Regulations made by the Secretary of State, laid before Parliament under paragraph 5(3) of Schedule 7 to the European Union (Withdrawal) Act 2018, for approval by resolution of each House of Parliament within twenty-eight days beginning with the day on which the Regulations were made, subject to extension for periods of dissolution, prorogation or adjournment for more than four days.

# STATUTORY INSTRUMENTS

# 2019 No. 1344

# EXITING THE EUROPEAN UNION AGRICULTURE FOOD

The Common Agricultural Policy (Market Measures, Notifications and Direct Payments) (Miscellaneous Amendments) (EU Exit) Regulations 2019

Made - - - - October 2019

Laid before Parliament at 2.00 p.m. on 14th

October 2019

October 2019

Coming into force in accordance with regulation 1

The Secretary of State makes these Regulations in exercise of the powers conferred by section 8(1) of, and paragraph 21 of Schedule 7 to, the European Union (Withdrawal) Act 2018(1).

The Secretary of State is of the opinion that, by reason of urgency, it is necessary to make these Regulations without a draft of the instrument being laid before, and approved by a resolution of, each House of Parliament.

#### PART 1

#### Introductory

#### Citation and commencement

1.—(1) These Regulations may be cited as the Common Agricultural Policy (Market Measures, Notifications and Direct Payments) (Miscellaneous Amendments) (EU Exit) Regulations 2019.

- (2) Parts 1 and 4 come into force immediately before exit day.
- (3) Parts 2 and 3 come into force on exit day.

# PART 2

# Amendment of retained direct EU legislation

# Amendment of Commission Implementing Regulation (EU) No 543/2011

**2.** In Commission Implementing Regulation (EU) No 543/2011 laying down detailed rules for the application of Council Regulation (EC) No 1234/2007 in respect of the fruit and vegetables and processed fruit and vegetables sectors, in Title 3, in Chapter 1, omit Section 4 (*Producer groups*).

# Amendment of Commission Delegated Regulation (EU) 2017/891

- **3.**—(1) Commission Delegated Regulation (EU) 2017/891 supplementing Regulation (EU) No 1308/2013 of the European Parliament and of the Council with regard to the fruit and vegetables and processed fruit and vegetables sectors and supplementing Regulation (EU) No 1306/2013 of the European Parliament and of the Council with regard to penalties to be applied in those sectors is amended as follows.
  - (2) In Article 2(2)—
    - (a) in point (k), for "Member State" substitute "appropriate authority";
    - (b) in point (l)—
      - (i) in point (i)—
        - (aa) omit "national";
        - (bb) after "operational programmes" insert "as referred to in Article 36(2) of Regulation (EU) No 1308/2013";
      - (ii) in points (ii) and (iii), for "national strategy" substitute "strategy as referred to in Article 36(2) of Regulation (EU) No 1308/2013";
    - (c) after point (m), insert—
      - "(n) 'constituent nation' means England, Wales, Scotland or Northern Ireland, as the case may be;
      - (o) 'public funds' means moneys provided by Parliament, the Welsh Assembly, the Scottish Parliament, the Northern Ireland Assembly or a body exercising public functions within the United Kingdom;
      - (p) 'relevant authority' means:
        - (i) in relation to England, the Secretary of State;
        - (ii) in relation to Wales, the Welsh Ministers;
        - (iii) in relation to Scotland, the Scottish Ministers;
        - (iv) in relation to Northern Ireland, the Department of Agriculture, Environment and Rural Affairs;
      - (q) 'third country' means any country or territory other than:
        - (i) the United Kingdom;

<sup>(2)</sup> Article 2 is also amended by the Common Organisation of the Markets in Agricultural Products (Producer Organisations and Wine) (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/1343).

- (ii) the Bailiwick of Jersey;
- (iii) the Bailiwick of Guernsey;
- (iv) the Isle of Man.".
- (3) After Article 2, insert— "Article 2A

#### Definition of appropriate authority

- 1. For the purposes of this Regulation, 'appropriate authority' means:
  - (a) in relation to England, the Secretary of State;
  - (b) in relation to Wales, the Welsh Ministers;
  - (c) in relation to Scotland, the Scottish Ministers;
  - (d) in relation to Northern Ireland, the Department of Agriculture, Environment and Rural Affairs.
- **2.** But the appropriate authority is the Secretary of State:
  - (a) in relation to Scotland, at any time that the Secretary of State and the Scottish Ministers so agree;
  - (b) in relation to Northern Ireland, at any time that the Secretary of State and the Department of Agriculture, Environment and Rural Affairs so agree.
- **3.** The relevant authorities for Scotland and Northern Ireland must ensure that a statement identifying the appropriate authority for their constituent nation is published on websites maintained by them on or on their behalf.".
- (4) After Article 14, insert— "Article 14A

#### Head office of a producer organisation

1. The head office of a producer organisation must be located in the constituent nation in which the organisation achieves the majority of the value of marketed production calculated in accordance with Articles 22 and 23.

But the head office may be established in the constituent nation where the majority of producer members are located, if both the appropriate authority for that constituent nation and the appropriate authority for the constituent nation referred to in the first subparagraph consent.

- **2.** Notwithstanding paragraph 1, where the producer organisation implements an operational programme, the head office:
  - (a) must be maintained in the same constituent nation until the end of the implementation of the operational programme; and
  - (b) may be maintained in the same constituent nation for as long as the appropriate authority for that constituent nation and the appropriate authorities referred to in paragraph 1 consent.
- **3.** The appropriate authority for the constituent nation in which the head office of the producer organisation is located:
  - (a) may:
    - (i) subject to paragraph 4, approve the producer organisation's operational programme;

(ii) grant financial assistance in accordance with Articles 32(1)(b) and 34 of Regulation (EU) No 1308/2013;

# (b) must:

- (i) organise checks on the producer organisation and apply any administrative penalties in accordance with Article 34A of Regulation (EU) 2017/892; and
- (ii) provide, on the request of the appropriate authority for a constituent nation in which members are located, all relevant documentation.
- **4.** Notwithstanding paragraph 3(a)(i), where the producer organisation implements an operational programme at the time of applying for a new operational programme, the appropriate authority that may approve the new programme is the appropriate authority for the constituent nation in which the producer organisation will have its head office at the time that the new programme will be implemented, to be determined in accordance with paragraphs 1 and 2.".
- (5) In Article 15(2), for "Member States" substitute "the appropriate authority or authorities (as the case may be)".
- (6) Before Article 22, insert— "Article 21A

# Head office of an association of producer organisations

1. The head office of an association of producer organisations must be located in the constituent nation in which the member producer organisations achieve the majority of the value of marketed production.

But the head office may be established in the constituent nation where the majority of member producer organisations are located, if both the appropriate authority for that constituent nation and the appropriate authority for the constituent nation referred to in the first subparagraph consent.

- **2.** Notwithstanding paragraph 1, where the association of producer organisations implements an operational programme, the head office:
  - (a) must be maintained in the same constituent nation until the end of the implementation of the operational programme; and
  - (b) may be maintained in the same constituent nation for as long as the appropriate authority for that constituent nation and the appropriate authorities referred to in paragraph 1 consent.
- **3.** The appropriate authority for the constituent nation in which the head office of the association of producer organisations is located:
  - (a) may:
    - (i) subject to paragraph 4, approve the association's operational programme;
    - (ii) grant financial assistance in accordance with Articles 32(1)(b) and 34 of Regulation (EU) No 1308/2013;
  - (b) must:
    - (i) organise checks on the association of producer organisations and apply any administrative penalties in accordance with Article 34B of Regulation (EU) 2017/892; and
    - (ii) provide, on the request of the appropriate authority for a constituent nation in which members are located, all relevant documentation.

- **4.** Notwithstanding paragraph 3(a)(i), where the association of producer organisations implements an operational programme at the time of applying for a new operational programme, the appropriate authority that may approve the new programme is the appropriate authority for the constituent nation in which the association will have its head office at the time that the new programme will be implemented, to be determined in accordance with paragraphs 1 and 2.".
- (7) In Article 23—
  - (a) in the heading, omit "Union";
  - (b) in paragraph 1, in the first subparagraph, for "Member States" substitute "The appropriate authority";
  - (c) in paragraph 2(3), omit "Union";
  - (d) omit paragraph 3;
  - (e) in paragraph 4, in the second subparagraph(4), for "competent authority of the Member State concerned" substitute "appropriate authority".
- (8) In Article 24—
  - (a) for "Member States shall ensure that producer organisations comply" substitute "The appropriate authority for the constituent nation in which a producer organisation has its head office must ensure that the producer organisation complies";
  - (b) for "national standards of cost-based accounting" substitute "standards of cost-based accounting applicable in the constituent nation concerned".
- (9) In Article 26(1)—
  - (a) in the first subparagraph—
    - (i) for "Member State, which has granted recognition," substitute "appropriate authority for the constituent nation in which their head office is located";
    - (ii) omit "Union";
    - (iii) after "financial assistance" insert "referred to in Articles 32(1)(b) and 34 of Regulation (EU) No 1308/2013";
  - (b) in the second subparagraph, for "Member States may set" substitute "nothing in this Regulation prevents the appropriate authority from setting".
- (10) In Article 27—
  - (a) for the heading, substitute "Strategy";
  - (b) in paragraph 1—
    - (i) omit "national" in each place it occurs;
    - (ii) in the first subparagraph, omit the words from "after having", in the first place it occurs, to the end;
  - (c) for paragraph 2 substitute—
    - "2. In addition to the elements referred to in Article 36(2) of Regulation (EU) No 1308/2013, the strategy must integrate all the decisions taken and provisions adopted for the purposes of Articles 152 to 163 of that Regulation that apply in the constituent nation concerned";
  - (d) in paragraph 3—

<sup>(3)</sup> Article 23(2) is also amended by the Common Organisation of the Markets in Agricultural Products (Producer Organisations and Wine) (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/1343).

<sup>(4)</sup> The second subparagraph of Article 23(4) is also amended by the Common Organisation of the Markets in Agricultural Products (Producer Organisations and Wine) (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/1343).

