parliament and of the Council on the financing, management and monitoring of the common agricultural policy⁽¹⁾ is amended, insofar as it relates to direct payments, as follows.

(2) For Article 2(1)(m) substitute—

“(m) “appropriate authority” means the relevant authority for the constituent nation in which the regulations apply.”

(3) In Article 12—

(a) for “must” substitute “may”;

(b) for “shall”, in the second sentence, substitute “may”;

(c) for the third sentence substitute—

“That system may cover the maintenance of the agricultural area as referred to in point (c) of Article 4(1) of Regulation (EU) No. 1307/2013.”

(4) Omit Article 26.

(5) In Article 54—

(a) in paragraph 1, omit “within 18 months”;

(b) in paragraph 3(a)—

(i) in point (i), for “EUR 100” substitute “£100”;

(ii) in point (ii)—

(aa) for “EUR 100” substitute “£100”;

(bb) for “EUR 250” substitute “£250”.

(6) Omit Article 55.

(7) In Article 67—

(a) in paragraph 4(a), after “continuous area of land” insert “within Wales”;

(1) EUR 2013/1306, amended in relation to direct payment schemes by [S.I. 2020/90](#) and 576. EUR 2013/1306 is also amended prospectively with effect from implementation period completion day by [S.I. 2019/748](#) (as amended by [S.I. 2019/831](#)), 763 (as amended by [S.I. 2019/812](#)), 831 and 1402. However, by virtue of the amendments in the Agriculture (Payments) (Amendment, etc.) (EU Exit) Regulations 2020, these prospective amendments do not have effect in relation to direct payment schemes.

- (b) in paragraph 4(b), omit “the payment for agricultural practices beneficial for the climate and the environment referred to in Chapter 3 of Title III of Regulation (EU) No 1307/2013;”.
- (8) In Article 69—
 - (a) omit the final sentence of paragraph 1;
 - (b) omit paragraph 2.
- (9) In Article 70—
 - (a) in paragraph 1—
 - (i) omit “and, as from 2016, at a scale of 1: 5 000,”;
 - (ii) omit the second subparagraph;
 - (b) omit paragraph 2.
- (10) Omit Article 71(2).
- (11) In Article 75—
 - (a) in paragraph 1, after “calendar year” insert “or in cases where it has not been possible to complete the verification of eligibility conditions by 30 June, upon completion.”;
 - (b) in paragraph 1(a)—
 - (i) omit “but not before 16 October”;
 - (ii) after “direct payments” insert “before the verification of eligibility conditions, to be carried out by the relevant authority pursuant to Article 74, has been finalised”;
 - (c) in paragraph 2, after “paragraph 1” insert “(excluding advances for direct payments under paragraph 1(a))”.
- (12) Omit Article 77(6).
- (13) In Article 91—
 - (a) omit the second subparagraph of paragraph 2;
 - (b) in paragraph 3(a), for “the United Kingdom” substitute “Wales”.
- (14) In the title of Article 94, omit “of Member States”.
- (15) In Article 97(3), for “EUR 100” substitute “£100”.
- (16) Omit Articles 105 and 106.
- (17) Omit Article 108.
- (18) Omit the final subparagraph of Article 111(1).
- (19) In Article 112, in the first subparagraph, for the words from “the Funds” to the end, substitute “received in one year by a beneficiary is equal to or less than £1250.”
- (20) In Annex II, in the row “Landscape, minimum level of maintenance”, in the fourth column, after “measures for avoiding invasive plant species” insert—

“Restrictions on converting, ploughing or reseeding environmentally sensitive permanent grassland.”

Amendment of Commission Delegated Regulation (EU) No. 640/2014

3.—(1) Commission Delegated Regulation (EU) No. 640/2014 supplementing Regulation (EU) No. 1306/2013 of the European Parliament and of the Council with regard to the integrated administration and control system and conditions for refusal or withdrawal of payments and

administrative penalties applicable to direct payments, rural development support and cross compliance(2), is amended, insofar as it relates to direct payments, as follows.

- (2) In Article 2(1), for point (22) substitute—
 - “(22) ‘use’ in relation to area means the use of area in terms of the type of permanent grassland as defined in Article 4(1)(h) of Regulation (EU) No. 1307/2013, or areas of grassland, other than permanent grassland, or ground cover or the absence of a crop;”.
- (3) In Article 5(2)—
 - (a) omit point (c);
 - (b) in point (d), omit the words from “areas designated” to the end.
- (4) In Article 6—
 - (a) for paragraph 1 substitute—
 - “1. The relevant authority shall annually assess the quality of the identification system for agricultural parcels. Where the results of the quality assessment reveal deficiencies in the system, the relevant authority shall take appropriate remedial action.”;
 - (b) for paragraph 2 substitute—
 - “2. The relevant authority shall perform the assessment referred to in paragraph 1 on the basis of a sample of reference parcels.”;
 - (c) in paragraph 3, omit “by 31 January 2021”.
- (5) In Article 7(1), omit “at United Kingdom level”.
- (6) Omit the final subparagraph of Article 9(3).
- (7) Omit Article 10.
- (8) In Article 13—
 - (a) omit the second subparagraph of paragraph 1;
 - (b) after the final subparagraph of paragraph 1 insert—

