



**Committee for Agriculture, Environment and Rural Affairs**

# **Report on the Agriculture Bill**

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Report: NIA 95/22-27 Committee for Agriculture, Environment and Rural Affairs

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# **Powers and Membership**

## **Powers**

The Committee for Agriculture, Environment and Rural Affairs is a Statutory Departmental Committee established in accordance with paragraphs 8 and 9 of Strand One of the Belfast Agreement and under Assembly Standing Order No 48. The Committee has a scrutiny, policy development and consultation role with respect to the Department for Agriculture, Environment and Rural Affairs and has a role in the initiation of legislation. The Committee has power to:

- Consider and advise on Departmental budgets and Annual Plans in the context of the overall budget allocation;
- Approve relevant secondary legislation and take the Committee Stage of relevant primary legislation;
- Call for persons and papers;
- Initiate enquiries and make reports; and
- Consider and advise on matters brought to the Committee by the Minister of Agriculture, Environment and Rural Affairs.

## **Membership**

The Committee has nine members, including a Chairperson and Deputy Chairperson, and a quorum of five members. The membership of the Committee during the Committee Stage of the Bill was as follows:

- Mr Robbie Butler MLA (Chairperson)
- Mr Declan McAleer MLA (Deputy Chairperson)
- Mr John Blair MLA
- Miss Nicola Brogan MLA - left the Committee on 20<sup>th</sup> February 2025
- Mr Tom Buchanan MLA
- Miss Aoife Finnegan - joined the Committee on 20<sup>th</sup> February 2025
- Mr William Irwin MLA
- Mr Patsy McGlone MLA
- Miss Michelle McIlveen MLA
- Miss Áine Murphy MLA

# List of Abbreviations and Acronyms used in this Report

CMO	Common Organisation of the Markets in Agricultural Products
DAERA	Department of Agriculture, Environment and Rural Affairs
Defra	Department for Environment, Food and Rural Affairs
EFM	Explanatory and Financial Memorandum
EU	European Union
FVAS	Fruit and Vegetable Aid Scheme
NIMGA	Northern Ireland Mushroom Growers Association
PO	Producer Organisation
RaISe	Research and Information Services
RNIA	Rural Needs Impact Assessment
RPA	Rural Payments Agency
VMP	Value of Marketable Production

## Executive Summary

1. This report sets out the Committee for Agriculture, Environment and Rural Affairs' consideration of the Agriculture Bill.
2. Minister Muir introduced the Agriculture Bill to the Northern Ireland Assembly on 25 November 2024 and it was referred to the Committee for consideration after Second Stage, which took place on 3 December 2024.
3. The purpose of the Bill, which contains six substantive clauses, is to make provision for the modification of assimilated direct legislation in relation to aid in the fruit and vegetables sector and information and promotion schemes for agricultural products; and for connected purposes.
4. The key objectives of the clauses in the Bill are to make the funding for the legacy EU Fruit and Vegetable Aid Scheme (FVAS) discretionary, prior to the end of current programmes in December 2025. The Department of Agriculture, Environment and Rural Affairs (DAERA) aim is to ensure support can be prioritised and used where it best provides value for money and best meets specific local needs. This will provide scope for DAERA to consider, on a case-by-case basis, whether or not to grant financial assistance in respect of a particular operational programme under the FVAS.
5. The objective is also to ensure DAERA has the scope to further amend the law governing the FVAS as well as that governing another legacy EU scheme, Agri-food Information and Promotions (promotion schemes). DAERA also wishes to ensure that these schemes can be changed to reflect future policy developments and to best meet local need, including to align with support elsewhere if appropriate.
6. The Committee issued a public Call for Evidence on Citizen Space that ran from 10 January 2025 to 14 February 2025 and also requested evidence from specific stakeholders, as well as from the DAERA Officials.
7. Written submissions were received from two groups - NIMGA and the Mushroom Producers, along with six responses to the online Citizen Space survey plus four short email responses included at Appendix 7. The Committee

held four oral evidence sessions with the interested organisations as well as exploring the issues raised in the written and oral evidence with DAERA Officials, through oral evidence sessions and correspondence. The Committee considered the Bill at thirteen Committee meetings.

