EXPLANATORY NOTE

[F1(This note is not part of the Regulations.)

These Regulations, which come into operation on 21st August 2008, supplement in respect of Northern Ireland the Community legislation listed in the Schedule to the Regulations ("the Community legislation"). The Community legislation inter alia provides for support to be paid from the European Agricultural Fund for Rural Development ("Community support") towards investments which contribute to the competitiveness of farm and horticulture businesses in Northern Ireland

They also implement Article 74(1) of Council Regulation No. 1698/2005 (O.J. No. L277, 21.10.2005, p. 1) ("the Rural Development Regulation") and Article 9(1) of Council Regulation (EC) No.1290/2005 (O.J. No. L209, 11.8.2005, p. 1), which requires Member States to adopt legislative and administrative provisions to ensure that the Community financial interests in relation to expenditure on rural development are effectively protected.

The Regulations operate within the scope of these provisions by enabling Community support to be paid by the Department of Agriculture and Rural Development ("the Department") or its agent in respect of any expenditure it has approved. Such expenditure may be approved if it is eligible for assistance under the Community legislation and is expenditure for which support may be granted pursuant to Articles 20(a)(i) of Council Regulation (EC) No. 1698/2005 (regulations 3 to 5).

The Regulations also provide for the making of claims for, and the payment of, grants following approval (regulations 6 and 7) and also contain provisions creating obligations on those in receipt of grants concerning the provision of information (regulation 8) and record-keeping (regulation 9).

In addition the Regulations confer powers of entry on certain authorised persons, including Officials of the Commission (regulation 10), introduce a system of penalties to be imposed in the event of a breach of obligations by granting the Department various powers to take action, up to and including termination of approval in the event of breaches of the conditions of an approval and in a number of other cases (regulations 11 to 13), provide power to recover interest on sums recovered and that these be to classify sums recovered as a debt (regulations 14 and 15), provide that an agent shall comply with any directions of the Department (regulation 16), provide the Department with power to take action should any agent breach any condition of his authorisation (regulation 17), provide the Department with powers of set-off (regulation 18) and create offences in respect of the furnishing of false information for the purpose of obtaining financial assistance and in respect of obstruction (regulation 19).]

Changes to legislation:
There are currently no known outstanding effects for the Farm Modernisation Programme Regulations (Northern Ireland) 2008.