“All documents in support of an aid application, must be submitted by 31 December of that calendar year.”;
 - (c) in the second subparagraph of paragraph 3, for “third” substitute “second”.
- (9) Omit the second subparagraph of Article 16(1).
- (10) In Article 18(2), omit “and (8)”.
- (11) In Article 19a—
 - (a) for paragraph 2 substitute—
 - “2. The administrative penalty referred to in paragraph 1 shall be reduced by 50% if the difference between the area declared and the area determined does not exceed 10% of the area determined.”;
 - (b) omit paragraphs 3 and 4.
- (12) Omit Articles 22 to 29.
- (13) Omit the final sentence of Article 38(1).

(2) EUR 2014/640, amended in relation to direct payment schemes by [S.I. 2020/90](#) and in relation to direct payment schemes in England by [S.I. 2020/551](#). EUR 2014/640 is also amended prospectively with effect from implementation period completion day by [S.I. 2019/765](#). However, by virtue of the amendments in the Agriculture (Payments) (Amendment, etc.) (EU Exit) Regulations 2020, these prospective amendments do not have effect in relation to direct payment schemes.

Amendment of Commission Implementing Regulation (EU) No. 809/2014

4.—(1) Commission Implementing Regulation (EU) No. 809/2014 laying down rules for the application of Regulation (EU) No. 1306/2013 of the European Parliament and of the Council with regard to the integrated administration and control system, rural development measures and cross compliance⁽³⁾, is amended, in so far as it relates to direct payments, as follows.

- (2) Omit Article 2.
- (3) Omit the second paragraph of Article 4.
- (4) In Article 6—
 - (a) in paragraph 2(f)(v), for “national” substitute “total”;
 - (b) omit paragraph 3(b).
- (5) In Article 14(1), omit point (h).
- (6) In Article 15—
 - (a) omit paragraph 1b;
 - (b) in paragraph 2—
 - (i) in the second subparagraph, for “Member States” substitute “the relevant authority”;
 - (ii) in the third subparagraph, omit the words from “the payment for agricultural practices” to “Regulation (EU) No 1307/2013 or”;
 - (c) omit paragraph 2b;
 - (d) in paragraph 3, omit the second subparagraph.
- (7) In Article 17—
 - (a) omit paragraph 2;
 - (b) in the second subparagraph of paragraph 4, omit the final sentence;
 - (c) for paragraph 5 substitute—

“5. The beneficiary shall unambiguously identify and declare the area of each agricultural parcel.”;
 - (d) omit paragraph 6.
- (8) Omit Article 18.
- (9) In Article 25, omit “and shall not exceed 14 days”.
- (10) Omit Article 26(4).
- (11) Omit the second and third paragraphs of Article 27.
- (12) In Article 29(1)(d), for “(6)” substitute “(4)”.
- (13) In the heading of Article 30, omit “other than the payment for agricultural practices beneficial for the climate and environment”.
- (14) For Article 30 substitute—

“For area-related aid schemes the control sample for on-the-spot checks carried out each year shall cover at least:

(3) EUR 2014/809, amended in relation to direct payment schemes by [S.I. 2020/90](#) and 576. EUR 2014/809 is also amended in relation to direct payment schemes in England by [S.I. 2020/510](#) and 575. EUR 2014/809 is also amended prospectively with effect from implementation period completion day by [S.I. 2019/765](#). However, by virtue of the amendments in the Agriculture (Payments) (Amendment, etc.) (EU Exit) Regulations 2020, these prospective amendments do not have effect in relation to direct payment schemes.

