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## EXPLANATORY NOTE

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

These Regulations consolidate with amendments the Hill Livestock (Compensatory Allowances) Regulations (Northern Ireland) 1994, as amended. They comply with Council Directive 75/268/EEC on mountain and hill farming and farming in less-favoured areas, as amended by Council Directive 80/666/EEC and Council Directive 82/786/EEC and with Articles 17 to 19 of Council Regulation (EEC) No. 2328/91 on improving the efficiency of agricultural structures, as amended by Council Regulation (EEC) No. 870/93, Council Regulation (EEC) No. 1992/93 and Council Regulation (EEC) No. 3669/93. The Regulations also make provision for the administration and enforcement of provisions for payment of compensatory allowances contained in Commission Regulation (EEC) No. 3887/92 laying down detailed rules for applying the integrated administration and control system for certain community aid schemes.

The Regulations provide for the payment of a specified annual compensatory allowance for certain breeding cattle and sheep (*regulation 3*).

The Regulations impose detailed provisions relating to the payment of allowances for breeding cattle and sheep (*regulations 4 and 5*).

Provision is made enabling animals which are subject to a claim to be replaced (*regulation 6*).

Penalties for over-grazing are specified (*regulation 7*).

Regulation 8 makes provision for the making of claims for compensatory allowances.

Regulations 9 and 10 provide for enforcement powers.

Regulation 11 makes provision relating to retirement pensioners.

Regulation 12 provides for the withholding and recovery of compensatory allowances.

Regulation 13 determines the applicable rate of interest for allowances wrongly paid under these Regulations but recovered under Commission Regulation (EEC) No. 3887/92.

Regulations 14 to 17 relate to prosecutions.

Regulation 15 relates to the punishment of offences. It provides that a person guilty of an offence under Regulation 14(a) or (b) shall be liable on summary conviction to a fine not exceeding level 3 on the standard scale (currently £1,000). It also provides that a person guilty of an offence under Regulation 14(c) shall be liable on summary conviction to a fine not exceeding level 5 on the standard scale (currently £5,000).

The principal changes effected by these Regulations are—

- (a) the definition of “ewe” in regulation 2(2) now provides for the animal concerned to be at least 1 year old on 1st January in the Scheme year in question;
- (b) the definitions of “qualified flock” and “regular breeding herd” in regulation 2(2) now require the animals concerned usually to be kept on a production unit which includes disadvantaged land or severely disadvantaged land;
- (c) entitlement to an allowance (as specified in regulation 3(1)) is now based on the number of ewes or as the case may be breeding cows owned or leased by the producer throughout the retention period for those animals, as defined in regulation 2(3);
- (d) there is now included a provision, regulation 6, allowing animals to be replaced during the retention period.