

2020 No. 91

AGRICULTURE

**The Rules for Direct Payments to Farmers (Amendment)
Regulations 2020**

Approved by both Houses of Parliament

Made - - - - 30th January 2020

Laid before Parliament 31st January 2020

Coming into force in accordance with regulation 1(2)

The Secretary of State makes these Regulations in exercise of the powers conferred by sections 3(1), (7) and (9) of the Direct Payments to Farmers (Legislative Continuity) Act 2020^(a), and in accordance with paragraph 1(2) of Schedule 5 to the European Union (Withdrawal Agreement) Act 2020^(b).

PART 1

Introductory

Citation, commencement, application and extent

1.—(1) These Regulations may be cited as the Rules for Direct Payments to Farmers (Amendment) Regulations 2020.

(2) These Regulations come into force on exit day and paragraph 1(1) of Schedule 5 to the European Union (Withdrawal Agreement) Act 2020 does not apply.

(3) Subject to paragraph 4, these Regulations extend to the United Kingdom.

(4) Regulation 25 extends to England and Wales and applies in England only.

PART 2

Amendment of Regulation (EU) 1307/2013

Amendment of Regulation (EU) No 1307/2013

2. Regulation (EU) No 1307/2013 of the European Parliament and of the Council of 17 December 2013 establishing rules for direct payments to farmers under support schemes within

(a) 2020 c.2.

(b) 2020 c.1.

the framework of the common agricultural policy is amended in accordance with Regulations 3 to 8.

Amendment of Title 1 (Scope and definitions)

3.—(1) In Article 1, in point (b)—

- (a) in point (i), omit “and a transitional” to the end;
- (b) omit points (ii), (v), (viii), (ix) and (x).

(2) In Article 2, for the words from “Commission” to “Article 70” substitute “appropriate authority may make regulations”.

(3) Omit Article 3.

(4) In the first subparagraph of Article 4(1)—

- (a) in point (a)—
 - (i) omit “by national law”;
 - (ii) for the words from “territorial” to “TFEU” substitute “United Kingdom”;
- (b) in point (b), for “territory of the same Member State” substitute “United Kingdom”;
- (c) in point (c)—
 - (i) in point (ii), for the words from “Member States” to “Commission” substitute “the relevant authority on the basis of the framework set out in Article 4 of Regulation (EU) 639/2014”;
 - (ii) in point (iii) for “Member States” substitute “the relevant authority”;
- (d) in point (d), omit “as well as cotton”;
- (e) in point (h)—
 - (i) for “as well as, where Member States so decide”, substitute “and, where the relevant authority so decides”;
 - (ii) for “Member States so decide”, in the second place it occurs, substitute “the relevant authority so decides”;
 - (iii) for “Member States”, in the last place it occurs, substitute “The relevant authority”;
- (f) in point (i), for “Member State” substitute “United Kingdom”;
- (g) in point (k)—
 - (i) omit “of CN code 0602 90 41”;
 - (ii) omit “to be” in both places it occurs;
 - (iii) for “Member States”, in the first place it occurs, substitute “the relevant authority”;
 - (iv) for “Member States”, in the second place it occurs, substitute “relevant authority”;
- (h) after point (n) insert—
 - “(o) “constituent nation” means England, Wales, Scotland or Northern Ireland, as the case may be;
 - (p) “national reserve” means a reserve established by the relevant authority at the level of the constituent nation;
 - (q) “regional reserves” means reserves established by the relevant authority at regional level;
 - (r) “relevant authority” means—
 - (i) in relation to England, the Secretary of State;
 - (ii) in relation to Wales, the Welsh Ministers;
 - (iii) in relation to Scotland, the Scottish Ministers;
 - (iv) in relation to Northern Ireland, the Department of Agriculture, Environment and Rural Affairs;

- (s) “appropriate authority” means—
 - (i) the relevant authority for the constituent nation in which the regulations apply, or
 - (ii) the Secretary of State:
 - (aa) in relation to regulations applying in Scotland, if consent is given by the Scottish Ministers;
 - (bb) in relation to regulations applying in Northern Ireland, if consent is given by the Department of Agriculture, Environment and Rural Affairs.”;

(5) In the second subparagraph of Article 4(1)—

- (a) for “Member States” substitute “a relevant authority”;
- (b) for “have”, in the first place it occurs, substitute “has”.

(6) In Article 4(2)—

- (a) for the first subparagraph substitute—

“For the purposes of point (c) of paragraph 1:

- (a) the criteria to be met by farmers in order to fulfil the obligation to maintain an agricultural area in a state suitable for grazing or cultivation, as referred to in point (c)(ii) are the criteria set by the relevant authority prior to exit day;
- (b) where applicable in a constituent nation, the minimum activity to be carried out on agricultural areas naturally kept in a state suitable for grazing or cultivation, as referred to in point (c)(iii) is as defined by the relevant authority prior to exit day.”;
- (b) in the second, third and fourth subparagraphs, for “Member States”, in each place it occurs, substitute “The relevant authority”;
- (c) in the fourth subparagraph, for “their territory” substitute “the constituent nation”;
- (d) for the fifth subparagraph substitute—

“This paragraph only applies where the decisions to which it refers were made and notified to the Commission by:

 - (a) 31st January 2015, in the case of a decision taken under the second subparagraph;
 - (b) 31st March 2018, in the case of a decision taken under the third or fourth subparagraph.”;

(7) Omit paragraph 3.

Amendment of Title 2 (General provisions on direct payments)

4.—(1) For Article 6(1) substitute—

“For each year, the national ceiling for the United Kingdom comprising the total value of all allocated payment entitlements, of all national reserves and regional reserves and of all the ceilings calculated in accordance with Articles 42, 47, 51 and 53 is as set out in Annex II.

Where a relevant authority makes a decision under Article 22(2) to increase the amount which represents its share of the basic payment scheme ceiling, the national ceiling set out in Annex II for the United Kingdom for the respective year may be exceeded by the sum of the increases decided pursuant to that Article in respect of that year.”.

(2) Omit Article 6(2).

(3) In Article 6(3)(a)—

- (a) omit “by Member States”;
- (b) omit “Article 136a of Regulation (EC) No 73/2009 and”;

(a) Article 6(3) is amended by section 5(2) of the Direct Payments to Farmers (Legislative Continuity) Act 2020 c.2.

- (c) for the words from “and those resulting” to “Article 70 of this Regulation” substitute “, the Secretary of State may make regulations”.
- (4) After Article 6(3) insert—
- “4. The Secretary of State may not make regulations under paragraph 3 without the consent of each of the relevant authorities for Wales, Scotland and Northern Ireland.
5. Where the relevant authority for Wales, Scotland or Northern Ireland requests that the Secretary of State makes regulations under paragraph 3, the Secretary of State must have regard to that request.”.
- (5) In Article 7(1)—
- (a) For “Without prejudice to Article 8, the” substitute “The” ;
- (b) for “a Member State”—
- (i) in the first place it occurs, substitute “the United Kingdom”;
- (ii) in the second place it occurs, substitute “a constituent nation”;
- (c) after “higher than”, in the second place it occurs, insert “its share of”;
- (d) for “that Member State” substitute “the relevant authority”;
- (e) omit the words from “with the exception” to the end.
- (6) For Article 7(2) substitute—
- “2. For calendar year 2020, the estimated product of the reduction of payments referred to in Article 11 (which is reflected by the difference between the national ceiling set out in Annex II and the net ceiling set out in Annex III) shall be made available as support for measures under rural development.
- 2A. References to “rural development” in this Article and in Article 14 include measures which are conducive to:
- (a) the conservation or enhancement of the natural beauty or amenity of the countryside (including its flora and fauna and geological and physiographical features) or of any features of archaeological interest there; or
- (b) the promotion of the enjoyment of the countryside by the public; or
- (c) starting, or improving the productivity of, an agricultural, horticultural or forestry activity or a rural business; or
- (d) starting, promoting or improving rural services.”.
- (7) In Article 7(3)(a)—
- (a) Omit “”by Member States”;
- (b) For the words from “the Commission” to “Article 70” substitute “the Secretary of State may make regulations”.
- (8) After Article 7(3) insert—
- “4. The Secretary of State may not make regulations under paragraph 3 without the consent of each of the relevant authorities for Wales, Scotland and Northern Ireland.
5. Where the relevant authority for Wales, Scotland or Northern Ireland requests that the Secretary of State makes regulations under paragraph 3, the Secretary of State must have regard to that request.”.
- (9) Omit Article 8.
- (10) In Article 9—
- (a) in paragraph 1, for “Member States” substitute “the relevant authority”;

(a) Article 7(3) is amended by section 5(3) of the Direct Payments to Farmers (Legislative Continuity) Act 2020 c.2.