8. At its meeting of 1 May 2025, the Committee undertook an informal Clause by Clause consideration, at which Members had an opportunity to raise any remaining issues or concerns with Officials prior to its formal Clause by Clause consideration. At its meeting on 8 May 2025 the Committee then had further discussion before agreeing to undertake its formal Clause by Clause consideration (outlined in the formal clause by clause agreement section of this report.
9. Overall, the Committee felt it had been placed in a very difficult position as the Bill is an enabling Bill, with wide powers (albeit in a narrow remit) and Members had no sight of details regarding a replacement support scheme for the horticulture sector, as the review of the current schemes had not yet been completed by DAERA. Despite best efforts, the Committee also did not receive much evidence from the wider horticulture sector, who are not currently members of a PO, so it was not clear what reservations there were to the Bill outside the mushroom sector.
10. Some Members felt that DAERA was putting the 'cart before the horse' and that the Bill was premature. Others accepted that fact that the Minister required discretion over his budget and noted the risks that were inherent in the closure of the English scheme while a mandatory scheme (in terms of funding) remained open in Northern Ireland. However, the Committee recognised that without the Bill DAERA could not make any changes to the current schemes and improvements had been requested by the sector.
11. The Committee also had concerns that its evidence revealed that the PO model, although successful for the mushroom sector, was not being used by other types of growers and did not seem popular with them. DAERA acknowledged that there was work to be done in that regard going forward. That meant that the considerations became essentially about the mushroom industry.

12. The Committee focused much of its deliberations on Clause 1 and the fact that it makes the payment of the current FVAS discretionary. Leaning on the evidence of the mushroom sector, the majority of the Committee raised concerns with the Officials on the sector's behalf, going as far as to request if the Minister would be minded to consider an amendment to Clause 1 that ringfences funding set at an agreed baseline of 4.1 % Value of Marketable Production (VMP) (sales), above which the Minister could then exercise discretionary powers.
13. Minister Muir stated he was not minded to make such an amendment as by that time he had already provided assurance that he would not end the existing scheme until there is a suitable successor in place and the policy aim of the Bill was to make support discretionary. Also, if 4.1% of VMP baseline was included on the face of the Bill, further primary legislation would then be needed to amend it and an alternative to the VMP calculation may be more attractive to other sub-sectors.
14. The Committee also requested if the Minister would be minded to consider an amendment to the short title to reflect the specific remit of the Bill regarding aid for the Fruit and Vegetable sector and information provision and promotion measures.
15. The Minister's understanding was that the title adequately covers the content of the Bill in that its subject relates to agriculture and the specific content is made clear in the Long Title and this short title is therefore neither unusual nor inappropriate.
16. The mushroom producers felt it was too late to replace the current FVAS before 1 Jan 2026, and recommended to the Committee that DAERA pauses the Bill and prioritises the continuation of the existing scheme for a further three years and that period will allow for a review of the scheme to be completed and, if needed, developed with industry consultation.
17. Although the Committee did not pursue a 'pause' in the Bill, its evidence and discussions with Officials encouraged the Minister to think again and agree not to close the scheme at the end of 2025 and to allow applications for new three-

year programmes in September 2025. The Committee felt this was a major success of the Committee Stage.

18. In the end, after seeking advice from the Bill Office, the Committee agreed not to request any amendments to the Bill, but this did not mean that all Members were in support of all Clauses.
19. The Committee made a number of recommendations based on issues highlighted in its evidence, mainly within the wider scope of the horticulture sector.
20. After considering all its evidence, querying many issues, deliberating on the matters raised, taking advice from the Assembly Bill Office and seeking clarifications with Departmental Officials, the majority of the Committee did not agree to Clause 1 as drafted. The Committee also agreed not to formally table an opposition to the clause stand part. The Committee agreed to Clauses 2, 3, 4, 5 and 6 as drafted.