- (i) for the first subparagraph substitute—
  - "1. The relevant authority must carry out an analysis of the initial situation as part of the process of drawing up the strategy.";
- (ii) in the second and third subparagraphs, for "It" substitute "This analysis";
- (e) in paragraph 4—
  - (i) in the first subparagraph, for "Member States" substitute "The relevant authority";
  - (ii) omit "national" in both places it occurs;
- (f) in paragraph 5—
  - (i) for "Member States" substitute "The relevant authority";
  - (ii) omit "national".
- (11) Omit Article 28.
- (12) In Article 29—
  - (a) in the heading, omit "Member State";
  - (b) for "Member States may adopt" substitute "Nothing in this Regulation prevents the appropriate authority from adopting".
- (13) In Article 30—
  - (a) in paragraph 1—
    - (i) in the first subparagraph—
      - (aa) for "Member State's" substitute "relevant authority's";
      - (bb) for "that Member State" substitute "the appropriate authority for the constituent nation concerned":
    - (ii) in the second subparagraph—
      - (aa) for "a Member State" substitute "the relevant authority";
      - (bb) for "national strategy" substitute "strategy referred to in Article 36(2) of Regulation (EU) No 1308/2013";
  - (b) in paragraph 2, for "Member State concerned" substitute "appropriate authority";
  - (c) in paragraph 4, for "national strategy" substitute "strategy referred to in Article 36(2) of Regulation (EU) No 1308/2013";
  - (d) in paragraph 6, for "Member States" substitute "the appropriate authorities".
- (14) In Article 31—
  - (a) in paragraph 2, omit the words from "However" to the end;
  - (b) omit paragraph 3;
  - (c) in paragraph 5—
    - (i) in the first subparagraph, in point (b), for "national property rules" substitute "property rules as they apply in the relevant constituent nation";
    - (ii) in the second subparagraph—
      - (aa) for "Member States" substitute "the appropriate authority";
      - (bb) for "their national strategy" substitute "the strategy referred to in Article 36(2) of Regulation (EU) No 1308/2013 of the constituent nation concerned";
  - (d) in paragraph 6—

- (i) in the first subparagraph, for "Member States" substitute "The appropriate authority";
- (ii) in the fourth subparagraph—
  - (aa) omit "Union";
  - (bb) after "investment", insert "(whether from EU or public funds and whether before or after exit day)";
  - (cc) for "and reimbursed to the European Agricultural Guarantee Fund (EAGF)" substitute "by or on behalf of the relevant authority or authorities that provided the aid";
- (e) in paragraph 7(5), in the second and third subparagraphs, for "Member States" substitute "the appropriate authority";
- (f) in paragraphs 8 and 9, omit "national".
- (15) In Article 32(1)—
  - (a) for "Member States may authorise that producer members of associations of producer organisations" substitute "Associations of producer organisations may provide in their members' agreements and statutes for producer members";
  - (b) before "finance" insert "to".
- (16) In Article 33—
  - (a) in paragraph 1, in the words before point (a), for "Member States" substitute "The appropriate authority";
  - (b) in paragraph 2, for "Member States", in both places it occurs, substitute "The appropriate authority".
- (17) In Article 34—
  - (a) in paragraph 1—
    - (i) in the first subparagraph, for "Member States" substitute "The appropriate authority";
    - (ii) in the second subparagraph, for "Member States" substitute "the appropriate authority";
  - (b) in paragraph 2—
    - (i) in the first subparagraph, for "Member States" substitute "The appropriate authority";
    - (ii) in the second subparagraph—
      - (aa) in the words before point (a), for "Member States" substitute "the appropriate authority";
      - (bb) in point (c), for "percentage to be fixed by Member States" substitute "maximum of 25%";
      - (cc) in point (d), for "national" substitute "additional";
    - (iii) in the third subparagraph—
      - (aa) for "Member States" substitute "The appropriate authority";
      - (bb) for "competent", in both places it occurs, substitute "appropriate";
      - (cc) omit "of the Member State";

<sup>(5)</sup> Article 31(7) is also amended by the Common Organisation of the Markets in Agricultural Products (Producer Organisations and Wine) (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/1343).

- (iv) in the fourth subparagraph, for "Member States" substitute "The appropriate authority".
- (18) In Article 35—
  - (a) in paragraph 1—
    - (i) in the first subparagraph—
      - (aa) for "Member States may permit producer organisations to apply" substitute "A producer organisation may apply to the appropriate authority for the constituent nation in which the producer organisation has its head office";
      - (bb) for "three or four-month period" substitute "quarter";
    - (ii) for the second subparagraph substitute—
      - "A producer organisation applying for an advance payment must demonstrate to the satisfaction of the appropriate authority, and the appropriate authority must verify, that:
        - (a) financial contributions to the producer organisation's operational fund have been levied in accordance with Articles 24 and 25;
        - (b) the corresponding producer organisation contribution has actually been spent; and
        - (c) any previous advance payments received by the producer organisation have actually been spent.";
  - (b) after paragraph 3, insert—
    - "4. In this Article 'quarter' means a period of three months ending with the last day of March, June, September or December.".
- (19) In Article 36—
  - (a) in paragraph 2(b)—
    - (i) omit "Union";
    - (ii) after "investments", in the second place it occurs, insert "(whether from EU or public funds and whether before or after exit day)";
    - (iii) for "and reimbursed to the EAGF" substitute "by or on behalf of the relevant authority or authorities that provided the aid";
  - (b) in paragraph 3—
    - (i) for "Union financial assistance" substitute "Financial assistance (whether provided from EU or public funds, and before or after exit day)";
    - (ii) for "and reimbursed to the EAGF" substitute "by or on behalf of the relevant authority or authorities that provided the financial assistance".
- (20) Omit Article 37.
- (21) Omit Section 2.
- (22) In Article 40—
  - (a) for paragraph 1, substitute—
    - "1. A producer organisation may apply for support for the administrative cost of setting up mutual funds.";
  - (b) in paragraph 2—
    - (i) omit "referred to in paragraph 1";
    - (ii) omit "Union";

- (iii) after "financial assistance" insert "referred to in Articles 32(1)(b) and 34 of Regulation (EU) No 1308/2013";
- (c) in paragraph 3, omit "referred to in paragraph 1";
- (d) in paragraph 4, for "Member States may fix" substitute "Nothing in this Regulation prevents the appropriate authority from fixing".
- (23) Omit Sections 4 to 6.
- (24) In Article 51—
  - (a) for paragraph 1, substitute—
    - "1. Harvest insurance actions must be managed by the producer organisation. Harvest insurance actions do not have to cover all of the members of the producer organisation, and can be targeted at specific producer members.

Harvest insurance actions are not permitted to cover contracts of insurance that are not effected and carried out as principal by an authorised person in accordance with the Financial Services and Markets Act 2000(6).";

- (b) in paragraph 2—
  - (i) in the first subparagraph, in the words before point (a)—
    - (aa) for "Member States" substitute "The appropriate authority for the constituent nation in which the producer organisation has its head office";
    - (bb) omit "national";
  - (ii) in the second subparagraph, omit "Union".
- (25) Omit Section 8.
- (26) In the heading of Chapter 4, for "National" substitute "Additional".
- (27) In Article 52—
  - (a) in the heading, for "national" substitute "additional";
  - (b) omit paragraphs 1 and 2;
  - (c) in paragraph 3—
    - (i) for "region" substitute "regions";
    - (ii) for "national financial assistance" substitute "additional financial assistance referred to in Article 35 of Regulation (EU) No 1308/2013";
  - (d) in paragraph 4—
    - (i) for the first subparagraph substitute—
      - "4. Regulations under Article 35(1) of Regulation (EU) No 1308/2013 must specify the regions to which they apply.

The regions must be a distinct part of the territory of the constituent nation concerned and data must be available in order to calculate the degree of organisation of producers in the fruit and vegetables sector in those regions.

The appropriate authority must determine the regions where the degree of organisation of producers in the fruit and vegetables sector is particularly low on the basis of objective and non-discriminatory criteria, such as those regions'—

(a) agronomic and economic characteristics;

- (b) agricultural and fruit and vegetable potential; and
- (c) institutional or administrative structure.";
- (ii) in the second subparagraph, for "a Member State" substitute "such regulations";
- (e) omit paragraph 5.
- (28) In Article 53, for "national" substitute "additional".
- (29) For Article 54, substitute—"Article 54

Publications concerning producer organisations and associations of producer organisations

The appropriate authorities must ensure that the following information and documents are published on websites maintained by them or on their behalf:

- (a) by 31 January each year:
  - (i) the total amount of the operational funds approved that year for operational programmes;
  - (ii) the total amount of financial assistance granted under Articles 32(1)(b) and 34 of Regulation (EU) No 1308/2013 for that year;
  - (iii) the allocations of the amounts referred to in points (i) and (ii) between:
    - (aa) crisis prevention and management measures;
    - (bb) other measures;
- (b) by 15 November each year, an annual report on producer organisations and associations of producer organisations, and operational funds and operational programmes in operation during the previous year. This annual report must contain the information set out in Annex 5 to this Regulation. Where the appropriate authorities agree, the annual report may be a single annual report in respect of the United Kingdom as a whole."
- (30) In the heading of Section 2 of Chapter 5, omit "national".
- (31) In Article 56(1), for "national strategies" substitute "strategies referred to in Article 36(2) of Regulation (EU) No 1308/2013".
  - (32) In Article 57(3)—
    - (a) in the first subparagraph—
      - (i) after "report" insert "to be sent by the producer organisation or association of producer organisations concerned to the appropriate authority";
      - (ii) omit "as referred in Article 21(4) of Implementing Regulation (EU) 2017/892";
    - (b) in the last subparagraph for "Article 21" substitute "Article 9(2)(j)".
  - (33) In Article 58—
    - (a) omit "national" in each place it occurs (including the heading);
    - (b) in paragraph 1—
      - (i) for "Member States" substitute "Each appropriate authority";
      - (ii) for "they" substitute "each appropriate authority";
      - (iii) at the end, insert "Where the appropriate authorities agree, the system may be a single system in respect of the United Kingdom as a whole."
  - (34) In Article 59—

- (a) in paragraph 1(7), for "Member States" substitute "the appropriate authorities";
- (b) in paragraph 7, for "Member States" substitute "the appropriate authorities";
- (c) in paragraph 8, for "Member State" substitute "appropriate authority".
- (35) In Article 60—
  - (a) in paragraph 1(8)—
    - (i) for "Member States" substitute "The appropriate authority";
    - (ii) for "national authority" substitute "public authority within the United Kingdom";
  - (b) in paragraph 2(9)—
    - (i) in the words before point (a)—
      - (aa) for "Member States" substitute "the responsible authority";
      - (bb) for "under Union and national legislation" substitute "in law";
    - (ii) after point (c), insert—

"In this paragraph, the 'responsible authority' is the appropriate authority for the constituent nation in which the producer organisation has its head office."