- (b) in paragraph 2—
 - (i) for the second subparagraph substitute—

“Nothing in this Regulation prevents the relevant authority from adding to the list in the first subparagraph any other similar non-agricultural businesses or activities or from removing any such additions, provided that any such additions and removals are appropriate and made on the basis of objective and non-discriminatory criteria.”;
 - (ii) in the third subparagraph, for “Member States” substitute “the relevant authority”;
 - (c) in paragraphs 3 and 3a, for the words from the beginning to “decide” substitute “Nothing in this Regulation prevents the relevant authority from deciding”;
 - (d) for paragraph 4 substitute—

“4. Paragraphs 2, 3 and 3a do not apply to farmers who received direct payments for the previous year, if the amount of those direct payments was no more than the amount set by the relevant authority in accordance with this Regulation prior to exit day.”;
 - (e) in paragraph 5—
 - (i) for the words from “Commission” to “Article 70” substitute “appropriate authority may make regulations”;
 - (ii) in point (c), omit the words from “direct”, in the second place it occurs, to “concerning”, in the second place it occurs;
 - (f) omit paragraph 6;
 - (g) for paragraph 7 substitute—

“7. Nothing in this Regulation prevents the relevant authority from deciding that only one or two of the criteria listed in the third subparagraph of paragraph 2 applies.”;
 - (h) for paragraph 8 substitute—

“8. The relevant authority may decide to stop applying paragraph 2.”.
- (11) For Article 10 substitute—

“Article 10

Minimum requirements for receiving direct payments

1. Subject to paragraph 2, the relevant authority shall not grant direct payments to a farmer where the eligible holding for which direct payments are claimed or due to be granted before the application of Article 63 of Regulation (EU) No 1306/2013 is smaller than the area set in legislation applying to the constituent nation.
 2. In the case of farmers receiving the animal-related coupled support referred to in Title IV, the area threshold determined in accordance with paragraph 1 does not apply, but the relevant authority shall not grant direct payments where the total amount of direct payments claimed or due to be granted before the application of Article 63 of Regulation (EU) No 1306/2013 in a given calendar year is less than EUR 100.”.
- (12) In Article 11—
- (a) in paragraph 1, for “Member States” substitute “The relevant authority”;
 - (b) in paragraph 2, for “Member States” substitute “the relevant authority”;
 - (c) in paragraph 3—
 - (i) for “a Member State”, in both places it occurs, substitute “the relevant authority”;
 - (ii) after “5%”, in both places it occurs, insert “of its share”;
 - (iii) omit “set out in Annex II”, in both places it occurs;
 - (iv) for “that Member State” substitute “the relevant authority”;
 - (d) omit paragraphs 5 and 6.
- (13) For Article 14 substitute—

“Article 14

Flexibility between pillars

The relevant authority may make available, as additional support for measures under rural development, up to 15% of its share of the national ceiling for calendar year 2020 provided that such a decision was taken and notified to the Commission by 31 December 2019. The amount made available for rural development under this paragraph shall no longer be available for granting direct payments.”.

(14) Omit Articles 15, 17, 19 and 20.

Amendment of Title 3 (Basic payment scheme, single area payment scheme and related payments)

5.—(1) For Article 21 substitute—

“Article 21

Payment entitlements

Support under the basic payment scheme shall be available to farmers who:

- (a) obtain payment entitlements under this Regulation through first allocation pursuant to Article 24 as it had effect immediately before exit day, through allocation from the national reserve or regional reserves pursuant to Article 30 or through transfer pursuant to Article 34, or
- (b) comply with Article 9 and hold unexpired owned or leased-in payment entitlements established under the single payment scheme in accordance with Regulation (EC) No 1782/2003 and with Regulation (EC) No 73/2009.”.

(2) In Article 22—

(a) for paragraphs 1 to 4 substitute—

“1. The basic payment scheme ceiling for any given year is calculated by deducting from the annual national ceiling set out in Annex II all the ceilings calculated in respect of that year in accordance with Articles 42, 47, 51 and 53.

2. The relevant authority’s share of the basic payment ceiling is the amount which remains for the basic payment scheme in the constituent nation after deducting from the relevant authority’s share of the national ceiling the ceilings set under Articles 42, 47 and 51 and the amount allocated in the constituent nation under Article 53. The relevant authority may increase the amount which represents its share of the basic payment scheme ceiling. That increase may not exceed 3% of the amount which represents its share of the annual national ceiling after deduction of the amount resulting from the application of Article 47(1) for the relevant year.

3. The relevant authority may review the decision under paragraph 2 on an annual basis.

4. The total value of all payment entitlements and the national reserve or regional reserves in the constituent nation must equal its share of the basic payment scheme ceiling. The total value of payment entitlements and national reserves and regional reserves in the United Kingdom must equal the basic payment scheme ceiling calculated in accordance with paragraph 1.”;

(b) in paragraph 5—

- (i) for the words “for a Member State by the Commission” substitute “calculated”;
- (ii) for the words “that Member State”, in both places it occurs, substitute “the relevant authority”;

- (iii) for “Article 14(1) or (2)” substitute “Article 14”;
- (iv) omit “the second subparagraph of Article 49(1),”. (a)

(3) In Article 23—

- (a) in paragraph 1—
 - (i) for the first sentence substitute “The relevant authority may apply the basic payment scheme at regional level, provided that it took a decision to do so by 1 August 2014.”;
 - (ii) for “they” substitute “the relevant authority”;
 - (iii) omit the second subparagraph;
- (b) in paragraph 2—
 - (i) for “Member States”, in the first place it occurs, substitute “The relevant authority”;
 - (ii) after “divide” insert “its share of”;
 - (iii) omit the second subparagraph;
- (c) in paragraph 3, for “Member States” substitute “The relevant authority”;
- (d) in paragraph 4, for “Member States” substitute “the relevant authority”;
- (e) in paragraph 5—
 - (i) for “Member States applying paragraph 1” substitute “The relevant authority”;
 - (ii) for “them” substitute “the relevant authority”;
- (f) omit paragraph 6.

(4) In Article 25—

- (a) for paragraphs 1 to 7 substitute—

“1. Subject to paragraphs 2 and 3, for the purposes of this Article the unit value of payment entitlements is calculated by dividing a fixed percentage of the relevant authority’s share of the national ceiling for each relevant year by the number of payment entitlements in 2015 in the constituent nation or, where applicable, at regional level, excluding those allocated from the national reserve or regional reserves in 2015.

The fixed percentage referred to in the first subparagraph is calculated by dividing the relevant authority’s share of the basic payment scheme ceiling or, where applicable, the regional ceiling for the basic payment scheme set in accordance with Article 23(2), as it had effect immediately before exit day for 2015, after applying the linear reduction provided for in paragraph 1 or, where applicable, paragraph 2 of Article 30 by the relevant authority’s share of the national ceiling for 2015.

2. The value of payment entitlements, other than those allocated from the national reserve or regional reserves in 2015, may be differentiated for each relevant year on the basis of their initial unit value calculated in accordance with Article 26 as it had effect immediately before exit day, provided that the decision to differentiate was taken and notified to the Commission by 1 August 2014.

3. All payment entitlements in a constituent nation or, where Article 23 is applied, in a region shall have a uniform unit value unless the relevant authority has applied the derogation in paragraph 4 of this Article, as it had effect immediately before exit day. Where a relevant authority has applied this derogation, the unit value will be calculated in accordance with paragraphs 4 to 7 of this Article as it had effect immediately before exit day.”;

- (b) in paragraph 8, in the first subparagraph after “Article 26” insert “as it had effect immediately before exit day”;

(a) Article 22(5) is amended by section 5(5) of the Direct Payments to Farmers (Legislative Continuity) Act 2020 c.2.