# Introduction

21. The Agriculture Bill (NIA Bill 08/22-227) was referred to the Committee in accordance with Standing Order 33 on completion of the Second Stage of the Bill on 3 December 2024.
22. The Minister for Agriculture, Environment and Rural Affairs made the following statement under Section 9 of the Northern Ireland Act 1998: “In my view the Agriculture Bill would be within the legislative competence of the Northern Ireland Assembly.”
23. The stated purpose of the Bill is to allow DAERA to make FVAS funding discretionary, prior to the end of the current programme, in order that support can be prioritised and used where it best provides value for money and best meets specific local needs. The aim is to provide scope for DAERA to consider, on a case-by-case basis, whether to grant financial assistance to a Producer Organisation in respect of a particular operational programme.
24. A further stated aim is to provide DAERA with the scope to amend the law governing the FVAS and promotion schemes, so that they can reflect future policy developments.
25. During the Committee stage the Committee considered the Bill and related issues at thirteen meetings. The relevant Minutes of Proceedings for these meetings are included at Appendix 3. Also included in this Appendix are the Minutes of Proceedings where the Committee undertook pre-legislative scrutiny prior to introduction of the Bill.
26. The Committee had before it the Agriculture Bill (NIA 08/22-27) and the Explanatory and Financial Memorandum that accompanied the Bill. Following the introduction of the Bill on 25 November 2025, the Committee wrote to key stakeholders and inserted public notices in the Belfast Telegraph, Irish News, and News Letter seeking written evidence on the Bill by 12.00p.m. on Friday 14 February 2025 and sign-posting to its Citizen Space Public Call for Evidence. As is common practice, it also wrote to the Statutory Committees of the Northern Ireland Assembly and the NI Human Rights Commission.

27. Two organisations responded to the request for written evidence and a copy of the submissions received are included at Appendix 5. The Committee also published a survey on its Citizen Space webpage. A total of six responses were received from individuals and organisations plus four short email responses included at Appendix 7. Correspondence received from DAERA is included at Appendix 1, with other relevant correspondence at Appendix 2.
28. Prior to the introduction of the Bill the Committee had a pre-legislative briefing from DAERA Officials on 20 June 2024 to provide an update on the outcome of the DAERA consultation on the Bill proposals. The Committee heard that seven responses were received and comments received reflected the importance of the FVAS scheme to the local mushroom sector. While not universally supported, there was some understanding of the need to make funding discretionary for Minister to prioritise. There was a call for changes to be made to the scheme, as the EU Scheme had improved since EU Exit.
29. The Committee also held pre-legislative evidence sessions on 20 June 2024 with the Northern Ireland Mushroom Growers Association (NIMGA) and the Mushroom Producer Organisation and Commercial Mushroom Growers UK, and they highlighted early concerns with some of the proposals for the Bill.
30. DAERA Officials then briefed the Committee on 12 December 2024, as its first briefing of the Committee Stage of the Bill. Before outlining the details of the six clauses, the Officials outlined the background to the Bill - that the Bill deals with two schemes that have their origins in the EU. The legislation governing the schemes was converted into UK 'assimilated' law on EU Exit and amended to make it work in a UK context.
31. The Officials reminded the Committee of its briefing on 20 June 2024, when they set out a proposal for a Bill that would have a narrow focus in directly amending assimilated law governing the legacy EU fruit and veg aid scheme (FVAS) and providing scope for DAERA to further amend the legislation that governs that scheme and another legacy EU scheme: agri-food information and promotions. Officials set out the context of those two schemes, the lack of scope for them to be amended in line with, for example, post-EU exit policy developments and that, as a legacy of the FVAS being an EU scheme, for the

past five years DAERA had a statutory obligation to fund all eligible claims and that obligation would continue without the proposed legislative change.