- (36) In Article 61(2), in the words before point (a), for "Member State" substitute "appropriate authority".
  - (37) Omit Articles 62 to 65.
  - (38) In Article 67—
    - (a) in paragraph 1(b), for the words from "rate" to "European Union and" substitute "Bank of England base rate";
    - (b) after paragraph 1 insert—
      - "1A. In paragraph 1, "Bank of England base rate" for any particular day means—
        - (a) except where point (b) applies, the rate as last announced at a meeting of the Monetary Policy Committee of the Bank of England held prior to that day as the official dealing rate, being the rate at which the Bank is willing to enter into transactions for providing short-term liquidity in the money markets; or
        - (b) if an order under section 19 (reserve powers) of the Bank of England Act 1998(10) is in force, any equivalent rate determined by the Treasury under that section.";
    - (c) in paragraph 2, for "EAGF" substitute "relevant authority that provided the aid".
- (39) After Article 67, insert—"Article 67A

#### Apportionment of recovered aid, interest and penalties

1. Aid recovered under this Regulation, together with any interest payable thereon in accordance with this Regulation, must be apportioned between the relevant authorities in accordance with the proportion of that aid that was provided by each authority.

<sup>(7)</sup> Article 59(1) is also amended by the Common Organisation of the Markets in Agricultural Products (Producer Organisations and Wine) (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/1343).

<sup>(8)</sup> Article 60(1) is also amended by the Common Organisation of the Markets in Agricultural Products (Producer Organisations and Wine) (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/1343).

<sup>(9)</sup> Article 60(2) is also amended by the Common Organisation of the Markets in Agricultural Products (Producer Organisations and Wine) (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/1343).

<sup>(10) 1998</sup> c. 11.

- **2.** For the purpose of paragraph 1 and Articles 31(6), 36(2)(b) and 36(3), aid provided from European Union funds is deemed to have been provided by the relevant authority for the constituent nation in which the head office of the producer organisation was located when the aid was paid.
- **3.** Penalties imposed under this Regulation must be paid to the relevant authority for the constituent nation in which the head office of the producer organisation was located during the period to which the penalty relates.".
- (40) Omit Articles 76 and 77.
- (41) In Article 78, for "competent authority of the Member State" substitute "appropriate authority".
  - (42) Omit Article 80(2) and (3).
  - (43) After Article 81, omit the words from "This Regulation" to "Member States.".
  - (44) In Annex 2—
    - (a) in point 14, for "national" substitute "applicable";
    - (b) in point 15, omit "national or regional".
  - (45) In Annex 3—
    - (a) in point 1, omit the third paragraph;
    - (b) in point 2(a)—
      - (i) in the first paragraph, for "Union financial assistance" substitute "financial assistance referred to in Articles 32(1)(b) and 34 of Regulation (EU) No 1308/2013";
      - (ii) in the third paragraph—
        - (aa) for "Member States may restrict" substitute "Nothing in this Regulation prevents the appropriate authority from restricting";
        - (bb) for "they" substitute "it";
    - (c) in point 2(b)—
      - (i) in the first paragraph, for "Member States' approval" substitute "approval by the appropriate authority";
      - (ii) omit the third and fourth paragraphs;
    - (d) in point 3, omit the words from ", where applicable" to the end;
    - (e) in point 4, omit the last paragraph;
    - (f) omit point 5;
    - (g) in point 7, for "Union or national support" substitute "support from European Union or public funds";
    - (h) in point 8, for "Member State concerned" substitute "appropriate authority";
    - (i) in point 9, for "Union or national support" substitute "support from European Union or public funds";
    - (j) in point 10, for "Member State" substitute "appropriate authority";
    - (k) omit point 12;
    - (l) in point 14, omit ", European".
  - (46) Omit Annex 4.
  - (47) In the heading of Annex 5, omit "of Member States".

- (48) In Annex 5, in Part A(11)—
  - (a) omit point 1;
  - (b) in point 2—
    - (i) omit ", and producer groups", in each place it occurs;
    - (ii) in point (e)—
      - (aa) omit "/groups";
      - (bb) omit "/recognition plan";
  - (c) in point 3—
    - (i) in point (a)—
      - (aa) omit "national";
      - (bb) after "financial assistance" insert "referred to in Articles 32(1)(b), 34 and 35 of Regulation (EU) No 1308/2013";
    - (ii) omit points (c) and (d);
  - (d) in point 4—
    - (i) in the words before point (a), omit "and recognition plans";
    - (ii) omit point (b).
- (49) In Annex 5, in Part B, in point (a), for "Member State" substitute "appropriate authority".

#### Amendment of Commission Implementing Regulation (EU) 2017/892

- **4.**—(1) Commission Implementing Regulation (EU) 2017/892 laying down rules for the application of Regulation (EU) No 1308/2013 of the European Parliament and of the Council with regard to the fruit and vegetables and processed fruit and vegetables sectors is amended as follows.
- (2) After Article 1, insert— "Article 1A(12)

# Definitions

For the purposes of this Regulation, the following definitions apply:

- (a) 'constituent nation' means England, Wales, Scotland or Northern Ireland, as the case may be;
- (b) 'public funds' means moneys provided by Parliament, the Welsh Assembly, the Scottish Parliament, the Northern Ireland Assembly or a body exercising public functions within the United Kingdom;
- (c) 'relevant authority' means:
  - (i) in relation to England, the Secretary of State;
  - (ii) in relation to Wales, the Welsh Ministers;
  - (iii) in relation to Scotland, the Scottish Ministers;
  - (iv) in relation to Northern Ireland, the Department of Agriculture, Environment and Rural Affairs;
- (d) 'third country' means any country or territory other than:

<sup>(11)</sup> Part A of Annex 5 is also amended by the Common Organisation of the Markets in Agricultural Products (Producer Organisations and Wine) (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/1343).

<sup>(12)</sup> Article 1A is further amended by the Common Organisation of the Markets in Agricultural Products (Producer Organisations and Wine) (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/1343).

- (i) the United Kingdom;
- (ii) the Bailiwick of Jersey;
- (iii) the Bailiwick of Guernsey;
- (iv) the Isle of Man.

#### Article 1B

#### Definition of appropriate authority

- 1. For the purposes of this Regulation, 'appropriate authority' means:
  - (a) in relation to England, the Secretary of State;
  - (b) in relation to Wales, the Welsh Ministers;
  - (c) in relation to Scotland, the Scottish Ministers;
  - (d) in relation to Northern Ireland, the Department of Agriculture, Environment and Rural Affairs.
- **2.** But the appropriate authority is the Secretary of State:
  - (a) in relation to Scotland, at any time that the Secretary of State and the Scottish Ministers so agree;
  - (b) in relation to Northern Ireland, at any time that the Secretary of State and the Department of Agriculture, Environment and Rural Affairs so agree.
- **3.** The relevant authorities for Scotland and Northern Ireland must ensure that a statement identifying the appropriate authority for their constituent nation is published on websites maintained by them on or on their behalf.".
- (3) In Article 2—
  - (a) in the heading, for "National strategy" substitute "Strategy";
  - (b) omit "national".
- (4) In Article 3—
  - (a) in the heading, for "National framework" substitute "Framework";
  - (b) in paragraph 1—
    - (i) omit "national", in each place it occurs;
    - (ii) in the second subparagraph, for "Member State" substitute "constituent nation or the United Kingdom (as the case may be)";
    - (iii) in the third subparagraph, in point (a), for "Member State concerned" substitute "constituent nation concerned or the rural development programmes of the constituent nations concerned (as the case may be)";
  - (c) in paragraph 2, in the second subparagraph, for "Member States" substitute "The appropriate authority";
  - (d) in paragraph 4—
    - (i) in the second subparagraph, for "Member States" substitute "the appropriate authority";
    - (ii) in the third subparagraph, for "Member State" substitute "appropriate authority";
  - (e) in paragraph 6, in the second subparagraph, for "national competent" substitute "appropriate".
- (5) In Article 4—

- (a) in paragraph 1(b), for "national strategy" substitute "strategy referred to in Article 36(2) of Regulation (EU) No 1308/2013 of the constituent nation in which the producer organisation has its head office";
- (b) in paragraph 2, for "Union", in both places it occurs, substitute "public".
- (6) In Article 5(c), for "Union or national" substitute "European Union or public".
- (7) In Article 6—
  - (a) in paragraph 1—
    - (i) for "programmes" substitute "programme";
    - (ii) for "competent authority of the Member State" substitute "appropriate authority of the constituent nation";
    - (iii) for "Member States may set" substitute "nothing in this Regulation prevents the appropriate authority from setting";
  - (b) in paragraph 2, omit "a producer group formed pursuant to Article 125e of Regulation (EC) No 1234/2007 or".
- (8) In Article 8—
  - (a) for "Member States", in the first place it occurs, substitute "The appropriate authority";
  - (b) for "Member States", in the second place it occurs, substitute "the appropriate authority".
- (9) Omit Article 8a.
- (10) In Article 9—
  - (a) in paragraph 1, for "competent authority of the Member State" substitute "appropriate authority";
  - (b) in paragraph 2—
    - (i) in point (h)—
      - (aa) for "Union or national" substitute "European Union or public";
      - (bb) at the end insert "and";
    - (ii) omit point (i);
    - (iii) for point (j), substitute—
      - "(j) an annual report on the execution of the operational programme.";
  - (c) in paragraph 4, for "competent authority of the Member State" substitute "appropriate authority";
  - (d) in paragraph 5, for "same Member State which recognised the association of producer organisations" substitute "United Kingdom";
  - (e) after paragraph 5, insert—
    - "5A. An application for aid by an association of producer organisations must relate to actions implemented at the level of the association and must be submitted to the appropriate authority for the constituent nation where that association has its head office. The appropriate authorities must ensure that there is no double funding risk.";
  - (f) in paragraph 6(13), for "in the Member State where they are recognised" substitute "to the appropriate authority for the constituent nation in which the producer organisation's head office is located."
- (11) In Article 10, for "Member States" substitute "The appropriate authority".

<sup>(13)</sup> Article 9(6) is also amended by the Common Organisation of the Markets in Agricultural Products (Producer Organisations and Wine) (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/1343).

- (12) In Article 11—
  - (a) in paragraph 1—
    - (i) omit "as decided by the Member State, either";
    - (ii) omit "or on a four-monthly basis in January, May and September";
  - (b) in paragraph 3, for "Member States may set" substitute "Nothing in this Regulation prevents the appropriate authority from setting".
- (13) In Article 12—
  - (a) in paragraph 1, for "Member States may permit producer organisations to apply" substitute "A producer organisation may apply to the appropriate authority for the constituent nation in which the producer organisation has its head office";
  - (b) in paragraph 3, for "Member States may set" substitute "Nothing in this Regulation prevents the appropriate authority from setting".
- (14) For Article 13, substitute— "Article 13

#### Training measures and exchanges of better practices

Training measures and exchanges of better practices cannot constitute crisis prevention and management measures unless they are additional to any ongoing training actions not related to crisis prevention and management being applied by the producer organisation concerned in its operational programme."

