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WELSH STATUTORY INSTRUMENTS

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**2021 No. 400**

**The Agricultural Support (Miscellaneous Amendments) (Wales) (EU Exit) Regulations 2021**

**PART 3**

**Rural Development: Retained Direct Legislation**

**Amendment of Regulation (EU) No. 1303/2013 of the European Parliament and of the Council of 17 December 2013**

**6.—**(1) Regulation (EU) No. 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EU) No 1083/2006<sup>(1)</sup>, is amended, insofar as it relates to domestic support for rural development, as follows.

(2) For Article 1 substitute—

*“Article 1*

*Subject-matter*

This Regulation lays down the common rules applicable to support for rural development.”

(3) In Article 2—

- (a) omit paragraph 4;
- (b) omit paragraph 5;
- (c) in paragraph 10—
  - (i) omit point (a);
  - (ii) in point (b), omit “or the fund of funds as appropriate”;
- (d) omit paragraph 13;
- (e) omit paragraph 15;
- (f) omit paragraph 21;
- (g) in paragraph 26, omit “point (c) of Article 42(1), Article 42(2), Article 42(3) and”;
- (h) omit paragraphs 27, 28, 29, 30 and 33;
- (i) omit paragraphs 38, 39 and 42.

(4) In Article 4—

- (a) in paragraph 1, omit “Fund-specific”;

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(1) EUR 2013/1303, amended by [2019/785](#), [2018/1046](#), [2019/785](#), [2019/748](#), and [2019/1422](#).

- (b) in paragraph 2—
    - (i) omit “, taking account of the specific context of each constituent nation,”;
    - (ii) omit “and direct payment support”;
  - (c) in paragraph 4—
    - (i) omit “, in partnership with the relevant partners referred to in Article 5,”;
    - (ii) omit “and the Fund-specific rules”;
  - (d) in paragraph 9, for “the relevant authority” substitute “The relevant authority”;
  - (e) in paragraph 10, for “the relevant authority” substitute “The relevant authority”.
- (5) Omit Article 5.
- (6) For Article 8(2) substitute—
- “2. The relevant authority must ensure that the environmental protection requirements, resource efficiency, climate change mitigation and adaptation, biodiversity, disaster resilience, and risk prevention and management are promoted in the preparation and implementation of programmes.
- The appropriate authority may make regulations setting out uniform conditions for support for rural development.”
- (7) Omit Title II.
- (8) Omit Chapter I of Title III.
- (9) In Article 32—
- (a) for paragraph 1 substitute—
 

“1. Support for rural development must be provided by the relevant authority for community-led local development. For the purposes of this Chapter, “the support concerned” means support for rural development.”;
  - (b) in paragraph 5, omit “Fund-specific”.
- (10) In Article 34(3), omit “in accordance with the Fund-specific rules” in the final subparagraph.
- (11) In Article 35(2), omit “public”.
- (12) In Article 37—
- (a) omit “ex ante” in each place it occurs;
  - (b) in paragraph 1—
    - (i) omit “, including when organised through fund of funds,”;
    - (ii) omit “, the bodies implementing funds of funds,”;
  - (c) in paragraph 2, in point (a), omit “and thematic objectives”;
  - (d) in paragraph 3, omit the final subparagraph;
  - (e) in paragraph 4—
    - (i) in the first subparagraph—
      - (aa) omit “, including SMEs”;
      - (bb) omit “in accordance with the Fund-specific rules”;
    - (ii) in the second subparagraph, for “SMEs” substitute “businesses”;
  - (f) in paragraph 9, for “paragraphs 7 and 8” substitute “paragraph 7”;
  - (g) in paragraph 11, for “paragraphs 7 and 8” substitute “paragraph 7”.
- (13) In Article 38—

- (a) omit paragraph 5;
  - (b) in paragraph 7—
    - (i) omit point (a);
    - (ii) in point (b), omit “, or where applicable, the body that implements the fund of funds,”;
  - (c) omit paragraph 8;
  - (d) in paragraph 9—
    - (i) omit “fund of funds, at the level of the”;
    - (ii) omit “Fund-specific”;
  - (e) in paragraph 10, omit “and in Article 39a(5)”.
- (14) In Article 40—
- (a) in paragraph 1—
    - (i) in the first subparagraph—
      - (aa) for “authorities designated” substitute “designated authorities”;
      - (bb) omit “in accordance with Article 65 of the Regulation (EU) No 1305/2013”;
    - (ii) in the third subparagraph, omit “as set out in Article 46(1) and (2) of this Regulation”;
    - (iii) omit the fourth and fifth subparagraphs;
  - (b) in paragraph 2, for “Without prejudice to Article 127 of this Regulation and Article 9 of Regulation (EU) No 1306/2013, the” substitute “The”;
  - (c) omit paragraph 5A.
- (15) In Article 41—
- (a) in paragraph 1—
    - (i) in the first subparagraph, omit “during the eligibility period laid down in Article 65(2) (the ‘eligibility period’)”;
    - (ii) for point (a) substitute—
      - “(a) the amount of the programme contribution paid to the financial instrument included in each application for interim payment shall not exceed 25% of the total amount of programme contributions committed to the financial instrument under the relevant funding agreement;”;
    - (iii) in point (b), omit the words from “, or at the level of final recipients” to the end;
    - (iv) omit point (c);
    - (v) in point (d), omit “and the amounts paid as eligible expenditure within the meaning of points (a), (b) and (d) of Article 42(1)”;
    - (vi) omit the second subparagraph;
  - (b) omit paragraph 2.
- (16) Omit Article 42.
- (17) In Article 43, for paragraph 2 substitute—
- “**2.** Interest and other gains attributable to support for rural development paid to financial instruments shall be used for the same purposes, including the reimbursement of management costs incurred or payment of management fees of the financial instrument as the initial support for rural development either within the same financial instrument or, following the winding up of the financial instrument, in other financial instruments or forms

of support in accordance with the specific objectives set out under a priority, until the end of the eligibility period.”