32. Officials highlighted that they now returned with an Agriculture Bill in the Assembly, which does three things: amends the legislation governing FVAS to make support under that legislation discretionary; confers the power to make further modifications to that legislation; and provides a power to modify the legislation governing promotional schemes for agricultural products.
33. The Officials stated that under assimilated law, farmers and growers in a variety of sectors can come together to form producer organisations (POs) to strengthen their position in the supply chain and increase their competitiveness. Financial assistance is available, through the FVAS, to POs in the horticulture sector. Under that scheme, assistance is payable to POs that submit an eligible operational programme with operational funds that are then part-financed by contributions from PO members.
34. Following the end of EU support, DAERA has provided match funding for the scheme for the last five years in Northern Ireland. There is currently one PO supported by DAERA with an approved programme over the three-year period to December 2025. In addition, there are two other POs headquartered in England, (with Northern Ireland growers), because that is where the majority of their turnover is generated. Because of that, they are funded by the Department of Environment, Food and Rural Affairs (Defra). The Officials then outlined the clauses in the Bill.
35. Clause 1 makes support under the FVAS discretionary, so it removes the obligation to fund all eligible claims by amending article 32 of assimilated law EU 1308/2013, also known as the "CMO regulation", to remove any requirement for all eligible schemes to be funded and enable DAERA to continue the FVAS on a discretionary basis in Northern Ireland. A new paragraph 1A is inserted into article 32 by subsection (4) of clause 1 to clarify who is eligible for discretionary support and therefore maintains the status quo in that regard. Clause 1 also includes transitional provisions in subsection (5) in relation to existing FVAS programmes to ensure that the new discretionary

power will not impact on existing agreed operational programmes, which will be due to end at the end of December 2025.

36. Clause 2 provides the power to amend the CMO and named implementing and delegating acts in relation to FVAS. Subsection (1) of that clause "confers a power on the Department to make regulations to modify the listed assimilated direct legislation relating to aid" and subsection (2) "provides power to make regulations regarding the review of decisions relating to such aid."
37. The Officials highlighted that because there is a move from a mandatory to a discretionary fund, the scope for appeals needs to be made clear. The subsection also makes it clear that any regulations made under that will be similar to or align with existing appeal legislation that is in place.
38. Clause 3 "confers a power on the Department to make regulations to modify the listed assimilated direct legislation relating to" the agri-food promotion schemes.
39. Clause 4, subsection (1) "provides that regulations made under the Bill may contain supplementary, incidental, consequential, transitional, transitory or saving provisions, and that such provision includes modification of any statutory provision." DAERA believes these are standard clauses in Bills to ensure a fully functioning statute book as a result of any changes made by the enabling regulations under clauses 2 and 3. It also provides that regulations under the Bill can be made only following approval by the Assembly — the draft affirmative procedure, per subsection (3).
40. Clause 5 "provides interpretation of terms used in the Bill, including that 'modify' includes amend, repeal or revoke."
41. Clause 6 Subsection (1) provides for the Act to come into operation with Royal Assent and, given the transitional provision in clause 1, that will not impact on any existing operational programmes and also sets out the Agriculture Act's short title.
42. Officials stated that it does what DAERA consulted on: clause 1 making support

43. discretionary under the FVAS, and clauses 2 and 3 providing the necessary powers via draft affirmative procedure, by virtue of clause 4, to amend FVAS rules and the agri-food promotions scheme rules as necessary
44. At its meeting on 16<sup>th</sup> January, the Committee received an oral briefing from the Northern Ireland Assembly Research and Information Service (RaISe) on its Bill Paper, produced for all Assembly Members, to provide research on the content and implications of the Bill. This paper is included at Appendix 6. The paper explored the provisions of the Bill (as introduced); provided comparisons with similar legislation and policy in Great Britain and the Republic of Ireland; and identified issues for the Committee's further consideration.
45. After the Bill completed its Second Stage on 3 December 2024, the Committee arranged to take oral evidence on the Bill from relevant stakeholders and the Department. The Committee contacted the following organisations inviting them to submit their views on the Bill:
  - British Growers Association
  - Commercial Mushroom Growers UK Limited
  - Horticulture Forum NI
  - Irish Food Board – Bord Bia
  - Mushroom Producer Organisation Limited
  - Northern Ireland Agricultural Producers Association
  - Northern Ireland Food and Drink Association
  - Northern Ireland Fruit Growers Association (NIFGA)
  - Northern Ireland Soft Fruit Growers Association
  - Northern Ireland Mushroom Growers Association (NIMGA)
  - Northway Mushrooms Limited
  - Northern Ireland Environment Link