- (a) 3% of all beneficiaries applying for the basic payment scheme in accordance with Title III of Regulation (EU) No. 1307/2013 (which includes the redistributive payment, and the payment for young farmers); and
 - (b) 5% of all beneficiaries applying for area-related payments under voluntary coupled support in accordance with Chapter 1 of Title IV of Regulation (EU) No 1307/2013.”
- (15) Omit Article 31.
- (16) For Article 33 substitute—
- “For animal aid schemes, the control sample for on-the-spot checks carried out each year shall for each of the aid schemes cover at least 5% of all beneficiaries applying for that respective aid scheme.”
- (17) Omit Article 33a.
- (18) In Article 34—
- (a) for paragraph 2 substitute—
 - “2. For the purposes of Article 30, the sample selection shall ensure that:
 - (a) a proportion of the control population is selected randomly;
 - (b) the remaining number of beneficiaries in the control sample is selected on the basis of a risk analysis.”;
 - (b) omit paragraphs 3, 4 and 4a;
 - (c) in paragraph 5—
 - (i) for “shall” substitute “may”;
 - (ii) in point (d), after “that” insert “may”.
- (19) In Article 36—
- (a) in paragraph 2—
 - (i) omit “and (b)”;
 - (ii) for “3%” substitute “1%”;
 - (b) in paragraph 3—
 - (i) omit “and (b)”;
 - (ii) omit the second, third and fourth subparagraphs;
 - (c) in paragraph 5—
 - (i) for “2, 3 and 4” substitute “2 and 3”;
 - (ii) omit “and (b)”.
- (20) Omit Article 37(3).
- (21) In Article 38—
- (a) omit the final sentence in paragraph 5;
 - (b) omit paragraph 6;
 - (c) omit paragraph 9;
 - (d) in paragraph 10, omit “or permanent pastures”.
- (22) In Article 39—
- (a) omit the first sentence of paragraph 2;
 - (b) omit paragraph 3.
- (23) Omit Article 40a.
- (24) In Article 41—

- (a) omit the final subparagraph of paragraph 1;
- (b) in the final subparagraph of paragraph 2—
 - (i) omit “or by means of monitoring in accordance with Article 40a,”;
 - (ii) omit “or by monitoring” in both places that it occurs;
 - (iii) omit the final sentence.
- (25) In Article 42(1), in the second subparagraph—
 - (a) omit “at least 50% of”;
 - (b) for “shall”, in both places that it occurs, substitute “may”.
- (26) Omit Article 44.
- (27) In Article 68—
 - (a) in paragraph 1—
 - (i) in the first subparagraph, omit “, as it has effect in EU law”;
 - (ii) omit the second subparagraph;
 - (b) in paragraph 4, for “shall” substitute “may”.
- (28) In Article 69(1), omit the final sentence of the first subparagraph.
- (29) In Article 70—
 - (a) in paragraph 3, omit the words from “or by using” to “equivalent value”;
 - (b) omit paragraph 4.
- (30) Omit Articles 70a and 70b.
- (31) In Article 72—
 - (a) omit the final subparagraph of paragraph 1;
 - (b) in paragraph 2, omit “checked by monitoring in accordance with Article 70a,”;
 - (c) in paragraph 3, omit the final sentence in the first subparagraph;
 - (d) in paragraph 4, omit the second sentence of the first subparagraph.

Amendment of Commission Delegated Regulation (EU) No. 907/2014

5. In Commission Delegated Regulation (EU) No. 907/2014 of 11 March 2014 supplementing Regulation (EU) No. 1306/2013 of the European Parliament and of the Council with regard to paying agencies and other bodies, financial management, clearance of accounts, securities and use of euro⁽⁴⁾, omit Article 11, insofar as it relates to direct payments.

Amendment of Commission Implementing Regulation (EU) No. 908/2014

6.—(1) Commission Implementing Regulation (EU) No. 908/2014 laying down rules for the application of Regulation (EU) No. 1306/2013 of the European Parliament and of the Council with regard to paying agencies and other bodies, financial management, clearance of accounts, rules on checks, securities and transparency⁽⁵⁾ is amended, insofar as it relates to direct payments, as follows.

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- (4) EUR 2014/907, amended in relation to direct payment schemes by [S.I. 2020/90](#). EUR 2014/907 is also amended prospectively with effect from implementation period completion day by [S.I. 2019/765](#). However, by virtue of the amendments in the Agriculture (Payments) (Amendment, etc.) (EU Exit) Regulations 2020, these prospective amendments do not have effect in relation to direct payment schemes.
 - (5) EUR 2014/908, amended in relation to direct payment schemes by [S.I. 2020/90](#). EUR 2014/908 is also amended prospectively with effect from implementation period completion day by [S.I. 2019/765](#). However, by virtue of the amendments in the Agriculture (Payments) (Amendment, etc.) (EU Exit) Regulations 2020, these prospective amendments do not have effect in relation to direct payment schemes.

- (2) In Article 4(1)—
 - (a) omit point (i);
 - (b) in point (ii), omit “on a single website”.
- (3) Omit Article 11.
- (4) In Article 27(1), for “EUR 5” substitute “£5.00”.
- (5) In Article 28—
 - (a) omit “established in accordance with national law”;
 - (b) omit the words from “under direct” to “Development”.
- (6) For Article 41(1) substitute—

“1. The relevant authorities may decide to reduce the minimum level of on-the-spot checks in accordance with Article 59(5) of Regulation (EU) No 1306/2013. For the reduced control rate to apply, the paying agency must confirm that—

 - (a) the internal control system is functioning correctly; and
 - (b) the error rate for the population concerned was below the materiality threshold of 2.0%.”
- (7) In Article 58, for “third” substitute “second”.
- (8) Omit Article 62.