- (c) omit paragraph 9.
- (5) Omit Articles 26 to 28.
- (6) In Article 30—
 - (a) for paragraph 1 substitute—
 - “1. The relevant authority shall maintain the national reserve or regional reserves established prior to exit day.”;
 - (b) omit paragraphs 2 and 3;
 - (c) in paragraphs 4 and 6, for “Member States” substitute “The relevant authority”;
 - (d) in paragraph 7—
 - (i) for “Member States”, in the first place it occurs, substitute “The relevant authority”;
 - (ii) in point (e), for “annual national or” substitute “relevant authority’s share of the basic payment scheme ceiling or, where applicable, the”;
 - (iii) for “Member States”, in the second place it occurs, substitute “the relevant authority”;
 - (e) in paragraph 8—
 - (i) in the first subparagraph—
 - (aa) for “(a), (b) and (d)” substitute “(a) and (b)”;
 - (bb) for “Member States” substitute “the relevant authority”;
 - (ii) for the second subparagraph, substitute—

“The national or regional average value shall be calculated by dividing the relevant authority’s share of the basic payment scheme ceiling or, where applicable, the regional ceiling for the basic payment scheme set in accordance with Article 23(2), for the year of allocation, excluding the amount of the national reserve or regional reserves, by the number of allocated payment entitlements.”;
 - (iii) in the third subparagraph—
 - (aa) for “Member States” substitute “The relevant authority”;
 - (bb) for the words from “national”, in the second place it occurs, to “and” substitute “relevant authority’s share of the basic payment ceiling or, where applicable, the regional ceiling for the basic payment scheme set in accordance with”;
 - (f) in paragraph 9, for “Member State”, in both places it occurs, substitute “relevant authority”;
 - (g) in paragraph 10, for “Members States” substitute “the relevant authority”;
 - (h) in paragraph 11, for the words from “Member States” to the end substitute “this category of farmers must also meet any additional objective and non-discriminatory eligibility criteria established by the relevant authority prior to exit day as regards appropriate skills, experience or education”.
- (7) In Article 31—
 - (a) in paragraph 1—
 - (i) omit point (d);
 - (ii) in point (g)—
 - (aa) for “Member States consider” substitute “the relevant authority considers”;
 - (bb) for “Member States”, in the second place it occurs, substitute “a relevant authority”
 - (b) in paragraph 2—
 - (i) for “Commission shall adopt implementing acts” substitute “appropriate authority may make regulations”;

- (ii) omit the last sentence.
- (8) In Article 32—
- (a) in paragraph 1—
 - (i) for “Member State” substitute “constituent nation”;
 - (ii) omit “and point (c) of Article 65(2)”;
 - (b) in paragraph 2—
 - (i) in point (a), omit the words from “, including” to “scheme,”;
 - (ii) in point (b), for the words from “any” to “IVA” substitute “any area which gave a right to payments in 2008 under the single payment scheme laid down in Title III”;
 - (c) in paragraph 3—
 - (i) in point (b), for “Member States” substitute “the relevant authority”;
 - (ii) for the second subparagraph substitute “The relevant authority must apply the criteria it has established for the implementation of this paragraph in the constituent nation.”;
 - (d) in paragraph 5, for “Member States” substitute “the relevant authority”.
- (9) In Article 33—
- (a) in paragraph 1, for “Member State”—
 - (i) in the first place it occurs, substitute “relevant authority”;
 - (ii) in the second place it occurs, substitute “constituent nation”;
 - (b) in paragraph 2, for “Member States” substitute “The relevant authority”.
- (10) In Article 34—
- (a) in paragraph 1, for “Member State”, in both places it occurs, substitute “constituent nation”;
 - (b) in paragraph 2, for “Member States exercise” substitute “the relevant authority exercises”;
 - (c) in paragraph 3, for “Member States” substitute “A relevant authority”;
 - (d) in paragraph 4—
 - (i) for “Member States” substitute “the relevant authority”;
 - (ii) for “the general principles of Union law” substitute “retained EU law relating to the common agricultural policy and the objectives of the common agricultural policy set out in Article 39 of the Treaty on the Functioning of the European Union”.
 - (e) in paragraph 5—
 - (i) for “Commission shall adopt implementing acts” substitute “appropriate authority may make regulations”;
 - (ii) for “national authorities” substitute “relevant authority”;
 - (iii) omit the last sentence.
- (11) In Article 35—
- (a) in paragraph 1—
 - (i) for the words from “Commission” to “Article 70” substitute “appropriate authority may make regulations”;
 - (ii) in point (a)—
 - (aa) insert “and” after “entitlements,”;
 - (bb) omit the words from “, and the application” to the end;
 - (iii) omit points (e) and (f);
 - (b) in paragraph 2, for the words from “Commission” to “Article 70” substitute “appropriate authority may make regulations”;

- (c) in paragraph 3, for the words from “Commission” to “Article 70” substitute “appropriate authority may make regulations”.
- (12) Omit Article 36 to 40.
- (13) In Article 41—
- (a) for paragraphs 1 and 2 substitute—
 - “1. The relevant authority may grant an annual payment to farmers who are entitled to a payment under the basic payment scheme referred to in Sections 1, 2, 3 and 5 of Chapter 1 (“the redistributive payment”), provided that such a decision was taken and notified to the Commission by 1 August 2019.
 - 2. If the relevant authority applies the basic payment scheme at regional level in accordance with Article 23, it may apply the redistributive payment at regional level.”;
 - (b) in paragraph 3, omit the words from “, or” to the end;
 - (c) in paragraph 4—
 - (i) for “Member States, in both places it occurs, substitute “the relevant authority”;
 - (ii) for “Member State”—
 - (aa) in the first place it occurs, substitute “relevant authority”;
 - (bb) in the second place it occurs, substitute “constituent nation”;
 - (iii) omit “national or regional”;
 - (iv) after “hectare” insert “made by the relevant authority (at regional level where applicable)”;
 - (v) omit the words from “or by” to “Article 36(2)”;
 - (vi) for the words from “or”, in the last place it occurs, to “that” substitute “, or 54 hectares if the”;
 - (d) omit paragraph 5;
 - (e) in paragraph 6—
 - (i) in the first subparagraph—
 - (aa) for “Member States” substitute “relevant authority”;
 - (bb) after “basis” insert “of its share”;
 - (cc) omit “set out in Annex II”;
 - (dd) omit “or Article 36(2)”;
 - (ii) omit the second subparagraph;
 - (f) in paragraph 7, for “Member States” substitute “The relevant authority”;
 - (g) omit paragraph 8.
- (14) For Article 42 substitute—

“Article 42

Financial provisions

In order to finance the redistributive payment, the relevant authority may decide, by the date referred to in Article 41(1) to use up to 30% of its share of the annual national ceiling.”

- (15) In Article 43—
- (a) in paragraphs 5 and 6, for “Member States may decide” substitute “Nothing in this Regulation prevents the relevant authority from deciding”;
 - (b) in paragraph 7, for “Member States” substitute “the relevant authority”;
 - (c) omit paragraph 8;
 - (d) in paragraph 9—

- (i) for “Member States”, in the first place it occurs, substitute “the relevant authority”;
 - (ii) for “Member State”, in each place it occurs, substitute “constituent nation”;
 - (iii) in the second subparagraph, omit “or Article 36(2)” in both places it occurs;
 - (iv) in the third subparagraph, for “Member States deciding to apply Article 25(2)” substitute “and provided that the decision to derogate was taken and notified to the Commission prior to 15 December 2014, the relevant authority”;
 - (e) in paragraph 12, for the words from “Commission” to “Article 70” substitute “appropriate authority may make regulations”;
 - (f) omit paragraph 13.
- (16) In Article 44—
- (a) in paragraph 3, omit point (d);
 - (b) in paragraph 5, for the words from “Commission” to “Article 70” substitute “appropriate authority may make regulations”.
- (17) In Article 45—
- (a) for paragraph 1 substitute—
 - “1. Farmers shall not convert or plough permanent grassland situated in areas which, prior to exit day, have been designated by the relevant authority as permanent grasslands which are environmentally sensitive.”;
 - (b) in paragraph 2—
 - (i) for “Member States”—
 - (aa) in the first place it occurs, substitute “The relevant authority”;
 - (bb) in the second place it occurs, substitute “the relevant authority”;
 - (ii) in the first subparagraph, for “a reference ratio to be” substitute “the reference ratio”;
 - (iii) in point (a) of the second subparagraph, omit —
 - (aa) “or 2013 in the case of Croatia,”;
 - (bb) “or, in the case of Croatia, 2013”;
 - (iv) for the fifth subparagraph substitute—
 - “The obligation under this paragraph shall apply across the constituent nation.”;
 - (v) omit the sixth subparagraph;
 - (c) in paragraph 3, for the words from “at regional” to “concerned” substitute “in the constituent nation, the relevant authority”.
 - (d) in paragraph 5—
 - (i) for the words from “Commission” to “Article 70” substitute “appropriate authority may make regulations”;
 - (ii) omit the words from “rules”, in the last place it occurs, to “2 and 3”;
 - (e) in paragraph 6, for the words from “Commission” to “Article 70” substitute “appropriate authority may make regulations”;
 - (f) in paragraph 7—
 - (i) for “Commission shall adopt implementing acts” substitute “appropriate authority may make regulations”;
 - (ii) omit the last sentence.
- (18) In Article 46—
- (a) in paragraph 1 for “Member State” substitute “relevant authority”;
 - (b) in paragraph 2, in the first subparagraph, for the words from the beginning to point (a) substitute “An ecological focus area may include one or more of the following”;