- (15) In Article 14(1)—
  - (a) for the first subparagraph substitute—
    - "1. Promotion and communication measures implemented by producer organisations in relation to crisis prevention or crisis management, including actions and activities aimed at diversification and consolidation on the fruit and vegetable markets, may be applied rapidly when required.";
  - (b) in the third subparagraph for "Union", in each place it occurs, substitute "United Kingdom".
- (16) Omit Articles 15 to 17.
- (17) In Article 21—
  - (a) in the heading—
    - (i) omit "and annual reports", in the first place it occurs;
    - (ii) for "Member States" substitute "the appropriate authorities";
  - (b) in the first subparagraph—
    - (i) for the words from "a competent authority" to "Regulation (EC) No 1234/2007" substitute "the appropriate authority";
    - (ii) after "producer groups", in the second place it occurs, insert "referred to in Article 27 of Regulation (EU) No 1305/2013";
  - (c) in the second subparagraph, for "Member States" substitute "The appropriate authority".
- (18) For Article 23, substitute— "Article 23

#### Submission procedures

Without prejudice to Articles 9, 24 and 25, the procedures for the submission of aid applications, requests for approval of operational programmes, and payment claims are those published from time to time by the appropriate authority." (14)

- (19) In Article 25—
  - (a) in paragraph 1—
    - (i) in the words before point (a), for "Member States" substitute "the appropriate authority";
    - (ii) in point (b), for "national strategy and the national framework" substitute "strategy and framework referred to in Article 36 of Regulation (EU) No 1308/2013 of the constituent nation concerned";
  - (b) in paragraph 2(b)—
    - (i) omit "national and Union";
    - (ii) omit "national", in the second place it occurs;
    - (iii) for "national strategy" substitute "strategy referred to in Article 36(2) of Regulation (EU) No 1308/2013 of the constituent nation concerned".
- (20) In Article 26—
  - (a) in paragraph 2, for "Member States" substitute "the appropriate authority";
  - (b) in paragraph 4(15), for "Member State approval", in both places it occurs, substitute "approval by the appropriate authority".
- (21) In Article 27—
  - (a) in paragraph 1, for "Member States" substitute "The appropriate authority";
  - (b) in paragraph 3—
    - (i) in the words before paragraph (a), for "Member States" substitute "The appropriate authority";
    - (ii) in paragraph (d), for "Member States" substitute "the appropriate authority";
  - (c) in paragraph 5—
    - (i) in point (c), for "Union" substitute "applicable";
    - (ii) omit point (f);
  - (d) in paragraph 6—
    - (i) in the first subparagraph, for "national law" substitute "the law as it applies in the relevant constituent nation";
    - (ii) in the second subparagraph, for "Member States" substitute "appropriate authority";
  - (e) in paragraph 7, in the second subparagraph, for "Member States" substitute "the appropriate authority";
  - (f) in paragraph 9, for "Member State" substitute "appropriate authority".
- (22) In Article 28(1), for "A detailed report shall be made" substitute "The appropriate authority must produce a detailed report".
  - (23) Omit Articles 29 to 31.

<sup>(14)</sup> The Common Organisation of the Markets in Agricultural Products (Producer Organisations and Wine) (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/1343) amend this Article to include provision for the procedures for the submission of requests for recognition.

<sup>(15)</sup> Article 26(4) is also amended by the Common Organisation of the Markets in Agricultural Products (Producer Organisations and Wine) (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/1343).

#### (24) In Article 34(16)—

- (a) in the first subparagraph—
  - (i) for "Union legislation, Member States shall introduce" substitute "retained EU law, the appropriate authority must conduct";
  - (ii) before "measures", in the first place it occurs, insert "take";
  - (iii) for the words from "so that" to the end substitute "in order to ensure proper management of public funds";
- (b) in the second subparagraph—
  - (i) in the words before point (a), for "Member States" substitute "the appropriate authority";
  - (ii) for point (a) substitute—
    - "(a) all eligibility criteria established by applicable legislation or by the strategy and framework of the constituent nation in which the producer organisation or association of producer organisations (as the case may be) has its head office can be checked;";
  - (iii) in point (b), for "the competent authorities of the Member State responsible for carrying out checks" substitute "they";
  - (iv) in point (c), for "Union or national schemes" substitute "schemes funded in whole or in part by European Union or public funds".
- (25) After Article 34, insert— "Article 34A

# Checks on producer organisations

- **1.** The appropriate authority for the constituent nation in which a producer organisation has its head office must:
  - (a) organise checks on that organisation in respect of the operational programme and operational fund; and
  - (b) apply administrative penalties in accordance with Section 3 of Chapter 5 of Title 2 of Regulation (EU) 2017/891 where such checks demonstrate that the relevant obligations have not been met.
- **2.** The appropriate authorities for the other constituent nations in which the producer organisation's members are located must, within any reasonable period provided by the appropriate authority in which the producer organisation has its head office:
  - (a) provide such administrative assistance and carry out such administrative and on—the-spot checks as are required by that authority; and
  - (b) report the results of those checks to that authority.
- **3.** In respect of environmental and phytosanitary measures and crisis prevention and management measures, a producer organisation must comply with the rules of the constituent nation where the respective actions take place. In respect of all other matters in relation to the producer organisation and the operational programme and operational fund, the producer organisation must comply with the rules applicable in the constituent nation in which its head office is located

Article 34B

<sup>(16)</sup> Article 34 is also amended by the Common Organisation of the Markets in Agricultural Products (Producer Organisations and Wine) (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/1343).

# Checks on associations of producer organisations

- 1. The appropriate authority for the constituent nation in which a producer organisation which is a member of an association has its head office must:
  - (a) organise checks in respect of actions of the operational programme implemented in that constituent nation and of the operational fund;
  - (b) apply administrative penalties in accordance with Section 3 of Chapter 5 of Title 2 of Regulation (EU) 2017/891 where such checks demonstrate that the relevant obligations have not been met;
  - (c) provide such administrative assistance as is requested by the appropriate authority for the constituent nation in which the association of producer organisations has its head office; and
  - (d) notify the results of checks it has carried out and administrative penalties it has applied without delay to the appropriate authority for the constituent nation in which the association of producer organisations has its head office.
- **2.** The appropriate authority for the constituent nation in which the association of producer organisations has its head office must:
  - (a) organise checks in respect of actions of the operational programme implemented at the level of the association and of the operational fund of the association;
  - (b) apply administrative penalties in accordance with Section 3 of Chapter 5 of Title 2 of Regulation (EU) 2017/891 where such checks demonstrate that the relevant obligations have not been met; and
  - (c) co-ordinate checks and payments in respect of the actions of the operational programme of the association implemented outside the constituent nation where its head office is located.
- **3.** The actions of the operational programmes must comply with the rules and strategy referred to in Article 36(2) of Regulation (EU) No 1308/2013 of the constituent nation where, in accordance with Article 9(6), the application for aid is submitted.

But environmental and phytosanitary measures and crisis prevention and management measures must comply with the rules of the constituent nation where these measures and actions are actually carried out."

- (26) In Article 35(17)—
  - (a) for "competent authority of the Member State" substitute "appropriate authority";
  - (b) for "a Member State" substitute "an appropriate authority".
- (27) After Article 42, omit the words from "This Regulation" to "Member States.".
- (28) In Annex 1—
  - (a) in the heading, omit "national";
  - (b) in point 1—
    - (i) in the heading, omit "national";
    - (ii) for "Member State" substitute "relevant authority";
  - (c) in point 2.2—
    - (i) in the third indent, for "Union" substitute "public";
    - (ii) in the fourth indent, for "Union" substitute "the constituent nation's";

<sup>(17)</sup> Article 35 is also amended by the Common Organisation of the Markets in Agricultural Products (Producer Organisations and Wine) (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/1343).

- (d) in the heading of point 2.3 omit "national";
- (e) in point 3.1—
  - (i) in the first paragraph—
    - (aa) for "Member States", in the first place it occurs, substitute "The relevant authorities";
    - (bb) omit "national" in both places it occurs;
    - (cc) after "framework" insert "referred to in Article 36 of Regulation (EU) No 1308/2013";
    - (dd) omit the third sentence;
  - (ii) in the second paragraph—
    - (aa) for "Member States" substitute "The relevant authorities";
    - (bb) for "national or regional schemes" substitute "schemes funded in whole or in part by public funds";
    - (cc) omit the words from ", for ensuring" to the end;
- (f) in point 4—
  - (i) for "Member State" substitute "relevant authority";
  - (ii) omit "national" in both places it occurs;
- (g) in point 5, omit "national" in the first and second places it occurs;
- (h) in point 5.2, omit "national" in both places it occurs (including the heading).
- (29) In Annex 2(18), in the words before Section 1 (Administrative Information)
  - (a) in the section entitled "Structure of the Annual Report Part A"—
    - (i) in the words before point 1, in the first paragraph—
      - (aa) for "competent authorities of the Member States are" substitute "appropriate authority is";
      - (bb) for "transmit to the European Commission" substitute "publish";
    - (ii) omit point 1;
    - (iii) in point 2—
      - (aa) in the heading, omit "and producer groups";
      - (bb) omit the row beginning "Table 2.5.";
    - (iv) in point 3, omit the rows beginning "Table 3.3." and "Table 3.4.";
    - (v) in point 4, omit the row beginning "Table 4.2.";
  - (b) in the section entitled "Explanatory Notes"—
    - (i) in the subsection entitled "Abbreviations", omit the rows beginning "Producer group" and "Member State";
    - (ii) in the subsection entitled "Country codes", omit all rows except the header and the row beginning "United Kingdom";
    - (iii) omit the subsection entitled "Region codes";
    - (iv) in the subsection entitled "Code number (ID) of POs, TPOs, APOs, TAPOs and PGs"—

<sup>(18)</sup> Annex 2 is also amended by the Common Organisation of the Markets in Agricultural Products (Producer Organisations and Wine) (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/1343).

