## Jane Hutt AM/AC

Minster for Business and Budget Gweinidog dros Fusnes a Chyllideb



Llywodraeth Cynulliad Cymru Welsh Assembly Government

Lord Dafydd Elis – Thomas AM Presiding Officer National Assembly Wales Cardiff Bay Cardiff Cf99 1NA

12 January 2010

De Dofydl

The Common Agricultural Policy Single Payment and Support Schemes (Cross Compliance) (Wales) (Amendment) Regulations 2010

I am writing to inform you that in order to bring the Common Agricultural Policy Single Payment and Support Scheme (Cross Compliance) (Wales) (Amendment) Regulations 2010 into force in Wales, and to introduce new Cross Compliance standards and update references to European legislation, which were required by European Union legislation to come into force on 1 January 2010, it has become necessary to breach the 21 day rule. These Regulations were made and laid in the Table Office by 12 January 2010 and will come into force on 13 January 2010.

These Regulations amend the Common Agricultural Policy Single Payment and Support Schemes (Cross Compliance) (Wales) Regulations 2004 ("the principal Regulations"). The principal Regulations make provision in relation to Wales for the administration of Council Regulation (EC) No 73/2009 and other associated Community instruments relating to direct support under the Common Agricultural Policy. The amendments set new standards under cross compliance regarding the retention of ditches, ponds and 1 metre margins along filled boundaries, as well as, compliance with authorisation procedures and conditions within a water abstraction licence.

Further to the Common Agricultural Policy ("CAP") Health Check, the European Commission have been revoking and/or amending European Regulations relating to Direct Payments. It was anticipated that certain key Regulations would be revoked and remade in late September/early October, but unfortunately officials were informed in late November that the

new European Regulations would not be in force until early December. It had been hoped to revoke and replace the principal Regulations to give effect to the new European Regulations. Instead, amendments have to be made to the principal Regulations on an urgent basis as changes to cross compliance needed to be implemented by 1 January 2010 as required by EU legislation.

Due to the delays experienced in the European Commission, combined with the necessity to have in place sufficient legal basis to implement the cross compliance changes at the beginning January 2010, it has become necessary to breach the 21 day rule so that the Regulations can come into force on 13 January 2010. If the Regulations do not come into force on the 13 January 2010 it will not be possible to legally implement the new Cross Compliance requirements or apply penalties where cross compliance breaches are found. If these requirements are not in place from the start of the year, this could result in disallowance (i.e. financial penalties) from the European Commission. The principal regulations also need to be amended to refer to the new EU legislation which came into force on 1 January 2010.

For the reasons outlined above, the Minister for Rural Affairs has deemed that it would not be reasonably practicable for the Regulations to be made bilingually. However, a Welsh translation will be available shortly.

A copy of this letter goes Janet Ryder, Chair of the Subordinate Legislation Committee and Stephen George, Clerk to the Subordinate Legislation Committee.

Yours sincerely