- (c) in paragraph 3—
 - (i) for “Member States” substitute “the relevant authority”;
 - (ii) for “a Member State” substitute “the relevant authority”;
 - (d) in paragraph 5—
 - (i) for “Member States”, in both places it occurs, substitute “The relevant authority”;
 - (ii) omit the last sentence;
 - (e) in paragraph 6—
 - (i) for “Member States”, in both places it occurs, substitute “The relevant authority”;
 - (ii) omit from “In order” to “biodiversity.”;
 - (f) omit paragraphs 7 and 8;
 - (g) in paragraph 9—
 - (i) for the words from “Commission” to “Article 70” substitute “appropriate authority may make regulations”;
 - (ii) in point (c), for “Commission” substitute “appropriate authority”;
 - (iii) omit points (e) and (f).
- (19) In Article 47—
- (a) in paragraph 1—
 - (i) for “Member States” substitute “the relevant authority”;
 - (ii) after “30%” insert “of its share”;
 - (iii) omit “set out in Annex II”;
 - (b) in the first subparagraph of paragraph 2—
 - (i) for “Member States” substitute “The relevant authority”;
 - (ii) for “national level” substitute “the same level across the constituent nation”;
 - (c) in the second subparagraph of paragraph 2—
 - (i) for the first sentence substitute “Where the relevant authority has applied Article 23, the relevant authority may apply the payment at regional level, provided that a decision to do so was taken and notified to the Commission by 15 December 2014.”;
 - (ii) before “the national” insert “its share of”;
 - (d) omit paragraph 3.
- (20) Omit Articles 48 and 49.
- (21) In Article 50—
- (a) in paragraph 1, for “Member States” substitute “The relevant authority”;
 - (b) for paragraph 3 substitute—

“3. Young farmers applying for the payment under this Article must also meet any objective and non-discriminatory requirements specified by the relevant authority prior to exit day regarding appropriate skills and/or training requirements.”;
 - (c) in paragraph 4, omit the words from “or” to the end;
 - (d) in paragraph 5, for “Member States” substitute “the relevant authority”;
 - (e) in paragraph 6—
 - (i) for “Member States not applying Article 36” substitute “in accordance with the legislation applying in the constituent nation, the relevant authority”;
 - (ii) after “percentage”, in the first place it occurs, insert “of the relevant authority’s share”;
 - (iii) omit “set out in Annex II”;
 - (iv) after “declared” insert “in the constituent nation”;

- (v) for the last sentence substitute “The fixed percentage shall be equal to the percentage of the relevant authority’s share of the national ceiling which remained for the basic payment scheme in the constituent nation for 2015.”;
- (f) omit paragraph 7;
- (g) in paragraph 8—
 - (i) in the first subparagraph—
 - (aa) for “paragraphs 6 and 7” substitute “paragraph 6”;
 - (bb) for “Member States may” substitute “where the legislation applying in the constituent nation so provides, the relevant authority shall”;
 - (cc) omit “national”;
 - (dd) after “hectare” insert “in the constituent nation”;
 - (ee) omit the words from “, or” to “Article 36(2)”;
 - (ii) in the second subparagraph—
 - (aa) omit “national”;
 - (bb) after “hectare” insert “in the constituent nation”;
 - (cc) after “dividing” insert “the relevant authority’s share of”;
 - (dd) omit “set out in Annex II”;
 - (ee) after “declared” insert “in the constituent nation”;
 - (ff) omit “or Article 36(2)”;
- (h) in paragraph 9—
 - (i) for “Member States shall set a single” substitute “The”;
 - (ii) after “farmer”, in the second place it occurs, insert “is the single maximum limit set by the relevant authority prior to exit day”;
 - (iii) for “Member States”, in the second place it occurs, substitute “The relevant authority”;
 - (iv) for “6, 7 and 8” substitute “6 and 8”;
- (i) omit paragraph 10;
- (j) after paragraph 10 insert—

“10A. Paragraphs 3, 6 and 9 only apply where the decisions to which they refer were taken and notified to the Commission by 31 January 2015.”.
- (k) In paragraph 11, for the words from “Commission” to “Article 70” substitute “appropriate authority may make regulations”.
- (22) In Article 51—
 - (a) for paragraph 1 substitute—

“1. In order to finance the payment for young farmers, the relevant authority shall use a percentage, which shall not be higher than 2% of its share of the annual national ceiling.

Where the relevant authority decided to revise the estimated percentage and this decision was notified to the Commission by 1 August 2019, that revised percentage will have effect for calendar year 2020.”;
 - (b) in paragraph 2—
 - (i) for the words from “Member”, in the first place that it occurs, to “State”, in the second place it occurs, substitute “constituent nation in a particular year exceeds the amount calculated in accordance with paragraph 1, and where that amount is lower than 2% of the relevant authority’s share of the national ceiling, the relevant authority”;
 - (ii) omit “or Article 36(2), or by both means”;

- (c) in paragraph 3—
 - (i) for “Member State” substitute “constituent nation”;
 - (ii) for the words from “ceiling”, in the first place it occurs, to “States” substitute “amount calculated in accordance with paragraph 1, and where that amount is equal to 2% of its share of the annual national ceiling, the relevant authority”;
- (d) omit paragraph 4.

Amendment of Title 4 to 6 (Coupled support, small farmers scheme and national restructuring programmes for the cotton sector)

6.—(1) In Article 52—

- (a) in paragraph 1, for “Member States” substitute “The relevant authority”;
- (b) in paragraph 3, for “Member State” substitute “constituent nation”;
- (c) in paragraph 6, for the words from “determined” to the end substitute “jointly agreed by the relevant authorities for each constituent nation.”;
- (d) in paragraph 7, for “Members States” substitute “the relevant authority”;
- (e) in paragraph 8, for “other Union measures and policies” substitute “measures provided for in Regulation (EU) No 1305/2013 and Regulation (EU) No 1308/2013 and any other measures specified for the purposes of this paragraph by virtue of paragraph 9”.
- (f) in paragraph 9—
 - (i) for “Union funds” substitute “agricultural support”;
 - (ii) for the words from “Commission” to “Article 70” substitute “Secretary of State may make regulations”;
 - (iii) for “Union measures” substitute “measures provided for in Regulation (EU) No 1305/2013 and Regulation (EU) No 1308/2013 and any other measures specified for the purposes of this paragraph by virtue of paragraph 9”;
- (g) in paragraph 10—
 - (i) for the words from “Commission” to “Article 70” substitute “Secretary of State may make regulations”;
 - (ii) for “delegated acts”, in the second place it appears, substitute “regulations”;
 - (iii) for “Member States to decide that such support may” substitute “for support to”;
- (h) after paragraph 10 insert—

“11. The Secretary of State may not make regulations under paragraph 9 or 10 without the consent of each of the relevant authorities for Wales, Scotland and Northern Ireland.

Where the relevant authority for Wales, Scotland or Northern Ireland requests that the Secretary of State makes regulations under paragraph 9 or 10, the Secretary of State must have regard to that request.”.