- (aa) in the heading, omit "and PGs";
- (bb) omit "or PG", in both places it occurs;
- (v) omit the subsection entitled "Monetary values";
- (c) in the section entitled "Contact point for communication", in the first table—
  - (i) for "Member State" substitute "Constituent nation";
  - (ii) omit the second row;
- (d) in the section entitled "Annual Report Part A", in the table—
  - (i) for "Member State" substitute "Constituent nation";
  - (ii) omit the second row.
- (30) In Annex 2, omit Section 1 (Administrative Information).
- (31) In Annex 2, in Section 2 (Information Related to POs, TPOs, APOs and PGs)—
  - (a) in the heading, omit "AND PGs";
  - (b) in Table 2.3., omit footnote 1;
  - (c) omit Table 2.5.;
  - (d) in the section entitled "Annual Report Part A", in the table, for "Member State" substitute "Constituent nation".
- (32) In Annex 2, in Section 3 (Expenditures Information)—
  - (a) in Table 3.1.—
    - (i) for "Union financial assistance", in both places it occurs, substitute "financial assistance referred to in Articles 32(1)(b) and 34 of Regulation (EU) No 1308/2013";
    - (ii) for "National", in the first and second places it occurs, substitute "Additional";
    - (iii) omit the row containing the words "Estimated amount of the National financial assistance actually paid to be reimbursed by the EU";
  - (b) after Table 3.1. omit "(Data in Euro or national currency)";
  - (c) in Table 3.2.—
    - (i) omit "(Euro or national currency)";
    - (ii) in the row headed "Quality schemes (EU and national) and measures related to quality improvement" omit "(EU and national)";
    - (iii) in the group of rows headed "Investments", omit the row headed "Crisis prevention and management";
    - (iv) omit the rows from the row headed "Replenishment of mutual funds" to the row headed "Non-harvesting";
    - (v) omit the row headed "Coaching";
    - (vi) in the Note, for "33(3)(a)" substitute "33(3)";
  - (d) omit Tables 3.3. and 3.4.;
  - (e) after Table 3.4., in the section entitled "Annual Report Part A", in the table—
    - (i) for "Member State" substitute "Constituent nation";
    - (ii) omit the second row.
- (33) In Annex 2, in Section 4 (Monitoring of Operational Programmes)—
  - (a) in the words before Table 4.1.—
    - (i) in the first paragraph—

- (aa) omit "and producer groups";
- (bb) omit "/recognition plan", in both places it occurs;
- (cc) for "programme/plan's" substitute "programme's";
- (ii) omit the second paragraph;
- (b) in Table 4.1.—
  - (i) in the group of rows headed "Investments"—
    - (aa) in the group of rows headed "Boosting products' commercial value", for "Euro or national currency" substitute "pounds sterling";
    - (bb) omit the group of rows headed "Crisis prevention and management";
  - (ii) omit "(EU and national)";
  - (iii) omit the rows from the row headed "Replenishment of mutual funds" to the row headed "Non-harvesting";
  - (iv) omit the row headed "Coaching";
  - (v) in footnote 5, for "a Member State" substitute "the appropriate authority";
- (c) omit Table 4.2.
- (34) Omit Annexes 3 to 6.

# Amendment of Commission Implementing Regulation (EU) 2017/1185

- **5.**—(1) Commission Implementing Regulation (EU) 2017/1185 laying down rules for the application of Regulations (EU) No 1307/2013 and (EU) No 1308/2013 of the European Parliament and of the Council as regards notifications to the Commission of information and documents is amended as follows.
  - (2) In Article 7(3), for the second sentence substitute—
- "Economic operators must provide the relevant authorities with such information at their disposal and specified in Annexes 1, 2 or 3 as the relevant authorities request. The relevant authorities may specify the manner in which, and the period within which, such information is to be provided. If no such period is specified, the information must be provided within a reasonable time."
- (3) After Article 16, insert— "Article 16a

# Definitions

#### In this Regulation:

- (a) 'relevant authority' means:
  - (i) in relation to England, the Secretary of State;
  - (ii) in relation to Wales, the Welsh Ministers;
  - (iii) in relation to Scotland, the Scottish Ministers;
  - (iv) in relation to Northern Ireland, the Department of Agriculture, Environment and Rural Affairs;
- (b) 'constituent nation' means England, Wales, Scotland or Northern Ireland, as the case may be.".
- (4) After Article 17, omit the words from "This Regulation" to "Member States.".
- (5) In Annex 1—

- (a) in the heading, for "notifications referred to in Article 11" substitute "information";
- (b) for "Content of the notification", in each place it occurs, substitute "Information";
- (c) in section 1, in the first paragraph, for "Union market" substitute "market in the United Kingdom";
- (d) omit sections 2 and 3;
- (e) in section 4, in the first paragraph—
  - (i) for "Part A of Annex XV to Implementing Regulation (EU) No 543/2011", substitute "Annex 6 of Regulation (EU) 2017/891";
  - (ii) for "to that Regulation" substitute "to Implementing Regulation (EU) No 543/2011";
- (f) in section 6, in the first paragraph, for "Union rules" substitute "legislation made";
- (g) in section 7, in the third paragraph, for "notified" substitute "provided";
- (h) in section 8, in the third paragraph—
  - (aa) for "notified" substitute "provided";
  - (bb) for "Member State concerned shall notify" substitute "information must contain";
- (i) in section 9, in the third paragraph—
  - (aa) for "notified" substitute "provided";
  - (bb) for "its market structure" substitute "the market structure of the constituent nation concerned":
  - (cc) for "Member State concerned may notify" substitute "information may contain".
- (6) In Annex 2—
  - (a) in the heading, for "notifications as referred to in point (a) of Article 12" substitute "information";
  - (b) for "Content of the notification", in each place it occurs, substitute "Information";
  - (c) in section 3—
    - (i) in the first paragraph, omit point (b) and the "or" which precedes it;
    - (ii) in the fourth paragraph—
      - (aa) for "points", substitute "point";
      - (bb) omit "and (b)";
      - (cc) for "Member States concerned" substitute "relevant authority";
  - (d) in section 4, in point (a), in the fourth paragraph, for "territory of the Member State" substitute "constituent nation concerned".
- (7) In Annex 3—
  - (a) in the heading, omit "notifications as referred to in point (b) of Article 12";
  - (b) for "Content of the notification", in each place it occurs, substitute "Information";
  - (c) omit section 1;
  - (d) in section 2—
    - (i) omit subsection C;
    - (ii) in subsection D—
      - (aa) in the heading, omit "and isoglucose";
      - (bb) in the first and third paragraphs, omit point (b);

- (cc) in the fourth paragraph, for the words from "on Union territory" to "points B and C" substitute "in the United Kingdom and to sugar production as defined in point B";
- (dd) in the fifth paragraph, omit the third indent;
- (ee) omit the sixth paragraph;
- (e) in section 3—
  - (i) in the first paragraph, omit points (c) to (e);
  - (ii) in the second paragraph, omit "(c), (d) and (e) for cotton, by 15 October each year.";
  - (iii) in the third paragraph, omit the words from "(c), (d) and (e)" to "sown.";
- (f) omit sections 5 to 7;
- (g) in section 8, in the first paragraph—
  - (i) in point (a), for "on the territory of the Member State" substitute "in the constituent nation concerned";
  - (ii) in point (b), for "Article 9 of Regulation (EC) No 436/2009" substitute "Article 31 of Regulation (EU) No 2018/273";
  - (iii) in point (c), for Article 11 of Regulation (EC) No 436/2009" substitute "Article 32 of Regulation (EU) No 2018/273";
- (h) in section 9, in the fourth paragraph—
  - (i) for "territory of the Member State" substitute "constituent nation concerned";
  - (ii) for "Member States" substitute "The relevant authorities";
  - (iii) omit "to the competent national authority";
  - (iv) omit "so as to comply with this requirement".

# PART 3

Interpretation of legacy provisions of retained direct EU legislation

#### Interpretation of Commission Implementing Regulation (EU) No 543/2011

- **6.**—(1) To the extent that Articles 2, 19 to 35 and 50 to 148 of, and Annexes 6 to 18 to, Commission Implementing Regulation (EU) No 543/2011 laying down detailed rules for the application of Council Regulation (EC) No 1234/2007 in respect of the fruit and vegetables and processed fruit and vegetables sectors(19) continue to operate by virtue of the savings provision in Article 80(1)(a) of Commission Delegated Regulation (EU) 2017/891, those provisions are to be read in accordance with this regulation.
  - (2) The provisions listed in paragraph 1 are to be read as if Article 2 were omitted.
  - (3) Article 19(1) is to be read as if—
    - (a) in point (a), for "referred to in Article 2(2)(a) of Regulation (EC) No 1234/2007" there were substituted "within the meaning of Article 4(1)(a) of Regulation (EU) No 1307/2013 of the European Parliament and of the Council";
    - (b) in point (b), there were omitted "or association of producer organisations";

<sup>(19)</sup> Articles 2, 19 to 35 and 50 to 148 of, and Annexes 6 to 18 to, Commission Implementing Regulation (EU) No 543/2011 were deleted by Article 79 of Commission Delegated Regulation (EU) 2017/891, but under Article 80 of Regulation (EU) 2017/891 a producer organisation or association of producer organisations may request that an operational programme approved under Regulation (EU) No 543/2011 continue to operate until its end under the conditions applicable under that Regulation.

- (c) in point (c) there were omitted—
  - (i) "or associations thereof";
  - (ii) "or the association of producer organisations";
- (d) points (d) to (f) were omitted;
- (e) in point (g)—
  - (i) for point (vi) there were substituted—
    - "(vi) any of the crisis prevention and management measures listed in Article 33(3) of Regulation (EU) No 1308/2013;";
  - (ii) in point (vii), for "Article 103c(3) of Regulation (EC) No 1234/2007" there were substituted "Article 33(5) of Regulation (EU) No 1308/2013";
  - (iii) in point (viii), for "Article 103c(1) of Regulation (EC) No 1234/2007" there were substituted "Article 33(1) of Regulation (EU) No 1308/2013";
- (f) in point (h), for "Article 103c(1) of Regulation (EC) No 1234/2007" there were substituted "Article 33(1) of Regulation (EU) No 1308/2013";
- (g) point (k) were omitted;
- (h) in point (l)—
  - (i) point (i) were omitted;
  - (ii) in points (ii) and (iii), "a national strategy or" were omitted.
- (i) at the end there were inserted—
  - "(m) 'appropriate authority' has the same meaning as in Article 2A of Regulation (EU) 2017/891;
    - (n) 'constituent nation' means England, Wales, Scotland or Northern Ireland, as the case may be;
    - (o) 'public funds' means moneys provided by Parliament, the Welsh Assembly, the Scottish Parliament, the Northern Ireland Assembly or a body exercising public functions within the United Kingdom;
    - (p) 'relevant authority' means:
      - (i) in relation to England, the Secretary of State;
      - (ii) in relation to Wales, the Welsh Ministers;
      - (iii) in relation to Scotland, the Scottish Ministers;
      - (iv) in relation to Northern Ireland, the Department of Agriculture, Environment and Rural Affairs.".
- (4) Section 1 of Chapter 1 of Title 3 is to be read as if at the end there were inserted—"Article 19A

# Head office of a producer organisation

- 1. Where a producer organisation implements an operational programme to which this Regulation applies, the head office of that producer organisation must be maintained in the same constituent nation until the end of the implementation of that programme.
- **2.** If at the end of the implementation of that operational programme, the majority of the value of marketed production is achieved or the majority of the producer organisation's members are located in a constituent nation other than that where the head office is currently located, the head office must be transferred to that other constituent nation, unless the

appropriate authorities for both constituent nations agree that the location of the head office will not be changed.

