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## EXPLANATORY NOTE

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

These Regulations, which come into force on 10th July 2002, amend the Tir Mynydd (Wales) Regulations 2001 (“the principal Regulations”) so as to:

- (a) re-state and amend the scheme eligibility criteria and in so doing, render eligible for payment, those claimants who, despite having less than the requisite minimum of 6 hectares of eligible forage area in Wales, also have forage land in either England, Scotland or Northern Ireland (“a cross border territory”) being land which provides that claimant with an entitlement to a less favoured area allowance in that cross border territory (regulation 5).
- (b) re-formulate and re-state the provisions dealing with the reduction in forage land where claimants have available an individual reference quantity of milk (regulation 6).
- (c) provide the National Assembly with the power to vary the minimum stocking density requirements of the scheme in certain circumstances (regulation 7).
- (d) provide for basic scheme payments payable by the National Assembly to be increased (regulation 8).
- (e) provide for the environmental enhancements referred to in paragraphs (2) and (3) of regulation 7 of the principal regulations to be payable in respective sums representing up to 10% and 20% of element 1 payments (regulation 9).
- (f) provide for IACS late submission penalties to be applied in respect of late applications for payment submitted under the scheme (regulation 12).
- (g) provide for interest, on undue payments that are recoverable by the National Assembly, to be calculated from the date upon which the National Assembly has notified the claimant that the sum paid was undue (regulation 16).
- (h) provide a new “safety net” formula in respect of calculating Tir Mynydd payments in the year 2003 (regulation 18(b)).
- (i) provide for minor and definitional changes consequent upon the amendments detailed above.

The Regulations also provide for minor amendments to the Tir Mynydd (Cross Border Holdings) (Wales) Regulations 2001 which arise as a consequence of, firstly, the inclusion in the principal regulations of a definition of “claimed forage area” and secondly, the transfer of functions from the Minister of Agriculture, Fisheries and Food to the Secretary of State for Environment, Food and Rural Affairs (regulations 19, 20 and 21).

No Regulatory Appraisal has been prepared in respect of these Regulations.