Background and Purpose
This Order prescribes units of production for the assessment of the productive capacity of agricultural land situated in Wales and sets out the amount which is to be regarded as the net annual income from each such unit for the year 12 September 2017 to 11 September 2018 for certain purposes of the Agricultural Holdings Act 1986.

Procedure
Negative

Technical Scrutiny
No points are identified for reporting under Standing Order 21.2 in respect of this instrument.

Merits Scrutiny
No points are identified for reporting under Standing Order 21.3 in respect of this instrument.

Implications arising from exiting the European Union
The Order defines “eligible hectare” by reference to EU legislation, i.e. EU Regulation 1307/2013 which establishes rules around direct payments to farmers within the framework of the common agricultural policy.

Under the European Union (Withdrawal) Bill (as currently drafted) that EU Regulation will be frozen and will form part of retained EU law on exit day. The EU Regulation will be within the body of retained EU law that only the UK Ministers and the UK Parliament can amend, so UK Ministers or the UK Parliament will be able to change the meaning of “eligible hectare”.

Neither the National Assembly for Wales nor the Welsh Ministers will be given any powers to amend any element of the EU Regulation in its application in Wales, despite it being in a devolved area.

Government Response
No government response is required.