



Committee for Agriculture and Rural Development

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**Northern Ireland
Assembly**

From: Stella McArdle, Clerk, Committee for Agriculture and Rural Development

To: Kathy O'Hanlon, Clerk, Committee for the Office of the First Minister and deputy First Minister

Date: 26 January 2016

Subject: Assembly Committee European Priorities

1. In a letter dated 27 November 2015, the Committee for the Office of the First Minister and deputy First Minister requested details of the work each committee has carried out on European priorities last year and what its EU priorities will be for 2016.
2. The requested information is provided overleaf and was agreed by the Committee for Agriculture and Rural Development at the meeting of 26 January 2016.

Priorities Template

EUROPEAN COMMISSION WORK PROGRAMME 2015 – COMMITTEE PRIORITIES

Committee: Committee for Agriculture and Rural Development

The Committee for Agriculture and Rural Development considered the correspondence from COFMDFM at its meeting on 26 January 2015 and agreed to forward its response on Committee EU priorities.

The Committee agreed that it currently undertakes considerable work around EU issues including Common Agricultural Policy (CAP) Reform, Common Fisheries Policy (CFP), scrutiny around Basic Payments and the recently approved Northern Ireland Rural Development Programme (NIRDP) 2014-2020.

The Committee held an informal meeting with Phil Hogan, EU Commissioner for Agriculture and Rural Development, in March 2015 and discussed several issues, including volatility in the agri-food sector; on-going issues with pig production; concerns about the impact of labelling on beef producers and the North/South Lamb trade; the EU Commission response to the NIRDP; and issues of bureaucracy and red tape.

Further engagement with the EU Commissioner followed an extraordinary Committee meeting convened at the end of July 2015 to discuss the dairy crisis. At this meeting, it was agreed that the Committee support the Minister for Agriculture and Rural Development in leading a coordinated delegation from Northern Ireland to meet with Commissioner Hogan to discuss the crisis. On 1st September 2015, the Chairperson, on behalf of the Committee, attended a meeting in Brussels with the EU Commissioner in Brussels, the Minister and NI MEPs. After this meeting, the EU Commission announced a €500 million aid package to assist the dairy industry. The Committee subsequently considered The Single Common Market Organisation (Emergency Aid For Milk Producers) Regulations 2015 at the meeting of 24th November 2015 which enabled payments to be made under this 'EU Dairy Fund 2015' package.

During 2015, the Committee undertook policy scrutiny of relevant areas such as progress of the Basic Payment Scheme (BPS), the NIRDP, and EU Commission confirmation of Northern Ireland's status as Officially Brucellosis Free.

The Committee has rigorously monitored the progress of the new Rural Development Programme which was formally approved by the European Commission on 25th August 2015. At the meeting of 29th September 2015, the Committee considered The Rural Development Programme Regulations (NI) 2015 which provided DARD with the necessary legal powers to administer the forthcoming RDP (with the exception of the proposed Areas of Natural Constraint Scheme which requires separate legislation).

Members consistently questioned the timescales of the programme, what work was being undertaken early in preparation, and urged investigation into whether schemes could be launched prior to approval from the EU. Detailed consideration was also given to the budget for the NIRDP and how that budget would be allocated. The Committee last received a detailed briefing on the RDP strategy from DARD officials at the meeting of 6th October 2015. The Committee continues to engage with the Department on NIRDP, particularly the capital element of the Farm Business Improvement Scheme which will see up to £193m made available to eligible applicants.

While the reform of CAP was agreed in June 2013, the Committee continues to deal with the outworkings of that reform, including the introduction of the new Basic Payment System (BPS). The Committee received a number of briefings from DARD on the development of the new BPS throughout the year. During these, the Committee raised questions on the definition of an active farmer, especially in respect of establishing entitlements. They continue to raise issues around young farmer and the greening requirements as well as the timescales for the issue of SAF and Inspections. Members also expressed particular interest in the likely timetable for payments – given that this was the first year of a new and more complex application system.

More recently, Members received several briefings on the actual administration of the 2015 BPS. At a meeting at the start of December, DARD confirmed that it had received 26,494 BPS applications for payment and that the Department was endeavouring to meet the Minister's commitment that 95% of eligible applicants to the BPS would receive payment in December.

