



Mick Antoniw AM  
Chair,  
Legislation, Justice and Constitution Committee  
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10 June 2020

Dear Mick,

### **UK Wide Statutory Instrument – The Direct Payments (Ceilings) Regulations 2020**

I am writing to notify you that UK Government has made the above statutory instrument under powers set out in 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 incorporated into domestic law by virtue of section 1 of the Direct Payments to Farmers (Legislative Continuity) Act 2020).

This affirmative procedure Statutory instrument (SI) amends the UK's national ceiling and net ceiling for claim year 2020 only. These financial ceilings are used to calculate payments to farmers under the Direct Payment schemes.

This SI makes modifications necessary to continue to ensure that the Common Agriculture Policy ("CAP") Direct Payment Scheme remains operable for scheme year 2020, once the UK withdraws from the EU.

The SI and accompanying Explanatory Memorandum, setting out the effect of amendments is available here:

<http://www.legislation.gov.uk/ukdsi/2020/9780111196779>

In respect of any impact the SI may have on the Assembly's legislative competence and/or the Welsh Ministers' executive competence, I confirm that the Common Agricultural Policy ("CAP") and its implementation in Wales is a devolved subject.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

The law being amended is as follows:

Regulation (EU) No. 1307/2013 - establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy ("the Regulation") as it forms part of domestic law by virtue of the DPLC Act.

The SI adjusts the 2020 national and net ceilings for the UK in Annexes 2 and 3 of the Regulation to take into account Articles 7A and 14.

Article 7A expressly provides that the Secretary of State may decide to increase the national and net ceilings for claim year 2020 having regard to the recommendations in the report of the Bew Review.

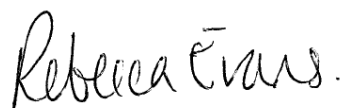
The Bew Review, concerning the allocation of farm support funding in the UK, was published in September 2019. The SI amends the national ceiling and net ceiling to reflect the findings of the Bew Review. In line with the recommendations of the Bew Review, the UK Government agreed that Scottish farmers will receive an additional €60.42 million and Welsh farmers an additional €6.12 million over a two year period, 2020-22. The ceilings for claim year 2020 in Annexes 2 and 3 are adjusted to take this increase into account.

Article 14 enables the relevant authorities to make available up to 15% of their share of the national ceiling for claim year 2020 as additional support for measures under rural development. The Welsh Government decided to transfer 15% of the funds so that these could be made available for rural development measures. This is the same approach as has been taken in previous claim years, and helps to maintain the status quo. The ceilings for claim year 2020 in Annexes 2 and 3 are adjusted to take the resulting decrease to the ceilings into account.

The Welsh Ministers have provided consent for the UK Government to make these corrections in relation to, and on behalf of, Wales for reasons of efficiency, expediency and due to the technical nature of the amendments. The amendments have been considered fully; and there is no divergence in policy. These amendments are to ensure that the statute book remains functional following the UK's exit from the EU.

I am copying this letter to the Counsel General and Minister for European Transition and the Minister for Environment, Energy and Rural Affairs.

Yours sincerely,



**Rebecca Evans AS/MS**  
Y Gweinidog Cyllid a'r Trefnydd  
Minister for Finance and Trefnydd