(2) In Article 53—

- (a) for paragraph 1 substitute—

“1. Up to 8% of the annual national ceiling set out in Annex II may be used to finance the coupled support.”;
- (b) omit paragraph 2;
- (c) in paragraph 3—
 - (i) for “paragraphs 1 and 2” substitute “paragraph 1”;
 - (ii) for “for those Member States which decide to use” substitute “if”;
 - (iii) for “their” substitute “the”;
 - (iv) after “Annex II” insert “is used”;

- (d) omit paragraph 4;
- (e) in paragraph 5—
 - (i) omit “Member States may choose to use”;
 - (ii) after “year” insert “may be used”;
- (f) for paragraph 6 substitute—

“6. Where a decision has been reviewed and notified to the Commission by 1 August 2019 pursuant to this Chapter, it will have effect in calendar year 2020.”;

- (g) omit paragraph 7.
- (3) Omit Articles 54 to 67.

Amendment of Title 7 (Final provisions)

7.—(1) In Article 68—

- (a) in paragraph 1, for the first sentence substitute “The relevant authority may collect personal data, in relation to the constituent nation, for the purposes of checking, controlling, monitoring, evaluating and auditing direct payments or for the purpose of complying with requirements laid down in international agreements.”;
- (b) in paragraph 2, for “Article 67(1)” substitute “paragraph 1”;
- (c) in paragraph 3—
 - (i) for “Directive 95/46/EC and Regulation (EC) No 45/2001” substitute “Regulation (EU) 2016/679 and the Data Protection Act 2018(a)”;
 - (ii) for the words from “the minimum” to the end substitute “any statutory minimum retention periods”;
- (d) in paragraph 4—
 - (i) for “Member States” substitute “The relevant authority”;
 - (ii) for “national and Union bodies” substitute “UK bodies and bodies in the constituent nation”;
 - (iii) for “Directive 95/46/EC and Regulation (EC) No 45/2001” substitute “Regulation (EU) 2016/679 and the Data Protection Act 2018”.

(2) In Article 69—

- (a) for paragraph 1 substitute—

“1. In order to resolve specific problems, the appropriate authority may make regulations which are both necessary and justifiable in an emergency. Those regulations may derogate from provisions of this Regulation, to the extent and for such a period as is strictly necessary.”;

- (b) omit paragraph 2;
- (c) in paragraph 3—
 - (i) omit “or 2”;
 - (ii) omit the second sentence;
- (d) omit paragraph 4.

- (3) For Articles 70 and 71 substitute—

(a) 2018 c.12.

“Article 70

Regulations: General

1. Regulations made by the Secretary of State or the Welsh Ministers under this Regulation are to be made by statutory instrument.
2. For regulations made under this Regulation by the Scottish Ministers, see section 27 of the Interpretation and Legislative Reform (Scotland) Act 2010.
3. Any power of the Department of Agriculture, Environment and Rural Affairs to make regulations under this Regulation is exercisable by statutory rule for the purposes of the Statutory Rules (Northern Ireland) Order 1979.
4. Regulations under this Regulation may:
 - (a) contain consequential, incidental, supplementary, transitional or saving provision (including provision amending, repealing or revoking enactments);
 - (b) make different provision for different purposes.

Article 71

Regulations: the Secretary of State

1. Except as specified in paragraphs 2 to 6, a statutory instrument containing regulations made by the Secretary of State under this Regulation is subject to annulment in pursuance of a resolution of either House of Parliament.
2. A statutory instrument containing regulations made by the Secretary of State under Articles 6(3), 7(3), 43(12), or 52(9) or (10) may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, each House of Parliament.
3. A statutory instrument containing regulations made by the Secretary of State under Article 69(1) must be laid before Parliament after being made.
4. Regulations made by the Secretary of State under Article 69(1) cease to have effect at the end of the period of 28 days beginning with the day on which the instrument is made unless, during that period, the instrument is approved by resolution of each House of Parliament.
5. In calculating the period of 28 days for the purposes of paragraph 4, no account is to be taken of any time during which:
 - (a) Parliament is dissolved or prorogued, or
 - (b) either House of Parliament is adjourned for more than 4 days.
6. If regulations cease to have effect as a result of paragraph 4, that does not affect the validity of anything previously done under those regulations or prevent the making of new regulations.

Article 71A

Regulations: the Welsh Ministers

1. Except as specified in paragraphs 2 to 6, a statutory instrument containing regulations made by the Welsh Ministers under this Regulation is subject to annulment in pursuance of a resolution of the National Assembly for Wales.
2. A statutory instrument containing regulations made by the Welsh Ministers under Article 43(12) may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, the National Assembly for Wales.
3. A statutory instrument containing regulations made by the Welsh Ministers under Article 69(1) must be laid before the National Assembly for Wales after being made.

4. Regulations made by the Welsh Ministers under Article 69(1) cease to have effect at the end of the period of 28 days beginning with the day on which the instrument containing them is made unless, during that period, the instrument is approved by a resolution of the National Assembly for Wales.

5. In calculating the period of 28 days for the purposes of paragraph 4, no account is to be taken of any time during which the National Assembly for Wales is:

- (a) dissolved, or
- (b) in recess for more than 4 days.

6. If regulations cease to have effect as a result of paragraph 4, that does not affect the validity of anything previously done under those regulations or prevent the making of new regulations.

Article 71B

Regulations: the Scottish Ministers

1. Except as specified in paragraphs 2 to 6, regulations made by the Scottish Ministers under this Regulation are subject to the negative procedure (see section 28 of the Interpretation and Legislative Reform (Scotland) Act 2010).

2. Regulations made by the Scottish Ministers under Article 43(12) are subject to the affirmative procedure (see section 29 of the Interpretation and Legislative Reform (Scotland) Act 2010).

3. Regulations made by the Scottish Ministers under Article 69(1) must be laid before the Scottish Parliament after being made.

4. Regulations made by the Scottish Ministers under Article 69(1) cease to have effect at the end of the period of 28 days beginning with the day on which they are made unless, during that period, the regulations are approved by resolution of the Scottish Parliament.

5. In calculating the period of 28 days for the purposes of paragraph 4, no account is to be taken of any time during which the Scottish Parliament is:

- (a) dissolved, or
- (b) in recess for more than 4 days.

6. If regulations cease to have effect as a result of paragraph 4, that does not affect the validity of anything previously done under those regulations or prevent the making of new regulations.

Article 71C

Regulations: Northern Ireland

1. Except as specified in paragraphs 2 to 6, regulations made by the Department of Agriculture, Environment and Rural Affairs (“the Department”) under this Regulation are subject to negative resolution within the meaning of section 41(6) of the Interpretation Act (Northern Ireland) 1954 as if they were a statutory instrument within the meaning of that Act.

2. Regulations may not be made by the Department under Article 43(12) unless a draft of the regulations has been laid before and approved by a resolution of the Northern Ireland Assembly.

3. Regulations made by the Department under Article 69(1) must be laid before the Northern Ireland Assembly after being made.

4. Regulations made by the Department under Article 69(1) cease to have effect at the end of the period of 28 days beginning with the day on which they are made unless, during that period, the instrument is approved by a resolution of the Northern Ireland Assembly.

5. In calculating the period of 28 days for the purposes of paragraph 4, no account is to be taken of any time during which the Northern Ireland Assembly is:

- (a) dissolved,
- (b) in recess for more than 4 days, or
- (c) adjourned for more than 6 days.

6. If regulations cease to have effect as a result of paragraph 4, that does not affect the validity of anything previously done under those regulations or prevent the making of new regulations.”.

(4) Omit Articles 73 and 74.

(5) After Article 74, omit the words from “This Regulation” to “Member States.”.

Amendment of Annexes

8.—(1) In Annex 1, omit the second, fifth and eighth to eleventh entries in the table.

(2) For Annex 2, substitute—

“Annex II

National ceilings referred to in Article 6

<i>(in thousands EUR)</i>						
<i>Calendar year</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>
	3,173,324	3,179,880	3,186,319	3,195,781	3,205,243	3,591,683 ”

(3) For Annex III substitute—

“Annex III

Net ceilings referred to in Article 7

<i>(in million EUR)</i>						
<i>Calendar year</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>
	3,170.7	3,177.3	3,183.6	3,192.2	3,201.4	3,591.7”

(4) Omit Annexes 4 to 8.