- **3.** The appropriate authority for the constituent nation in which the head office of the producer organisation is located:
  - (a) may:
    - (i) approve amendments to the producer organisation's operational programme;
    - (ii) grant financial assistance in accordance with Articles 32(1)(b) and 34 of Regulation (EU) No 1308/2013;
  - (b) must:
    - (i) organise checks on the producer organisation and apply any administrative penalties in accordance with Article 143A; and
    - (ii) provide, on the request of the appropriate authority for a constituent nation in which members are located, all relevant documentation.".
- (5) Article 51 is to be read as if—
  - (a) in paragraph 1—
    - (i) for "Article 103d(2) of Regulation (EC) No 1234/2007" there were substituted "Article 34(2) of Regulation (EU) No 1308/2013";
    - (ii) for "Member States" there were substituted "appropriate authority for the constituent nation in which the producer organisation has its head office";
  - (b) in paragraph 2, in the words before point (a), for "Member States" there were substituted "appropriate authority";
  - (c) in paragraph 4, for "competent authority of the Member State concerned" there were substituted "appropriate authority for the constituent nation in which the producer organisation has its head office";
  - (d) paragraph 6 were omitted;
  - (e) in paragraph 7, the second subparagraph were omitted.
- (6) Article 52 is to be read as if for "Member States" there were substituted "The appropriate authority".
- (7) Article 53(1) is to be read as if for "Article 103b(1) of Regulation (EC) No 1234/2007" there were substituted "Article 32(1)(a) of Regulation (EU) No 1308/2013".
  - (8) Article 54(1) is to be read as if—
    - (a) in the first subparagraph—
      - (i) for "their Member State" there were substituted "the appropriate authority";
      - (ii) for "Union contribution" there were substituted "financial assistance";
    - (b) in the second subparagraph, for "Member States may set" there were substituted "Nothing in this Regulation prevents the appropriate authority from setting".
  - (9) Article 55 is to be read as if—
    - (a) paragraphs 1 to 4 were omitted;
    - (b) in paragraph 5—
      - (i) for "Member States shall set out in the national strategy the" there were substituted "The";
      - (ii) after "different measures" there were inserted "are as set out in the relevant authority's strategy referred to in Article 36(2) of Regulation (EU) No 1308/2013".

- (10) Article 56 is to be read as if—
  - (a) paragraph 1 were omitted;
  - (b) for paragraph 2 there were substituted—
    - "2. Environmental actions selected under an operational programme must fulfil the requirements on complementarity, consistency and conformity set out in the relevant section of the framework referred to in Article 36(1) of Regulation (EU) No 1308/2013 for the constituent nation concerned.

A non-exhaustive list of environmental actions, the conditions they must meet for the purposes of Article 33(5) of Regulation (EU) No 1308/2013 and the specific commitment or commitments they entail is as set out in the framework.";

- (c) in paragraph 3—
  - (i) in the first subparagraph, for "Member States" there were substituted "the appropriate authority";
  - (ii) in the second subparagraph—
    - (aa) "national framework shall indicate the" were omitted;
    - (bb) after "operational programme" there were inserted "are as indicated in the framework referred to in Article 36(1) of Regulation (EU) No 1308/2013".
- (11) Article 57 is to be read as if—
  - (a) in the heading, "Member State" were omitted;
  - (b) for the words from "Member States" to "1234/2007" there were substituted "Nothing in this Regulation prevents the appropriate authority from adopting rules complementing Regulation (EU) No 1308/2013".
- (12) Article 58 is to be read as if—
  - (a) in paragraph 1—
    - (i) for "Member State's" there were substituted "relevant authority's";
    - (ii) after "1698/2005" there were inserted "or Regulation (EU) No 1305/2013";
  - (b) in paragraph 2—
    - (i) for the first subparagraph there were substituted—
      - "2. Where support under the relevant authority's rural development programme or programmes has been granted to measures which would be potentially eligible under this Regulation, the appropriate authority for the constituent nation concerned must ensure that a beneficiary may receive support for a given action only under one scheme.";
    - (ii) the second subparagraph were omitted;
  - (c) in paragraph 3, for "Articles 103a(3), 103d(1) and (3) and 103e of Regulation (EC) No 1234/2007" there were substituted "Article 34(1) and (3) and Article 35 of Regulation (EU) No 1308/2013";
  - (d) in paragraph 4—
    - (i) for "the Annex I to Regulation (EC) No 1698/2005" there were substituted "Annex 2 to Regulation (EU) No 1305/2013";
    - (ii) in the second sentence, for the words from "to be" to "this Regulation" there were substituted "justified in the strategy referred to in Article 36(2) of Regulation (EU) No 1308/2013 of the constituent nation in which the producer organisation has its head office":

- (iii) the third sentence were omitted.
- (13) Article 59 is to be read as if—
  - (a) in point (b)—
    - (i) for "national strategy", in the first place it occurs, there were substituted "strategy referred to in Article 36(2) of Regulation (EU) No 1308/2013 of the constituent nation in which the producer organisation has its head office";
    - (ii) "national" were omitted in the second and third places it occurs;
  - (b) in point (c)(i) and (ii) for "Union" there were substituted "public".
- (14) Article 60 is to be read as if—
  - (a) in paragraph 2, the words from "However" to the end were omitted;
  - (b) in paragraph 6—
    - (i) "or association of producer organisations" were omitted, in both places it occurs;
    - (ii) for "Member States", in both places it occurs, there were substituted "the appropriate authority";
  - (c) in paragraph 7—
    - (i) for "Article 103c(1) of Regulation (EC) No 1234/2007" there were substituted "Article 33 of Regulation (EU) No 1308/2013";
    - (ii) for "point (c) of the first paragraph of Article 122" there were substituted "Article 160";
    - (iii) for "national strategy referred to in Article 103f(2) of Regulation (EC) No 1234/2007" there were substituted "strategy referred to in Article 36(2) of Regulation (EU) No 1308/2013 of the constituent nation in which the producer organisation has its head office".
- (15) Article 61 is to be read as if—
  - (a) in point (b), for "Regulation (EC) No 1234/2007" there were substituted "Regulation (EU) No 1308/2013";
  - (b) in point (c), for "Union or national" there were substituted "European Union or public".
- (16) The provisions listed in paragraph 1 are to be read as if Articles 62 and 63 were omitted.
- (17) Article 64 is to be read as if—
  - (a) in paragraph 1—
    - (i) in the words before point (a), for "competent authority of the Member State" there were substituted "appropriate authority for the constituent nation in which the producer organisation has its head office";
    - (ii) in point (a), for "Regulation (EC) No 1234/2007" there were substituted "Regulation (EU) No 1308/2013";
  - (b) in paragraph 2—
    - (i) for "competent authority of the Member State", in both places it occurs, there were substituted "appropriate authority";
    - (ii) for "Member States" there were substituted "The appropriate authority".
- (18) Article 65 is to be read as if—
  - (a) in paragraph 1, in the second subparagraph, for "Member States may postpone" there were substituted "nothing in this Regulation prevents the appropriate authority from postponing";

- (b) in paragraph 3, for "competent authority of the Member State", in both places it occurs, there were substituted "appropriate authority".
- (19) Article 66 is to be read as if—
  - (a) in paragraph 1, for "Member States" there were substituted "The appropriate authority";
  - (b) in paragraph 2, for "competent authority of the Member State" there were substituted "appropriate authority";
  - (c) in paragraph 3—
    - (i) in the words before point (a), for "competent authority of the Member State" there were substituted "appropriate authority";
    - (ii) in point (c)—
      - (aa) for "a percentage to be fixed by Member States" there were substituted "a maximum of 25%":
      - (bb) for "Member States", in the second place it occurs, there were substituted "The appropriate authority";
    - (iii) point (d) were omitted;
  - (d) in paragraph 4—
    - (i) for "Member States" there were substituted "The appropriate authority";
    - (ii) for the words from "prior" to "Member State" substitute "its prior approval";
    - (iii) for "competent", in the second place it occurs, there were substituted "appropriate".
- (20) Article 68 is to be read as if—
  - (a) for paragraph 1 there were substituted—
    - "1. The appropriate authority must notify producer organisations of the approved amount of aid by 15 December of the year preceding the year for which aid is requested.";
  - (b) in paragraph 2, for "Member States" there were substituted "the appropriate authority".
- (21) Article 69 is to be read as if—
  - (a) in paragraph 1, for "competent authority of the Member State" there were substituted "appropriate authority";
  - (b) in paragraph 2—
    - (i) for point (g), there were substituted—
      - "(g) compliance with Article 33(3), the first subparagraph of Article 33(5) and Article 34 of Regulation (EU) No 1308/2013; and";
    - (ii) in point (h), for "Union or national" there were substituted "European Union or public";
    - (iii) point (i) and the "; and" which precedes it were omitted;
  - (c) in paragraph 4, in the second subparagraph, for "competent authority of the Member State" there were substituted "appropriate authority";
  - (d) paragraph 5 were omitted.
- (22) Article 70 is to be read as if—
  - (a) in the first subparagraph, for "Member States" there were substituted "The appropriate authority";
  - (b) the second subparagraph were omitted.
- (23) Article 71 is to be read as if—

- (a) in paragraph 1—
  - (i) for "Member States may permit producer organisations to apply" there were substituted "A producer organisation may apply to the appropriate authority for the constituent nation in which the producer organisation has its head office";
  - (ii) for "three or four-month period" there were substituted "quarter";
- (b) in paragraph 2—
  - (i) for "as decided by the Member State, either on" there were substituted "on a";
  - (ii) "or on a four-monthly basis in January, May and September" were omitted;
- (c) in paragraph 3—
  - (i) in the first subparagraph, for "Commission Regulation (EEC) No 2220/85" there were substituted "Commission Delegated Regulation (EU) No 907/2014";
  - (ii) for the second subparagraph there were substituted—
    - "A producer organisation applying for an advance payment must demonstrate to the satisfaction of the appropriate authority, and the appropriate authority must verify, that:
      - (a) financial contributions to the producer organisation's operational fund have been levied in accordance with Articles 52 and 53;
      - (b) the corresponding producer organisation contribution has actually been spent; and
      - (c) any previous advance payments received by the producer organisation have actually been spent.";
- (d) in paragraph 5—
  - (i) the first subparagraph were omitted;
  - (ii) in the second subparagraph, for "primary requirement" there were substituted "operational programme";
- (e) in paragraph 6, for "Member States may set" there were substituted "Nothing in this Regulation prevents the appropriate authority from setting";
- (f) after paragraph 6 there were inserted—
  - "7. In this Article 'quarter' means a period of three months ending with the last day of March, June, September or December.".
- (24) Article 72 is to be read as if—
  - (a) in the first paragraph, for "Member States may permit producer organisations to apply" there were substituted "A producer organisation may apply to the appropriate authority for the constituent nation in which the producer organisation has its head office";
  - (b) in the third paragraph, for "Member States may set" there were substituted "Nothing in this Regulation prevents the appropriate authority from setting".
- (25) Chapter 3 is to be read as if Sections 1 to 3 were omitted.
- (26) Article 86(1) is to be read as if in its place there were substituted—
  - "1. Promotion and communication measures implemented by producer organisations in relation to crisis prevention or crisis management may be applied rapidly when required.".
- (27) Article 87 is to be read as if in its place there were substituted—"Article 87

#### Implementation of training actions

Training measures and exchanges of better practices cannot constitute crisis prevention and management measures unless they are additional to any ongoing training actions not related to crisis prevention and management being applied by the producer organisation concerned in its operational programme."