(18) In Article 44, for the heading substitute “Re-use of resources attributable to the support for rural development”.

(19) In Article 45—

- (a) for the heading substitute “Re-use of resources”;
- (b) omit “after the end of the eligibility period”;
- (c) omit “or programmes”.

(20) Omit Articles 46 to 59.

(21) In Article 61—

- (a) in paragraph 3, in the third subparagraph, omit “, including subsectors for sectors in Annex V, falling under the thematic objectives defined in the first paragraph of Article 9 and funded by support for rural development”;
- (b) omit paragraph 5;
- (c) in paragraph 6—
  - (i) for “paragraphs 3 or 5” substitute “paragraph 3”;
  - (ii) omit “, or by the deadline for the submission of documents for programme closure fixed in the Fund-Specific rules, whichever is the earlier.”;
- (d) in paragraph 7—
  - (i) in point (b), for “EUR 1000 000” substitute “£1,000,000”;
  - (ii) omit point (d);
  - (iii) omit point (h);
  - (iv) omit the final subparagraph.

(22) For the heading of Chapter II of Title VII substitute “Special rules on support to PPPs”.

(23) In Article 64(1), omit “, by way of derogation from Article 65(2).”.

(24) In Article 65—

- (a) in paragraph 1, for “Fund-specific” substitute “rural development”;
- (b) omit paragraph 2;
- (c) omit paragraph 4;
- (d) in paragraph 8—
  - (i) omit point (a);
  - (ii) in point (f), omit “ex ante”;
  - (iii) in point (g), omit “ex ante”;
  - (iv) omit point (h);
- (e) in paragraph 9, omit the final subparagraph;
- (f) in paragraph 10, omit the final subparagraph;
- (g) in paragraph 11, omit “or direct payment support”.

(25) In Article 66, omit “, or to another competent authority.”.

(26) In Article 67—

- (a) in paragraph 1, for the second subparagraph substitute—

- “Rules may limit the forms of grants or repayable assistance applicable to certain operations.”;
- (b) omit paragraph 2;
  - (c) in paragraph 5—
    - (i) in point (aa)—
      - (aa) omit “ex ante”;
      - (bb) for “EUR 100 000” substitute “£100 000”;
    - (ii) in point (d), omit “or the Fund-specific rules”;
    - (iii) in point (e), omit “in accordance with Fund-specific rules”.
- (27) In Article 68a(1)—
- (i) for “the relevant authority” substitute “The relevant authority”;
  - (ii) for “point (a) of Article 4 of [Directive 2014/24/EU](#)” substitute “regulation 5 of the Public Contracts Regulations 2015(2)”.
- (28) In Article 70—
- (a) in paragraph 1—
    - (i) omit “and the Fund-specific rules”;
    - (ii) omit the final subparagraph;
  - (b) in paragraph 2, omit point (c);
  - (c) in paragraph 3—
    - (i) omit “technical assistance or”;
    - (ii) omit “, and for operations concerning the thematic objective referred to in point (1) of the first paragraph of Article 9,”.
- (29) In Article 71—
- (a) in paragraph 1—
    - (i) for the first subparagraph substitute—

“An operation comprising investment in infrastructure or productive investment shall repay the contribution from support for rural development if within five years of the final payment to the beneficiary it is subject to any of the following.”;
    - (ii) omit the final subparagraph;
  - (b) for paragraph 2 substitute—

“2. An operation comprising investment in infrastructure or productive investment shall repay the contribution from support for rural development if within 10 years of the final payment to the beneficiary the productive activity is subject to relocation outside the United Kingdom and its territorial sea.”;
  - (c) in paragraph 4, for “Paragraphs 1, 2 and 3” substitute “Paragraphs 1 and 2”.
- (30) Omit Chapters I and II of Title IX.
- (31) In Article 125(2), omit points (a) and (b).
- (32) In Article 127(1)—
- (a) omit “for an accounting year”;
  - (b) omit “during an accounting year” in each place it occurs.

- (33) In Article 132—
  - (a) in paragraph 1, omit “public”;
  - (b) omit paragraph 2(a).
- (34) Omit Article 154.
- (35) Omit Annex I.
- (36) In Annex IV—
  - (a) in paragraph 1—
    - (i) omit point (d);
    - (ii) in point (e), omit “(and at the level of the fund of funds where appropriate)”;
    - (iii) in point (k), omit “, including the fund of funds where applicable”;
    - (iv) omit the final subparagraph;
  - (b) omit paragraph 2.
- (37) Omit Annex XI.