PART 3

Amendment of Commission Delegated Regulation (EU) 639/2014

Amendment of Commission Delegated Regulation (EU) 639/2014

9. Commission Delegated Regulation (EU) No. 639/2014 of 11 March 2014 supplementing the Direct Payments Regulation is amended in accordance with regulations 10 to 18.

Amendment of Chapter 1 (scope and general principles)

10.—(1) Omit Article 1(c), (g) and (h).

(2) In Article 2, for “Member States”, in each place it occurs, substitute “The relevant authority”.

(3) Omit Article 3.

(4) In Article 4—

(a) in paragraph 1—

(i) for “Member States”, in the first place it occurs, substitute “the relevant authority”;

(ii) in point (a) —

(aa) for “Member States require” substitute “the relevant authority requires”;

(bb) for “Member States”, in the second place it occurs, substitute “the relevant authority”;

(iii) in point (b), for “Member States set” substitute “the relevant authority sets”;

(b) in paragraph 2, for “Member States” substitute “the relevant authority”.

(5) In Article 5—

(a) for “Member States”, in the first place it occurs, substitute “relevant authority”;

(b) for “Member States”, in the second place it occurs, substitute “the relevant authority”.

(6) For Article 7 substitute—

“Article 7

Established local practices in case of permanent grassland

For the purposes of Article 4(1)(h) of Regulation (EU) No 1307/2013, established local practices shall be practices for areas for livestock grazing which are traditional in character and are commonly applied on the areas concerned.”.

(7) In Article 8—

(a) for “Member States” substitute “the relevant authority”;

(b) at the end insert “, provided that such a decision was made and notified to the Commission no later than 31 January 2015”.

(8) In Article 9—

(a) in paragraph 1, for the words from “the ‘Common’ to the end substitute “Annex IV”;

(b) in paragraph 2, for “Member States” substitute “The relevant authority”;

(c) in paragraph 3, for “competent authority of the Member State” substitute “relevant authority”;

(d) in paragraph 4, for “Member States” substitute “the relevant authority”;

(e) omit paragraph 5;

(f) in paragraph 7, in the second subparagraph, for “Member States” substitute “the relevant authority”.

(9) In Article 11—

(a) in paragraph 1, in the first subparagraph, omit the words from “, except complementary” to the end;

(b) omit paragraph 3.

(10) In Article 12—

(a) in paragraph 2—

(i) in the first subparagraph, for “Member States” substitute “the relevant authority”;

(ii) in the second subparagraph—

(aa) for the words from “national ceiling” to “1307/2013” substitute “relevant authority’s share of the national ceiling”;

(bb) for “that Member State” substitute “the constituent nation”;

- (b) in paragraph 4—
 - (i) in the first subparagraph, for “Member States” substitute “the relevant authority”;
 - (ii) in the second subparagraph—
 - (aa) for the words from “national ceiling” to “1307/2013” substitute “relevant authority’s share of the national ceiling”;
 - (bb) for “that Member State” substitute “the constituent nation”;
 - (c) omit paragraph 5.
- (11) In Article 13—
- (a) in paragraph 1—
 - (i) omit the second subparagraph;
 - (ii) in the third subparagraph—
 - (aa) for “and second subparagraphs” substitute “subparagraph”;
 - (bb) for “Member States may establish” substitute “the relevant authority may use”;
 - (cc) at the end insert “, provided those criteria were established by the relevant authority prior to exit day”;
 - (b) in paragraph 2—
 - (i) in the first subparagraph—
 - (aa) for “Member States”, in the first place it occurs, substitute “the relevant authority”;
 - (bb) for “methods” substitute “method”;
 - (cc) omit point (b);
 - (ii) omit the second subparagraph;
 - (c) in paragraph 3—
 - (i) in the first subparagraph, for “a Member State” substitute “the relevant authority”;
 - (ii) in the second subparagraph, for “Member States” substitute “the relevant authority”;
 - (iii) in the third subparagraph, for “Member States may establish alternative criteria according to which” substitute “the relevant authority may, applying such criteria as the authority established prior to exit day, determine whether”.

Amendment of Chapter 2 (basic payment scheme and single area payment scheme)

- 11.—**(1) Omit Articles 14 and 15.
- (2) Omit Articles 17 to 21.
- (3) In Article 23—
 - (a) in paragraph 2, omit “ or 40”;
 - (b) in paragraph 3—
 - (i) for “Member States” substitute “The relevant authority”;
 - (ii) omit “or 40”.
- (4) In Article 24(1)—
 - (a) in the second subparagraph, omit “by the Commission”;
 - (b) in the third subparagraph, omit “by the Commission” in both places it occurs.
- (5) In Article 25(2)—
 - (a) for “a Member State” substitute “the relevant authority”;
 - (b) for “Member State”, in the second place it occurs, substitute “relevant authority”.
- (6) In Article 26—

- (a) in the first paragraph, for “a Member State” substitute “the relevant authority”;
- (b) in the second paragraph, for “Member States” substitute “the relevant authority”;
- (c) at the end insert a new subparagraph—

“In this subsection references to “national or regional reserve” are to be construed in accordance with the definitions contained in Article 4 of Regulation (EU) No 1307/2013.”.

(7) Omit Article 27.

(8) In Article 28—

- (a) in paragraph 1, omit “by the Commission”;
- (b) in the third subparagraph of paragraph 2—
 - (i) for “in Member States applying” substitute “if the relevant authority applies”;
 - (ii) omit “in that Member State”;
- (c) in paragraph 3—
 - (i) in the first subparagraph—
 - (aa) for “In Member States applying” substitute “If the relevant authority applied”;
 - (bb) omit “or (7)”;
 - (cc) after “Regulation (EU) No 1307/2013” insert “as it had effect immediately before exit day”;
 - (ii) in the second and fifth subparagraphs, for “Member States”, in both places it occurs, substitute “the relevant authority”;
 - (iii) in the third subparagraph, after “Regulation” insert “as it had effect immediately before exit day”;
 - (iv) in the fifth subparagraph, after “Regulation (EU) No 1307/2013” insert “as it had effect immediately before exit day”;
 - (v) in the sixth subparagraph, for “Member States” substitute “The relevant authority”.

(9) In Article 29—

- (a) in paragraph 1, for “Member State” substitute “relevant authority”;
- (b) in paragraph 4—
 - (i) for “Member States” substitute “the relevant authority”;
 - (ii) for “Member State” substitute “relevant authority”.

(10) In Article 30—

- (a) in paragraph 1, for “Member States” substitute “the relevant authority”;
- (b) in paragraph 2—
 - (i) for “Member States” substitute “the relevant authority”;
 - (ii) for “Member State” substitute “relevant authority”.

(11) Omit Article 31.

(12) Omit Articles 34 to 37.

Amendment of Chapter 3 (greening)

12.—(1) In Article 38—

- (a) in paragraph 1, for “Member States” substitute “The relevant authority”;
- (b) omit the second subparagraph of paragraph 2;
- (c) omit paragraph 3.

(2) In Article 40—

- (a) in the second subparagraph of paragraph 1, for “Member States” substitute “The relevant authority”;
 - (b) in the third and fourth subparagraphs of paragraph 3, for “Member States”, in each place it occurs, substitute “the relevant authority”.
- (3) In Article 41—
- (a) in first paragraph, omit point (f);
 - (b) omit the second paragraph.
- (4) In Article 42—
- (a) in the first paragraph, for “Member State” substitute “relevant authority”;
 - (b) in the second paragraph, omit the words from “, or in the case” to the end.
- (5) In Article 43—
- (a) in paragraph 1, omit “participating in the small farmer scheme referred to in Title V of Regulation (EU) No 1307/2013, as well”;
 - (b) in paragraph 3—
 - (i) for “Member States”, in the first place it occurs, substitute “The relevant authority”;
 - (ii) omit the words from “a change”, in the second place it occurs, to “scheme”;
 - (iii) for “a Member State” substitute “the relevant authority”;
 - (iv) omit the last sentence.
- (6) In Article 44—
- (a) in paragraph 1—
 - (i) in the first subparagraph—
 - (aa) for “Member States” substitute “The relevant authority”;
 - (bb) for “Member State” substitute “relevant authority”;
 - (ii) in the second subparagraph—
 - (aa) for “Member State”, in the first place it occurs, substitute “relevant authority”;
 - (bb) omit the last sentence;
 - (b) in paragraph 2—
 - (i) in the first subparagraph, for “Member State” substitute “relevant authority”;
 - (ii) in the second subparagraph—
 - (aa) for “Member States” substitute “The relevant authority”;
 - (bb) in paragraph (b) omit “,or in 2015 during the preceding three calendar years,”;
 - (iii) in the fourth subparagraph, for “Member States” substitute “the relevant authority”;
 - (c) in paragraph 3—
 - (i) in the first subparagraph, for “Member States” substitute “the relevant authority”;
 - (ii) in the second subparagraph—
 - (aa) for “Member States”, in the first place it occurs, substitute “The relevant authority”;
 - (bb) for “Member States”, in the second place it occurs, substitute “the relevant authority”;
 - (iii) in the fourth subparagraph, omit from “, or in the case” to the end;
 - (iv) in the fifth subparagraph, for “Member State” substitute “relevant authority”.
- (7) In Article 45—
- (a) in paragraph 2, in the first subparagraph—
 - (i) after “production”, in the first place it occurs, insert “during the period fixed by the relevant authority”;