- (28) Article 89 is to be read as if—
  - (a) for paragraph 1 there were substituted—
    - "1. Harvest insurance actions must be managed by the producer organisation. Harvest insurance actions do not have to cover all of the members of the producer organisation, and can be targeted at specific producer members.

Harvest insurance actions are not permitted to cover contracts of insurance that are not effected and carried out as principal by an authorised person.

In this Article, "contracts of insurance", "effected and carried out as principal" and "authorised person" have the same meanings as in the Financial Services and Markets Act 2000.";

- (b) in paragraph 2—
  - (i) in the first subparagraph, in the words before point (a)—
    - (aa) for "Member States" there were substituted "The appropriate authority for the constituent nation in which the producer organisation has its head office";
    - (bb) "national" were omitted;
  - (ii) in the second subparagraph—
    - (aa) "Union" were omitted;
    - (bb) for "Article 103d(3) of Regulation (EC) No 1234/2007" there were substituted "Article 34(3) of Regulation (EU) No 1308/2013";
- (c) in paragraph 4, for "Article 2(8) of Commission Regulation (EC) No 1857/2006" there were substituted "Article 3(5)(b) of Regulation (EU) No 1308/2013".
- (29) The provisions listed in paragraph 1 are to be read as if Article 89a were omitted.
- (30) Article 90 is to be read as if—
  - (a) for paragraph 1 there were substituted—
    - "1. A producer organisation may apply for support for the administrative cost of setting up mutual funds.";
  - (b) in paragraph 2—
    - (i) for "contribution from the Union" there were substituted "financial assistance referred to in Articles 32(1)(b) and 34 of Regulation (EU) No 1308/2013";
    - (ii) for "the following proportion" there were substituted "5%, 4% or 2%";
    - (iii) for the words from "operation:" to the end there were substituted "operation, respectively";
  - (c) in paragraph 3, for the words from "be:" to the end there were substituted "be 4% or 2% of the contribution of the producer organisation to the fund in the second and third year of its operation, respectively";
  - (d) in paragraph 4, for "Member States may fix" there were substituted "Nothing in this Regulation prevents the appropriate authority from fixing".
- (31) Title 3 is to be read as if Chapter 4 were omitted.

- (32) Article 96 is to be read as if—
  - (a) in the heading, "groups and producer" were omitted;
  - (b) paragraph 1 (which has no continuing effect) were omitted;
  - (c) in paragraph 3—
    - (i) for "national strategy", in both places it occurs, there were substituted "strategy referred to in Article 36(2) of Regulation (EU) No 1308/2013 of the constituent nation concerned";
    - (ii) in the second subparagraph, for "Article 103c(5) of Regulation (EC) No 1234/2007" there were substituted "Article 33(6) of Regulation (EU) No 1308/2013";
  - (d) in paragraph 5(20), the second subparagraph were omitted.
- (33) The provisions listed in paragraph 1 are to be read as if Articles 97 to 99 (which have no continuing effect) were omitted.
- (34) Article 100 is to be read as if in its place there were substituted—"Article 100

#### Submission procedures

Without prejudice to specific provisions of this Regulation, the procedures for the submission of aid applications, requests for approval of operational programmes, and payment claims are those published from time to time by the appropriate authority.".

- (35) Article 101 is to be read as if for "Member States" there were substituted "the appropriate authority".
  - (36) Article 103(4) is to be read as if for "Union" there were substituted "retained EU".
- (37) The provisions listed in paragraph 1 are to be read as if Article 104 (which has no continuing effect) were omitted.
  - (38) Article 105 is to be read as if—
    - (a) in paragraph 1, for "Member States" there were substituted "the appropriate authority";
    - (b) in paragraph 3—
      - (i) ", association of producer organisations" were omitted;
      - (ii) for "Member State approval" there were substituted "approval by the appropriate authority";
      - (iii) ", association of producer organisation" were omitted.
  - (39) Article 106 is to be read as if—
    - (a) in paragraph 1—
      - (i) in the first subparagraph, for "Member States" there were substituted "the appropriate authority";
      - (ii) in the second subparagraph, point (c) were omitted;
    - (b) in paragraph 2, in the first subparagraph, the words from ", in Member States" to the end were omitted;
    - (c) in paragraph 3, in the second subparagraph, for "Member State" there were substituted "appropriate authority";
    - (d) in paragraph 4—

<sup>(20)</sup> The first subparagraph of Article 96(5) is amended by the Common Organisation of the Markets in Agricultural Products (Producer Organisations and Wine) (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/1343).

- (i) in the first subparagraph, for "Member State" there were substituted "appropriate authority";
- (ii) in the second subparagraph, in point (d), for "Member States" there were substituted "the appropriate authority".
- (40) Article 107 is to be read as if—
  - (a) in paragraph 1—
    - (i) in the words before point (a), for "Member States" there were substituted "the appropriate authority";
    - (ii) in point (c), for "Union" there were substituted "applicable";
  - (b) in paragraph 2—
    - (i) in the first subparagraph, for "national law" there were substituted "the law as it applies in the relevant constituent nation";
    - (ii) in the second subparagraph, for "Member States" there were substituted "appropriate authority";
  - (c) in paragraph 3, in the second subparagraph, for "Member States" there were substituted "the appropriate authority".
- (41) The provisions listed in paragraph 1 are to be read as if Articles 108 to 110 were omitted.
- (42) The provisions listed in paragraph 1 are to be read as if Articles 111 and 112 (which have no continuing effect) were omitted.
  - (43) The provisions listed in paragraph 1 are to be read as if Article 113 were omitted.
  - (44) Article 114(21) is to be read as if—
    - (a) in paragraph 1, in the second sentence, for "is established, Member States" there were substituted "of a producer organisation to respect one of the recognition criteria linked to the requirements of the provisions listed in Article 59(1) of Regulation (EU) 2017/891 is established, the appropriate authority";
    - (b) in paragraph 2, in the second subparagraph, after "recognition", in the first place it occurs, there were inserted "of a producer organisation in accordance with Article 59(2) of Regulation (EU) 2017/891";
    - (c) in paragraph 3, for the third sentence there were substituted—
      - "Where recognition of a producer organisation is withdrawn in accordance with Article 59(3) of Regulation (EU) No 2017/891:
        - (a) no aid is to be paid in relation to the period starting from the moment on which the failure described in paragraph 1 is established; and
        - (b) any unduly paid aid in relation to such period must be recovered.";
    - (d) in paragraph 5—
      - (i) for "paragraph 4" there were substituted "Article 59(4) of Regulation (EU) 2017/891";
      - (ii) for "by the Member State" there were substituted "in accordance with that Article";
      - (iii) "horizontal national" were omitted;
    - (e) in paragraph 7—
      - (i) ", 4" were omitted;

<sup>(21)</sup> Article 114 is also amended by the Common Organisation of the Markets in Agricultural Products (Producer Organisations and Wine) (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/1343).

- (ii) for "Member States" there were substituted "the appropriate authority";
- (iii) after "this Article" there were inserted "and Article 59 of Regulation (EU) 2017/891"
- (45) Article 115 is to be read as if—
  - (a) in paragraph 1(22)—
    - (i) for the words before point (a) there were substituted—
      - "1. Where a producer organisation is found to have committed fraud in respect of aid covered by this Regulation and Regulation (EU) No 1308/2013, the responsible authority must, without prejudice to any other sanctions or penalties applicable in law:";
    - (ii) in points (b) and (c), "or recognition plan" were omitted;
    - (iii) in point (c), ", association of producer organisations or producer group" were omitted;
    - (iv) after point (c), the following subparagraph were inserted—
      - "In this paragraph, the 'responsible authority' is the appropriate authority for the constituent nation in which the producer organisation has its head office.";
  - (b) for paragraph 2(23) there were substituted—
    - "2. The appropriate authority may suspend payments to a producer organisation that is suspected of having committed fraud in respect of aid covered by this Regulation and Regulation (EU) No 1308/2013.".
- (46) The provisions listed in paragraph 1 are to be read as if Article 116 (which has no continuing effect) were omitted.
  - (47) Article 117 is to be read as if—
    - (a) in paragraph 2, for "Member State" there were substituted "appropriate authority";
    - (b) in paragraph 3, "or producer group" were omitted.
  - (48) The provisions listed in paragraph 1 are to be read as if Articles 118 to 121 were omitted
  - (49) Article 123 is to be read as if—
    - (a) in paragraph 1—
      - (i) in the first subparagraph there were omitted ", associations of producer organisations, producer groups";
      - (ii) in the second subparagraph, in point (b), for the words from "rate" to "European Union and" there were substituted "Bank of England base rate";
    - (b) after paragraph 1 there were inserted—
      - "1A. In paragraph (1), "Bank of England base rate" for any particular day means—
        - (a) except where point (b) applies, the rate as last announced at a meeting of the Monetary Policy Committee of the Bank of England held prior to that day as the official dealing rate, being the rate at which the Bank is willing to enter into transactions for providing short-term liquidity in the money markets; or

<sup>(22)</sup> Article 115(1) is also amended by the Common Organisation of the Markets in Agricultural Products (Producer Organisations and Wine) (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/1343).

<sup>(23)</sup> Article 115(2) is also amended by the Common Organisation of the Markets in Agricultural Products (Producer Organisations and Wine) (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/1343).