The Committee received a written briefing on the outcome of the EU Ministers December Fisheries Council which was considered at the meeting of 12 January 2016. During this meeting the Committee also considered an SR on the European Maritime and Fisheries Fund (Financial Assistance) Regulations (NI) 2015 which provide financial assistance to the fishing industry for purposes specified EU Legislation. These regulations set out the rules for applying for assistance, how applications will be dealt with, and the procedures for making payments, appeals, and powers to recover financial assistance.

In June 2015, the Committee received a briefing from the Department on its EU priorities and approach to Europe. The Committee took the opportunity to explore how the Department was inputting into the UK position on EU trade negotiations with the USA (known as TTIP), and what implications this may have for the Northern Ireland agri-food industry. The Committee also explored the Departmental input to Commissioner Hogan's recent announcement on simplification of CAP. The Committee expressed some disappointment as Members felt that the relevant questions they were asking were getting little or no response from the Department. The Committee agreed that DARD should revisit its priorities and return to the Committee to provide further detail on the issues raised by the Committee.

The Committee also considered and noted various newsletters and memos from the NI Assembly EU Officer on areas and issues concerning agriculture and food production. One such example of particular interest was the call for nominations to be appointed to the European Commission Agricultural Markets Task Force. The Committee forwarded this to the Department and subsequently heard that Mr David Dobbins, a local businessman involved in the dairy industry, had been appointed.

The Committee undertook an inquiry into better regulation in the agri-food industry. Aware that the majority of such regulation originates in Europe, the Committee explored how such regulation is translated into local law, with an emphasis on identifying instances of gold plating. Arising out of this inquiry the Committee was pleased to note that the Department has revised its position on the EU regulations on cattle tags. The Department also announced that it would avail of an opportunity now allowed by EU Commission, for electronic cattle registration.

Late in the 2015/16 session, the Committee undertook Committee Stage of the Fisheries Bill. Clause 6 of the Bill was urgently required to allow the Enforcement of EU laws. The EU Commission had opened a pilot case against Northern Ireland because such regulation was not directly enforceable. Due to its late introduction to the Assembly, the timetable for completion of the Bill's legislative passage was challenging. In order to ensure its passage to Final Stage the Committee, with the agreement of the Minister, decided to focus on Clause 6 only, and thus eliminate the threat of infraction. All other clauses would not be moved at Consideration Stage.

During 2015, the Committee considered 18 statutory rules which arise out of EU legislation.

In the past year, the Committee has considered a number of Explanatory Memoranda (detailed below) and agreed to forward 3 (EM 36598, EM 36636 and EM 37073) to the Department for further comment.

EM 36598	This EM concerns a Commission Delegated Regulation relating to admissibility for support under the European Maritime and Fisheries Fund – the UK analysis set out in the EM suggests that there could be a degree of discretion in relation to the CFP landing obligation.
EM 36636	This EM concerns a Draft Instrument on fishing opportunities – specific focus on sea bass stocks - proposed 3 fish limit for recreational fishermen and restrictions for particular trawler types (mid- water pair and otter).
EM 36577	This EM concerns an EU Court Of Auditors report on keeping the costs of RDP projects under control.
EM 36671	This EM concerns an EU Court of Auditors special report on errors in RDP spending.
EM 36581	This EM concerns an annual report on the operation of the European Fisheries Fund.
EM 37343	This EM concerns a report on the annual accounts of the European Food Safety Authority.
EM 37273	This EM concerns Commission proposals for fishing opportunities in 2016 – agreed at the December 2015 Fisheries Council Meeting.
EM 37148	This EM relates to a proposal for a Council Regulation amending Regulation (EU) No 2015/104 as regards certain fishing opportunities.
EM 37151	This EM concerns a report on the annual accounts of the European Fisheries Control Agency for the financial year 2014.
EM 37073	This EM relates to the adoption of a regulation of the EU Parliament and of the Council amending Council regulation EC No 515/79 on mutual assistance between the administrative authorities of the Member States and cooperation between the latter and the Commission to ensure the correct application of the law on customs and agricultural matters.

Other EU activity planned for 2016

- RDP 2014-202, with a particular focus on the rollout of the Farm Business Improvement Scheme;
- The potential impact of a Brexit on the NI agriculture industry; and
- The report by the European Commission Agricultural Markets Task Force.