- (ii) omit the second and third sentences;
- (iii) for “Member States shall set” substitute “the relevant authority must set”;
- (iv) for “Member States may”, in the second place it occurs, substitute “The relevant authority may”;
- (b) omit paragraph 3;
- (c) in paragraph 4—
 - (i) in the second subparagraph—
 - (aa) for “Member States may decide to limit” substitute “Where the legislation applying in the constituent nation so provides.”;
 - (bb) after “features” insert “shall be limited”;
 - (ii) in the fifth subparagraph;
 - (aa) for “Member States may set a” substitute “the”;
 - (bb) at the end of the first sentence insert “is as set by the relevant authority prior to exit day”;
 - (cc) for “Member States”, in the second place it occurs, substitute “The relevant authority”;
 - (iii) in the sixth subparagraph—
 - (aa) for “Member States shall establish” substitute “the”;
 - (bb) after “width” insert “is as established by the relevant authority prior to exit day”;
- (d) in paragraph 5—
 - (i) in the second subparagraph, for “Member States” substitute “The relevant authority”;
 - (ii) in the third subparagraph, for the first sentence substitute “Nothing in this Article shall prevent the relevant authority from establishing, using any power the relevant authority has, the minimum width of buffer strips and field margins.”;
- (e) in paragraph 6, omit “or the single area payment scheme”;
- (f) in paragraph 7—
 - (i) omit the first subparagraph;
 - (ii) in the second subparagraph, for “Member States decide”, in both places it occurs, substitute “the relevant authority decides”;
- (g) in paragraph 8—
 - (i) for the first sentence substitute “The species that may be used for areas with short rotation coppice with no use of mineral fertiliser or plant protection products or both, are those species which have been selected by the relevant authority prior to exit day, from the list established pursuant to Article 4(2)(c) of Regulation (EU) No 1307/2013, as being the most suitable from an ecological perspective.”;
 - (ii) for “Member States shall also establish the requirements” substitute “The relevant authority must also apply any requirements established by them prior to exit day”;
 - (iii) for “Member States authorise” substitute “the relevant authority authorises”;
- (h) in paragraph 8a—
 - (i) for “Member States”, in the first place it occurs, substitute “the relevant authority”;
 - (ii) for “Member States”, in the second place it occurs, substitute “The relevant authority”;
- (i) in paragraph 9, in the second subparagraph—
 - (i) omit “Member States shall set up”;
 - (ii) omit “fix”;
 - (iii) after “place” insert “is as fixed by the relevant authority prior to exit day”;

- (iv) for “Member States may establish” substitute “Nothing in this Article prevents the relevant authority from establishing, using any power the relevant authority has,”;
 - (j) in paragraph 10—
 - (i) for “Member State”, in the first place it occurs, substitute “relevant authority prior to exit day”;
 - (ii) for “Member State”, in the second place it occurs, substitute “relevant authority”;
 - (iii) for “Member States may establish” substitute “Nothing in this Article prevents the relevant authority from establishing, using any power the relevant authority has,”;
 - (k) in paragraph 10a, in the second subparagraph, for the words from “However” to “allow” substitute “Nothing in this Article prevents the relevant authority, using any power the relevant authority has, from allowing”.
- (8) In Article 46—
- (a) in paragraph 1—
 - (i) for “Member States opting” substitute “Where the relevant authority opts”;
 - (ii) after “Regulation (EU) No 1307/2013” insert “the relevant authority”;
 - (b) in paragraphs 2, 3 and 5, for “Member States” substitute “the relevant authority”;
 - (c) in paragraph 6, for “Member States”—
 - (i) in the first, second and fourth places it occurs, substitute “the relevant authority”;
 - (ii) in the third place it occurs, substitute “The relevant authority”.
- (9) In Article 47—
- (a) in paragraph 1—
 - (i) for “Member States that decide” substitute “Where the relevant authority decides”;
 - (ii) after “Regulation (EU) No 1307/2013,” insert “the relevant authority”;
 - (iii) for “Member States”, in the second place it occurs, substitute “the relevant authority”;
 - (b) in paragraph 2—
 - (i) for “Member States that opt” substitute “Where the relevant authority opts”;
 - (ii) for “that opt” substitute “opts”;
 - (iii) after “farmers,” insert “the relevant authority”.
- (10) Omit 48.

Amendment of Chapter 4 (payment for young farmers)

13. In Article 49—
- (a) in paragraph 1—
 - (i) in point (a), omit “or the single area payment scheme”;
 - (ii) in point (c)—
 - (aa) for “Member States”, in the first place it occurs, substitute “the relevant authority”;
 - (bb) for “Member States have” substitute “the relevant authority has”;
 - (b) omit paragraph 1a;
 - (c) in paragraph 3—
 - (i) in point (a), for “to (10)” substitute “, (5), (6), (8) and (9)”;
 - (ii) in point (b), omit “or single area payment scheme”.

Amendment of Chapter 5 (coupled support)

14.—(1) In Article 52—

- (a) in paragraph 1, for “shall be defined by the Member States” substitute “are the regions defined by the relevant authority prior to exit day, ”;
- (b) in paragraph 2, for “Member States” substitute “the relevant authority”.

(2) In Article 53—

- (a) in paragraph 1, for the words from “Member States” to “in compliance” substitute “The eligibility criteria for coupled support measures means the criteria defined by the relevant authority”;
- (b) in paragraph 2—
 - (i) in the first subparagraph, for “fixed by the Member States” substitute “jointly agreed by the relevant authorities for each constituent nation”;
 - (ii) in the third subparagraph—
 - (aa) for “Member States may decide” substitute “the relevant authority may decide, prior to exit day,”
 - (bb) omit the last sentence;
- (c) omit paragraph 3;
- (d) in paragraph 4—
 - (i) in the first subparagraph—
 - (aa) omit the words from “Member States” to “support”;
 - (bb) after “respectively” insert “shall apply”;
 - (ii) omit the second subparagraph;
- (e) in paragraph 5—
 - (i) for “Member States”, in the first place it occurs, substitute “The relevant authority”;
 - (ii) omit the last sentence.

(3) In Article 53a—

- (a) in the first subparagraph of paragraph 1—
 - (i) for the words from “Member States” to “this Regulation” substitute “the relevant authority may decide, if jointly agreed by the relevant authorities for each constituent nation, to use the amounts fixed in accordance with Article 53 of Regulation (EU) No 1307/2013”;
 - (ii) for “Regulation (EU) No 1307/2013” substitute “that Regulation”;
- (b) in the second subparagraph of paragraph 1—
 - (i) after “Commission” insert “before exit day”;
 - (ii) after “Regulation (EU) No 1307/2013” insert “as it existed immediately before exit day”;
 - (iii) after “this Regulation” insert “as it existed immediately before exit day”;
- (c) in paragraph 4, for “Member States grant” substitute “the relevant authority grants”;
- (d) in paragraph 6, for “competent authority of the Member State” substitute “relevant authority”.