- (b) if an order under section 19 (reserve powers) of the Bank of England Act 1998 is in force, any equivalent rate determined by the Treasury under that section.";
- (c) in paragraph 2, for "European Agricultural Guarantee Fund" there were substituted "relevant authority that provided the aid";
- (50) Section 3 of Chapter 5 of Title 3 is to be read as if after Article 123 there were inserted—"Article 123A

# Apportionment of recovered aid, interest and penalties

- 1. Aid recovered under this Regulation, together with any interest payable thereon in accordance with this Regulation, must be apportioned between the relevant authorities in accordance with the proportion of that aid that was provided by each authority.
- **2.** For the purpose of paragraph 1, aid provided from European Union funds is deemed to have been provided by the relevant authority for the constituent nation in which the head office of the producer organisation was located when the aid was paid.
- **3.** Penalties imposed under this Regulation must be paid to the relevant authority for the constituent nation in which the head office of the producer organisation was located during the period to which the penalty relates."
- (51) The provisions listed in paragraph 1 are to be read as if Article 124 were omitted.
- (52) The heading of Section 4 is to be read as if "and of national strategies" were omitted.
- (53) Article 125 is to be read as if—
  - (a) in paragraph 1, for "Both the national strategies and the" there were substituted "The";
  - (b) paragraph 3 were omitted.
- (54) Article 126 is to be read as if—
  - (a) in paragraph 1, in the first subparagraph, the words from "and, where" to the end were omitted;
  - (b) in paragraph 2, in the second subparagraph, for "National Authority in charge of the management of the national strategy" there were substituted "appropriate authority".
- (55) The provisions listed in paragraph 1 are to be read as if Article 127 (which has no continuing effect) were omitted.
- (56) Article 143(24) is to be read as if in its place there were substituted—"Article 143

#### Checks

- 1. Without prejudice to specific provisions of this Regulation or other retained EU law, the appropriate authority must conduct checks and take measures in so far as they are necessary to ensure the proper application of Regulation (EU) No 1308/2013 and this Regulation. Those checks and measures must be effective, proportionate and dissuasive in order to ensure proper management of public funds.
  - **2.** In particular, they must ensure that:

<sup>(24)</sup> Article 143 is also amended by the Common Organisation of the Markets in Agricultural Products (Producer Organisations and Wine) (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/1343).

- (a) all eligibility criteria established by applicable legislation or the strategy and framework referred to in Article 36 of Regulation (EU) No 1308/2013 of the constituent nation concerned can be checked;
- (b) they have a sufficient number of suitably qualified and experienced staff to carry out the checks effectively; and
- (c) provision is made for checks to avoid irregular duplicated financing of measures under this Regulation and other schemes funded in whole or in part by European Union or public funds.";
- (57) Title 5 is to be read as if after Article 143 there were inserted—"Article 143A

#### Checks on producer organisations

- 1. The appropriate authority for the constituent nation in which a producer organisation has its head office must:
  - (a) organise checks on that organisation in respect of the operational programme and operational fund; and
  - (b) apply administrative penalties where such checks demonstrate that the relevant obligations have not been met.
- **2.** The appropriate authorities for the other constituent nations in which the producer organisation's members are located must, within any reasonable period provided by the appropriate authority in which the producer organisation has its head office:
  - (a) provide such administrative assistance and carry out such administrative and on—the-spot checks as are required by that authority; and
  - (b) report the results of those checks to that authority.
- **3.** In respect of environmental and phytosanitary questions and crisis prevention and management measures, a producer organisation must comply with the rules of the constituent nation where the respective actions take place. In respect of all other matters in relation to the producer organisation and the operational programme and operational fund, the producer organisation must comply with the rules applicable in the constituent nation in which its head office is located".
- (58) The provisions listed in paragraph 1 are to be read as if Article 144 were omitted.
- (59) Article 145 is to be read as if for "Regulation (EC) No 1234/2007" there were substituted "Regulation (EU) No 1308/2013".
  - (60) The provisions listed in paragraph 1 are to be read as if Article 146 were omitted.
  - (61) Article 147(25) is to be read as if—
    - (a) for "a Member State" there were substituted "the appropriate authority";
    - (b) "or Regulation (EC) No 1234/2007" were omitted;
    - (c) for "competent authority of the Member State" there were substituted "appropriate authority".
  - (62) Article 148 is to be read as if—
    - (a) in the first subparagraph—
      - (i) "or Regulation (EC) No 1234/2007" were omitted;

<sup>(25)</sup> Article 147 is also amended by the Common Organisation of the Markets in Agricultural Products (Producer Organisations and Wine) (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/1343).

- (ii) "or recognition" were omitted;
- (iii) for "Article 31 of Regulation (EC) No 73/2009" there were substituted "Article 2(2) of Regulation (EU) No 1306/2013";
- (b) in the second subparagraph, for "competent authority of the Member State" there were substituted "appropriate authority".
- (63) The provisions listed in paragraph 1 are to be read as if Annex 7 (which has no continuing effect) were omitted.
  - (64) Annex 8 is to be read as if—
    - (a) in the first paragraph, ", associations of producer organisations" were omitted;
    - (b) in the table in section 1, in the row headed "Crisis prevention and management measures", in the second column, points (a) and (b) were omitted;
    - (c) in the table in section 2, in the row headed "Crisis prevention and management measures", rows (a) and (b) were omitted;
    - (d) in the table in section 3, in the section headed "Crisis prevention and management measures", rows (a) and (b) were omitted;
    - (e) in the table in section 4, "/APO" were omitted, in each place it occurs;
    - (f) in section 5—
      - (i) in the words before the table—
        - (aa) in the second sentence, "/APO" were omitted;
        - (bb) the third sentence were omitted;
      - (ii) in the table—
        - (aa) in the row headed "Improving competitiveness", in the third column, "/ association of POs (APO)" were omitted;
        - (bb) "/APO" were omitted, in each place it occurs (including in the footnotes);
        - (cc) in footnote 3, for "a Member State" there were substituted "the appropriate authority";
        - (dd) in the notes at the end, "; APO means association of producer organisations;" were omitted";
  - (65) Annex 9 is to be read as if—
    - (a) in point 1—
      - (i) in the first paragraph—
        - (aa) the third indent were omitted;
        - (bb) in the fifth indent, for the words from "The competent" to the end there were substituted "Experimental production can include the trialling of new breeds of plants, however costs related to plant breeding are not eligible";
      - (ii) the last paragraph were omitted;
    - (b) in point 2(a)—
      - (i) in the first paragraph, for "EU contribution" there were substituted "financial assistance referred to in Articles 32(1)(b) and 34 of Regulation (EU) No 1308/2013";
      - (ii) the second paragraph were omitted;
      - (iii) in the third paragraph—
        - (aa) for "Member States may restrict" there were substituted "Nothing in this Regulation prevents the appropriate authority from restricting";

- (bb) for "they" substitute "it";
- (c) in point 2(b)—
  - (i) in the first paragraph, ", association of producer organisation" were omitted;
  - (ii) the third and fourth paragraphs were omitted;
- (d) in point 2(c), the words from ", as well" to "associations of producer organisations" were omitted:
- (e) in point 5, the words from "other than" to the end were omitted;
- (f) in point 7, ", where appropriate, on a flat-rate basis" were omitted;
- (g) in point 8, for "Union" there were substituted "United Kingdom";
- (h) in point 10, for "Union or national support" there were substituted "support from European Union or public funds";
- (i) in point 11(a), for "concerned Member State" there were substituted "appropriate authority";
- (j) in point 12, for "Member State" there were substituted "appropriate authority";
- (k) in point 14—
  - (i) in point (a), for the words from "the first" to the end there were substituted "Article 45(2) of Regulation (EU) No 1305/2013 and point (a) of Article 13 of Regulation (EU) No 807/2014";
  - (ii) in point (b), for "Union or national support" there were substituted "support from European Union or public funds";
- (l) in point 15—
  - (i) in the first paragraph, in the first indent, ", associations of producer organisations" were omitted;
  - (ii) in the second paragraph, in point (a), for "Council Regulation (EC) No 510/2006" there were substituted "Regulation (EU) No 1151/2012 of the European Parliament and of the Council";
  - (iii) the third paragraph were omitted;
- (m) in point 17, the words from "as referred" to the end were omitted;
- (n) in point 18, "national or regional" were omitted;
- (o) in point 20, for "Union or national support" there were substituted "support from European Union or public funds";
- (p) in point 22, "and associations of producer organisations or their producer members" were omitted:
- (q) in point 23, for "association of producer organisations, or their" there were substituted "or its":
- (r) in point 24, for "Union" there were substituted "United Kingdom".
- (66) The provisions listed in paragraph 1 are to be read as if Annexes 10 to 13 were omitted.
- (67) The provisions listed in paragraph 1 are to be read as if Annexes 14 and 15 (which have no continuing effect) were omitted.

# PART 4

# Amendment of subordinate legislation

# Amendment of the Agriculture (Legislative Functions) (EU Exit) Regulations 2019

7. After regulation 8 of the Agriculture (Legislative Functions) (EU Exit) Regulations 2019(26), insert—

"8A. After Article 28 insert—"Article 28A

Requirement to make payments arising from 2018 adjustment rate

- 1. The substitution of Article 26 by the Agriculture (Legislative Functions) (EU Exit) Regulations 2019 does not affect the obligation on the relevant authority to make reimbursements in respect of the 2018 adjustment rate to relevant direct payment recipients in accordance with Article 26(5) as it applied immediately before exit day.
- **2.** For the purposes of paragraph 1, a person is a relevant direct payment recipient if that person would be subject to an adjustment rate in respect of direct payments for the 2019 scheme year under Article 8 of Regulation (EU) No 1307/2013 as it applied immediately before exit day."."

George Eustice
Minister of State
Department for Environment, Food and Rural
Affairs

At 2.00 p.m. on 14th October 2019

#### EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations are made in exercise of the powers conferred by section 8(1) of, and paragraph 21 of Schedule 7 to, the European Union (Withdrawal) Act 2018 (c. 16) in order to address failures of retained EU law to operate effectively and other deficiencies (in particular under section 8(2)(a), (b), (c), (d) and (g)) arising from the withdrawal of the United Kingdom from the European Union.

Part 2 of these Regulations makes amendments to Commission Implementing Regulation (EU) No 543/2011, Commission Delegated Regulation (EU) 2017/891 and Commission Implementing Regulation (EU) 2017/892 concerning producer groups, producer organisations and notifications in the fruit and vegetables and processed fruit and vegetables sectors.

It also amends provisions of Commission Implementing Regulation (EU) 2017/1185 relating to notifications of agricultural market information to domestic authorities.

Part 3 amends the way that provisions of Commission Implementing Regulation (EU) No 543/2011 which have been repealed but which continue to operate by virtue of savings provisions in Commission Delegated Regulation (EU) 2017/891 are to be interpreted.

Part 4 amends the Agriculture (Legislative Functions) (EU Exit) Regulations 2019 (S.I. 2019/748) to ensure that any reimbursements made in respect of financial adjustments to direct payments for 2018 are paid to farmers on the same basis as previously under the common agricultural policy.

A full impact assessment has not been produced for this instrument as no, or no significant, impact on the private, voluntary or public sector is foreseen.