

## **REGULATORY APPRAISAL**

### **AGRICULTURE, WALES**

#### **THE PAYING AGENCY (NATIONAL ASSEMBLY FOR WALES (AMENDMENT) REGULATIONS 2006**

##### **Purpose and intended effect of the measure**

1. The National Assembly for Wales is empowered to act as a Paying Agency in relation to the financing of the Common Agricultural Policy by virtue of The Paying Agency (National Assembly for Wales) Regulations 1999 (SI 1999/2223). This allows it to make payments in respect of schemes operating under the Rural Development Plan 2000 – 2006.
2. These Regulations make a technical amendment to the 1999 Regulations updating references to the new European Council and European Commission Regulations, which replace and partly repeal those referred to in the 1999 Regulations.
3. Relevant sections of the European Regulations take effect from 16 October 2006. Accordingly, it is necessary to amend references to those European Regulations in The Paying Agency (National Assembly for Wales) Regulations 1999 before that date to ensure the National Assembly for Wales retains the power to make payments for schemes under the Rural Development Plan.

##### **Risk Assessment**

4. These Regulations are necessary to ensure that the 1999 Regulations are fully up to date, thereby avoiding any risk of legal challenge to the Assembly in the exercise of its functions as Paying Agency under the Common Agricultural Policy.

##### **Options**

5. In respect of this legislation the “Do Nothing option” is not an option as it could lead ultimately to infraction proceedings against the National Assembly for Wales by the European Commission. Therefore, the “Make the Legislation” option to implement the changes required to comply with European legislation is being recommended.

##### **Benefits**

6. Implementation of these Regulations would have the benefit of allowing the Assembly to retain its existing power to act as a Paying Agency under the Common Agricultural Policy and so avoid breaching its ongoing commitments in this area and to deliver its own Rural Development Plan for 2007 - 2013.

##### **Costs**

7. These Regulations would not have any financial implications in terms of costs for the Assembly, stakeholders or any other member of the public. This is a purely technical amendment, which will ensure the Assembly retains its existing power

to make payments on schemes operating under the Rural Development Plan beyond 16 October 2006.

## **Consultation**

### With Stakeholders

8. Due to the purely technical nature of the amendment being made by these Regulations, no formal consultation with stakeholders or the general public has been considered necessary.

### With Subject Committee

9. The need for these Regulations was not identified until August this year. Therefore, it was not possible to notify the Environment, Planning and Countryside Committee of the legislation prior to the Summer Recess. However, the Minister for Environment, Planning and Countryside wrote to the Chair of the Committee, notifying him of the Regulations and enclosing a copy of them on 4 September 2006. No comments have been received.

## **Review**

10. Because the effect of the order would simply be to preserve the Assembly's existing powers in this area, there are no plans for its effect to be monitored or reviewed.

## **Summary**

11. Making this technical amendment would ensure that the Assembly can continue to act as a Paying Agency under the Common Agricultural Policy after 16 October 2006 and would avoid the potential risk of the Assembly breaching its Community obligations and its contractual commitments and allowing it to deliver a Rural Development Plan for Wales 2007 - 2013.