



Llywodraeth Cymru
Welsh Government

WRITTEN STATEMENT BY THE WELSH GOVERNMENT

TITLE **Market Measures Payment Schemes (Amendments) (EU Exit) Regulations 2019**

DATE **15 February 2019**

Market Measures Payment Schemes (Amendments) (EU Exit) Regulations 2019 (“2019 Regulations”)

The law which is being amended

European Directly Applicable Instruments

- Commission Delegated Regulation (EU) No 2016/1238 supplementing Regulation (EU) No 1308/2013 of the European Parliament and of the Council with regard to public intervention and aid for private storage
- Commission Implementing Regulation (EU) No 2016/1240 laying down rules for the application of Regulation (EU) No 1308/2013 of the European Parliament and of the Council with regard to public intervention and aid for private storage
- Commission Regulation (EC) No 1312/2008 fixing the conversion rates, the processing costs and the value of the by-products for the various stages of rice processing
- Commission Delegated Regulation (EU) 2015/1829 of 23 April 2015 supplementing Regulation (EU) No 1144/2014 of the European Parliament and of the Council on information provision and promotion measures concerning agricultural products implemented in the internal market and in third countries
- Commission Implementing Regulation (EU) 2015/1831 of 7 October 2015 laying down rules for application of Regulation (EU) No 1144/2014 of the European Parliament and of the Council on information provision and promotion measures concerning agricultural products implemented in the internal market and in the third countries

Any impact the SI may have on the Assembly’s legislative competence and/or the Welsh Ministers’ executive competence

CMO is primarily a devolved subject matter.

This SI contains provision which enables the Welsh Ministers to exercise functions in relation to Wales without encumbrance and for the Secretary of State to exercise functions in relation to Wales subject to the consent of the Welsh Ministers.

Functions transferred to the Secretary of State to be exercised concurrently with the consent of the Welsh Ministers, constitute functions of a Minister of the Crown that relate to a qualified devolved function for the purposes Schedule 7B to the Government of Wales Act 2006. This therefore may be a relevant consideration in the context of the Assembly's competence to legislate in the future in these areas.

Functions transferred so that they are exercisable by the Secretary of State in relation to Wales subject to the consent of the Welsh Ministers constitute functions of a Minister of the Crown for the purposes of Schedule 7B to Government of Wales Act 2006. A future Assembly Bill seeking to remove or modify these functions could trigger a requirement to consult the UK Government.

The purpose of the amendments

The Common Market Organisation ("CMO") is the framework for the market measures provided for under the Common Agriculture Policy ("CAP"), providing the framework for the market support schemes set up in the various agricultural sectors. The CMOs were set up as a means of meeting the objectives of the CAP and in particular to stabilise markets, ensure a fair standard of living for agricultural producers and increase agricultural productivity. It has over time broadened out to provide a toolkit that enables the EU to:

- manage market volatility;
- incentivise collaboration between and competitiveness of agricultural producers; and
- facilitate trade.

The 2019 Regulations make amendments to existing EU legislation which forms part of UK law relating to CMO.

The 2019 Regulations provide operability fixes to the policy areas of public intervention, private storage aid, promotions and conversion rates for rice.

After EU Exit and without amendment, the above retained EU legislation would contain inoperable provisions that would prevent the delivery of market support schemes to the agricultural sector.

The Regulations and accompanying Explanatory Memorandum, setting out the effect of amendments is available here: <https://beta.parliament.uk/work-packages/FS1sjysb>

Why consent was given

Consent has been given 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.