Draft Regulations laid before Parliament under paragraph 1(1) of Schedule 7 to the European Union (Withdrawal) Act 2018, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2022 No.0000

AGRICULTURE

The Common Agricultural Policy (Cross-Compliance Exemptions and Transitional Regulation) (Amendment) (EU Exit) Regulations 2022

Made - - - -	***
Coming into force - -	***

The Secretary of State, in exercise of the powers conferred by section 8(1) of, and paragraph 21 of Schedule 7 to, the European Union (Withdrawal) Act 2018(**1**), makes the following Regulations.

A draft of this instrument was laid before, and approved by a resolution of, each House of Parliament in accordance with paragraph 1(1) of Schedule 7 to that Act.

Citation, commencement, extent and application

1.—(1) These Regulations may be cited as the Common Agricultural Policy (Cross-Compliance Exemptions and Transitional Regulation) (Amendment) (EU Exit) Regulations 2022.

(2) These Regulations come into force on the day after the day on which they are made.

(3) These Regulations extend to the United Kingdom and, except as provided in paragraphs (4) and (5), apply in relation to England and Northern Ireland only.

(4) Regulation 2 applies in relation to England only.

(5) This regulation and regulation 4 apply in relation to the whole of the United Kingdom.

Amendment of paragraph 1 of Schedule 3 to the Common Agricultural Policy (Control and Enforcement, Cross-Compliance, Scrutiny of Transactions and Appeals) Regulations 2014

2. In paragraph 1 of Schedule 3 to the Common Agricultural Policy (Control and Enforcement, Cross-Compliance, Scrutiny of Transactions and Appeals) Regulations 2014(**2**), after sub-paragraph (a) insert—

(**1**) 2018 c. 16. Section 8 was amended by section 27 of the European Union (Withdrawal Agreement) Act 2020 (c. 1).and paragraph 21 of Schedule 7 was amended by paragraphs 53(2)(a) and (b) of Schedule 5 to that Act.

(**2**) S.I. 2014/3263.

"(aa) an agreement entered into by virtue of regulations made under section 98 of the Environment Act 1995(**3**); or

(ab) an agreement entered into as a condition for the receipt of financial assistance under section 1 of the Agriculture Act 2020(**4**);".

Amendment of Regulation (EU) No 1305/2013

3.—(1) 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(**5**) is amended as follows.

(2) In paragraph 1 of Article 8, in point (h)(ii), omit ", for the type of operation referred to in Article 38(3) and Article 39(1) when a Member State applies a percentage less than 30%,".

(3) In Article 28, in paragraph 5, omit the words from "For new commitments to be undertaken from 2021" to the end.

(4) In Article 29, in paragraph 3, omit the words from "For new commitments to be undertaken from 2021" to the end.

(5) In Article 31, in paragraph 5, for the second subparagraph substitute—

"By way of derogation from the first subparagraph, where degressive payments start only in the year 2019, those payments shall start at no more than 80% of the average payment fixed in the 2014-2020 programming period. The payment level shall be established in such a way that the end-level in 2020 is half the starting level.".

(6) In Article 33, in paragraph 2, omit the words from "For new commitments to be undertaken as from 2021" to the end.

(7) In Article 38, in paragraph 3, omit the final sentence of the second subparagraph.

(8) In Article 39, in paragraph 1, omit the final sentence.

(9) In Article 42, in paragraph 1, after "Article 34 of Regulation (EU) No 1303/2013" omit "and in Article 4 of Regulation (EU) 2020/2220".

(10) In Article 51, in paragraph 2, omit the fourth subparagraph.

(11) In Article 58, in paragraph 7, after "paragraphs 5 and 6 of this Article" omit "and the transfers resulting from the application of Article 1 of Regulation (EU) 2020/2220".

(12) In Article 59—

(a) for paragraph 5 substitute—

"**5.** At least 5% of the total core contribution to the rural development programme shall be reserved for LEADER.";

(b) in paragraph 6a, omit "for the years 2014-2020 as provided for in Part One of Annex I".

(13) In Article 75, in paragraph 1, for "2026" substitute "2024".

(14) In Annex II, in the table—

(a) in the fourth column of the entry for Article 17(3)—

(i) in row 6, for the words from "The above rates may be increased" to "combined support does not exceed 90%, for:" substitute—

(**3**) 1995 c. 25. Subsection (1) of section 98 was amended by S.I.1999/1820, Schedule 2, paragraph 120(7).
(**4**) 2020 c. 21.
(**5**) EUR 2013/1305. Relevant amendments were made by S.I. 2019/748 and 764 and S.I. 2021/400 and SSI. 2020/456 and 477 and SSI. 2021/33.