STATUTORY INSTRUMENTS

2000 No. 3127

AGRICULTURE

The Common Agricultural Policy Support Schemes (Modulation) Regulations 2000

Made	23rd November 2000
Laid before Parliament	4th December 2000
Coming into force	1st January 2001

The Minister of Agriculture, Fisheries and Food, being a Minister designated(a) for the purposes of section 2(2) of the European Communities Act 1972(b) in relation to the common agricultural policy of the European Community, in exercise of the powers conferred on him by the said section 2(2) and of all other powers enabling him in that behalf, hereby makes the following Regulations:

Title and commencement

1. These Regulations may be cited as the Common Agricultural Policy Support Schemes (Modulation) Regulations 2000 and shall come into force on 1st January 2001.

Application

2.—(1) Subject to paragraph (2), these Regulations shall apply to England.

(2) In relation to payments to a farmer under any IACS support scheme, these Regulations shall apply, and shall apply only, in so far as the Minister is the relevant competent authority in relation to the farmer's holding.

Interpretation

3.—(1) In these Regulations—

"agrimonetary compensation" means a payment made pursuant to Article 4 or 5 of the Agrimonetary Regulation by way of supplement to a payment ("the principal payment") made pursuant to a support scheme;

"the Agrimonetary Regulation" means Council Regulation (EC) No. 2799/98 establishing agrimonetary arrangements for the euro(c);

"Board schemes" means support schemes in relation to which the Intervention Board is responsible for making payments;

"the Council Regulation" means Council Regulation (EC) No. 1259/1999(**d**) establishing common rules for direct support schemes under the common agricultural policy of the European Community;

⁽a) S.I. 1972/1811. The power of the Minister of Agriculture, Fisheries and Food to make, as a Minister designated in relation to the common agricultural policy of the European Community, Regulations which extend to Scotland is preserved by section 57(1) of the Scotland Act 1998 (c. 46); and his power to make Regulations which extend to Wales is confirmed by article 3(4) of the European Communities (Designation) (No. 3) Order 1999 (S.I. 1999/2788).

⁽**b**) 1972 c. 68.

⁽c) OJ No. L349, 24.12.98, p.1.

⁽**d**) OJ No. L160, 26.6.1999, p.113.

"Council Regulation 3508/92" means Council Regulation (EEC) No. 3508/92 establishing an integrated administration and control system for certain Community aid schemes(**a**); "farmer" has the meaning given to it by Article 1(4) of Council Regulation 3508/92; "holding" has the meaning given to it by Article 1(4) of Council Regulation 3508/92; "IACS support scheme" means—

- (a) any support scheme specified in Article 1 of Council Regulation 3508/92, as that scheme has effect at the date on which these Regulations are made;
- (b) any scheme providing for LFA supplements; and
- (c) any scheme for the payment of aid by way of agrimonetary compensation;

"Intervention Board" means the Intervention Board for Agricultural Produce established under section 6(1) of the European Communities Act 1972;

"LFA supplement" means a payment made under Council Regulation (EEC) No. 1323/ 90 instituting specific aid for sheep and goat farming in certain less-favoured areas of the Community(**b**), by way of supplement to a payment of premium made to a producer of sheepmeat or goatmeat;

"the Minister" means the Minister of Agriculture, Fisheries and Food;

"the relevant amount" means any amount which, if regulation 4 did not apply, would be payable by the Minister or, as the case may be, the Intervention Board pursuant to the support scheme in question;

"relevant competent authority" means the authority which is the relevant competent authority within the meaning of the Integrated Administration and Control System Regulations 1993(c);

"relevant purposes" means the purposes of any payment made pursuant to any measure which implements any provision of Articles 13 to 24 (inclusive) or Article 31 of the Rural Development Regulation;

"relevant scheme year" means the scheme year beginning in 2001 or in any subsequent year up to and including 2006;

"the Rural Development Regulation" means Council Regulation (EC) No. 1257/1999(**d**) on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF) and amending and repealing certain Regulations;

"scheme year" means the twelve months in respect of which payments are made pursuant to the support scheme in question; and

"support scheme" means any support scheme listed in the Annex to the Council Regulation.

(2) For the purposes of these Regulations, a payment is made pursuant to a support scheme if—

- (a) it is made in accordance with the requirements of that scheme; or
- (b) in so far as it is financed by the Guarantee section of the European Guidance and Guarantee Fund, it is made pursuant to any determination made by the Minister in implementation of that scheme.

Modulation of support scheme payments

4.—(1) For the purposes of calculating the amount of any payment to which any person is entitled pursuant to any support scheme in respect of a relevant scheme year, the Minister or (in the case of payments under Board schemes) the Intervention Board shall deduct from the relevant amount the specified proportion of that amount, and shall apply the sum so deducted by way of funds for one or more of the relevant purposes.

(2) For the purposes of paragraph (1), a payment of agrimonetary compensation shall be treated as made in respect of the scheme year in respect of which the principal payment which it supplements was made.

- (3) In this regulation, "the specified proportion" means—
 - (a) in respect of the scheme year which begins in 2001, 2.5%;

⁽a) OJ No. L355, 5.12.92, p.1, last amended by Council Regulation (EC) No. 1593/2000 (OJ No. L182, 21.7.2000, p.4).

⁽b) OJ No. L132, 23.5.90, p.17.

⁽c) S.I. 1993/1317, amended by S.I. 1994/1134, 1997/1148, 1999/1820 and 2000/2573.

⁽d) OJ No. L160, 26.6.1999, p.80.

- (b) in respect of the scheme year which begins in 2002, 3.0%;
- (c) in respect of the scheme year which begins in 2003 and that which begins in 2004, 3.5%; and
- (d) in respect of the scheme year which begins in 2005 and that which begins in 2006, 4.5%.

23rd November 2000

Joyce Quinn Minister of State, Ministry of Agriculture, Fisheries and Food

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations, which come into force on 1st January 2001, implement Articles 4 and 5 of Council Regulation (EC) No. 1259 establishing common rules for direct support schemes under the common agricultural policy of the European Community (OJ No. L160, 26.6.1999, p.113) ("the Council Regulation").

They apply to England, save that, in relation to payments under an IACS support scheme, they apply in so far as the Minister of Agriculture, Fisheries and Food is the "relevant competent authority" within the meaning of the Integrated Administration and Control System Regulations 1993 (S.I. 1993/1317, as last amended by S.I. 2000/2573).

Article 4 of the Council Regulation permits member States to reduce the amounts of payments under the support schemes listed in the Annex to that Regulation where (*inter alia*) the total amounts of payments granted under such support schemes in respect of a calendar year exceed limits to be decided by the member State in question. In the United Kingdom that limit has been set at nil, and the reduction is therefore applicable in relation to all payments under the specified support schemes. The amounts by which such payments are reduced are required to be made available as additional Community support for any of the rural development measures specified in Article 5(2) of the Council Regulation, in so far as they apply in the member State concerned.

These Regulations accordingly require the Minister of Agriculture, Fisheries and Food or, as the case may be, the Intervention Board to deduct a specified proportion (2.5%) in the year 2001, 3.0% in the year 2002, 3.5% in the years 2003 and 2004, 4.5% in the years 2005 and 2006) from any payment he (or it) makes pursuant to any of the said support schemes, the amounts thus deducted to be applied in accordance with the said Article 5(2) (*regulation 4*).

No Regulatory Impact Assessment has been prepared in respect of these Regulations.

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