(4) In Article 54—

- (a) in paragraph 1, omit “Union”;
- (b) in paragraph 2—
 - (i) for “Member States”, in both places it occurs, substitute “The relevant authority”;
 - (ii) in point (a), omit “Union”;

- (c) in paragraph 3—
 - (i) omit “Union”;
 - (ii) for “Member States” substitute “the relevant authority”.
- (5) Omit Articles 55 to 61.

Amendment of Chapter 6 (notifications)

- 15.—(1) Omit Articles 64 to 69, 71, 73 to 77.
- (2) Omit Article 79.

Amendment to Annex I (content of the information to be submitted to the Commission pursuant to Article 67(1))

- 16. Omit Annex I.

Amendment to Annex III (union method for the quantitative determination of the A9-tetrahydrocannabinol content in hemp varieties)

- 17. In Annex III—
 - (a) in the title, omit “Union”;
 - (b) in the second paragraph of subparagraph 2.1.1, for “Member States” substitute “The relevant authority”;
 - (c) in the fourth paragraph of subparagraph 2.2, for “Member State” substitute “relevant authority”.

Insertion of Annex IV (permitted hemp varieties)

- 18. After Annex III insert—

**“Annex IV
Permitted Hemp Varieties**

- Adzelvieši
- Antal
- Armanca
- Asso
- Austa SK
- Beniko
- Białobrzeskie
- Cannakomp
- Carma
- Carmagnola
- Carmaleonte
- Chamaeleon
- Codimono
- CS
- Dacia Secuieni
- Delta-405

- Delta-Ilosa
- Denise
- Diana
- Dioica 88
- Earlina 8 FC
- Eletta Campana
- Epsilon 68
- Fedora 17
- Felina 32
- Férimon
- Fibranova
- Fibrante
- Fibrol
- Fibror 79
- Finola
- Futura 75
- Glecia
- Gliana
- Glyana
- Henola
- Ivory
- KC Bonusz
- KC Dora
- KC Virtus
- KC Zuzana
- KCA Borana
- Kompolti hibrid TC
- Kompolti
- Lipko
- Lovrin 110
- Marcello
- Markant
- Monoica
- Rajan
- Ratza
- Santhica 23
- Santhica 27
- Santhica 70
- Secuieni Jubileu
- Silvana
- Succesiv
- Szarvasi
- Tiborszallasi

- Tisza
- Tygra
- Uniko B
- Uso-31
- Villanova
- Wielkopolskie
- Wojko
- Zenit.”.

PART 4

Amendment of Commission Implementing Regulation (EU) 641/2014

Amendment of Commission Implementing Regulation (EU) 641/2014

19. Commission Implementing Regulation (EU) No. 641/2014 of 16 June 2014 laying down rules for the application of the Direct Payments Regulation is amended in accordance with regulations 20 to 24.

Amendment of the Chapter 1 (scope and general principles)

- 20.**—(1) Omit Article 1 (e) and (f).
 (2) In Article 2, for “Member States” substitute “The relevant authority”.

Amendment of Chapter 2 (basic payment scheme)

- 21.** — Omit Articles 4 to 7.
 (1) In Article 8(1)—
 (a) omit “to be”;
 (b) for “Member State” substitute “relevant authority prior to exit day”.
 (2) In Article 9—
 (a) in paragraph 1, for “Commission” substitute “relevant authority”;
 (b) omit paragraph 2.

Amendment of Chapter 3 (greening)

- 22.** Omit Article 10.

Amendment of Chapters 4 (coupled support) and 5 (rules on notification)

- 23.** Omit Articles 12 to 14, and 16 to 18.

Amendment of Chapter 6 (final provisions)

- 24.** Omit Article 19 and the sentence which follows it.

Amendments to the Common Agricultural Policy Basic Payment and Support Schemes (England) Regulations 2014

25.—(1) The Common Agricultural Policy Basic Payment and Support Schemes (England) Regulations 2014(a) are amended as follows.

(2) In regulation 4, omit “and 2(c)”.

(3) In regulation 5—

(a) omit “and (2)”;

(b) omit “(b)”.

(4) In regulation 8—

(a) for paragraph (1) substitute—

“(1) For the purposes of Article 8(1) of the Direct Payments Implementing Regulation, the period within which the transferor of payment entitlements must notify the Secretary of State of the transfer is one year beginning with the 16th May of the preceding calendar year to 15th May of the first calendar year in which the transferee may include those entitlements in the transferee’s application for direct payments.”;

(b) for paragraph (3) substitute—

“(3) Applications for the allocation of payment entitlements may be submitted on or before 15th May of the relevant calendar year for the purposes of Article 22(1) of the Commission Implementing Regulation (EU) NO. 809/2014 laying down rules for the application of Regulation (EU) No. 1306/2013 of the European Parliament and of the Council with regard to the integrated administration and control system, rural development measures and cross compliance, as it has effect for the purposes of direct payments in claim year 2020(b).”;

(5) Omit regulation 10.

(6) For regulation 12 substitute—

“**12.**—(1) For the purposes of the first paragraph of Article 45(1) of the Direct Payments Regulation, permanent grasslands are designated permanent grasslands which are environmentally sensitive if they are:

(a) a site of special scientific interest, as defined in section 52(1) of the Wildlife and Countryside Act 1981(c); and

(b) in the areas referred to in the first subparagraph of Article 45(1) as it had effect immediately before exit day.”.

(7) Omit regulation 14(2).

George Eustice
Minister of State

30th January 2020

Department for Environment, Food and Rural Affairs

(a) S.I. 2014/3259, amended by S.I. 2015/1325 and prospectively amended by S.I. 2019/733; there are other amending instruments but none is relevant.

(b) This Regulation is brought into domestic law, in so far as it relates to the Common Agricultural Policy direct payment scheme for claim year 2020, by virtue of section 1(3)(d) of the Direct Payments to Farmers (Legislative Continuity) Act and is amended by The Financing, Management and Monitoring of Direct Payments to Farmers (Amendment) Regulations 2020.

(c) 1981 c.69; the definition of “site of special scientific interest” in section 52(1) was inserted by the Countryside and Rights of Way Act 2000 (c. 37), Schedule 9, paragraph 5(1) and (2).

EXPLANATORY NOTE

(This note is not part of these Regulations)

These Regulations are made in exercise of the powers conferred by section 3(1), (7) and (9) of the Direct Payments to Farmers (Legislative Continuity) Act 2020 (“the Act”) in order to enable retained EU law governing the CAP direct payment schemes for claim year 2020 to operate effectively and to address other deficiencies arising from the UK’s withdrawal from the European Union.

Regulations 2 to 8 make amendments to Regulation (EU) No 1307/2013 of the European Parliament and of the Council of 17 December 2013 establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy, as it relates to claim year 2020.

Regulations 9 to 19 make amendments to Commission Delegated Regulation (EU) No 639/2014 of 11 March 2014 supplementing the Direct Payments Regulation, as it relates to claim year 2020.

Regulations 20 to 24 make amendments to Commission Implementing Regulation (EU) No 641/2014 of 16 June 2014 laying down rules for the application of the Direct Payments Regulation, as it relates to claim year 2020.

Regulation 25 makes amendments to The Common Agricultural Policy Basic Payment and Support Schemes (England) Regulations 2014 No. 3259, which implements EU obligations in relation to the common agricultural policy direct payment scheme under the powers in section 2(2) of the European Community Act. These amendments only apply to England.

Regulation (EU) No 1307/2013 (other than Article 13), Commission Delegated Regulation (EU) No 639/2014 and Commission Implementing Regulation (EU) No 641/2014, as amended by regulations 5 to 27, form part of domestic law on exit day by virtue of section 1(1) of the Act. The Common Agricultural Policy Basic Payment and Support Schemes (England) Regulations 2014 (S.I. 2014/3259), as amended by regulation 28, continues to have effect in domestic law on and after exit day by virtue of section 1B of the European Union (Withdrawal) Act 2018(a).

Section 3(7) of the Act clarifies that provisions made by regulations under the powers in the Act may apply in relation to matters arising in relation to the CAP direct payment schemes for the whole of the 2020 claim year.

Regulation 1(2) disapplies paragraph 1(1) of Schedule 5 to the European Union (Withdrawal Agreement) Act 2020. This ensures that the regulations come into force on exit day.

An impact assessment has not been produced for this instrument as no, or no significant, impact on the private or voluntary sector is foreseen.

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