- Ulster Farmers Union
- Veg NI

46. At its meeting on 17 February 2025 the Committee considered responses from two stakeholders Northern Ireland Soft Fruit Growers and Northern Ireland Food and Drink Association in relation to the call for evidence:

Northern Ireland Soft Fruit Growers response dated 14 February stated: *We are unable to compile a response due to work commitments from the effects on the farm from the recent storms. Some of our members have had the experience of a Producer Organisation and were not keen to re-enter the experience again.*

47. Northern Ireland Food and Drink Association's response dated 17 February stated: *Thank you for the below request to provide evidence to The Agricultural Bill. We are currently in the throes of organising our NIFDA conference and due to current pressures are regrettably, unable to feed into the request for evidence at this stage.*

48. At its meeting on 23<sup>rd</sup> January the Committee considered The Ulster Farmers Union's (UFU) response to the call for evidence, dated 22 January, which stated: *The UFU Vegetable and Apple committee members have signalled the FV Scheme (PO's) is not relevant to the size and scale in N Ireland and do not see how either of the sectors could fit within the model under the current proposals. It is difficult to get growers to come together in groups, however UFU are open to exploring a different approach and are open to having further discussions with the DAERA and the AERA Committee in the future to explain further about the support that the vegetable and apple sectors urgently need and how best the provisions within the Agriculture Bill can tailor their specific needs. As with most new initiatives, if seen to be successful, others would also follow suit in due course. This differs for Mushroom industry who do fit the PO model and need the structure with some revisions to the rules, UFU support the mushroom sector on this endeavour.*

49. At its meeting on 13 March 2025 the Committee considered Irish Food Board – Bord Bia's response to the call for evidence dated 7 March which stated: *We would like to express our gratitude to the Northern Ireland Assembly's*

*Committee for Agriculture, Environment and Rural Affairs for inviting us to brief the Committee on any issues or concerns regarding the Agriculture Bill. Bord Bia notes that according to the information provided this relates to the CMO regulation which does not fall within the remit of Bord Bia.*

50. At its meeting on 13 March 2025 the Committee also noted that the Committee for Finance issued a memo dated 6 March 2025 stating it considered the request for its views on the Bill at its meeting of 5 March 2025 and agreed to submit a nil return in response.
51. At its meeting on 13 March 2025 the Committee noted the response from the Northern Ireland Human Rights Commission (NIHCR) dated 24 March 2025 stating that it had no comments to make regarding the Bill.
52. At its meeting on 1 May 2025 the Committee also noted that the Committee for the Executive Office (TEO) issued a memo dated 14 April stating that on 9 April 2025, it received a response from the Executive Office stating that the provisions of the Agriculture Bill have no direct impact on the functions of the Executive Office.
53. The Committee took evidence from the following organisations on the dates listed below:
  - 30 January 2025 - NIMGA
  - 20 February 2025 - Mushroom Producer Organisation, Commercial Mushroom Growers UK Ltd & Northway Mushrooms
  - 3 April 2025 - NIMGA
  - 3 April 2025 - Mushroom Producer Organisation, Commercial Mushroom Growers UK Ltd & Northway Mushrooms
54. The Committee also held evidence sessions with Departmental Officials on the clauses of the Bill prior to its introduction at its meeting on 20 June 2024 and (post-introduction) on 12 December 2024.

55. Committee deliberations on the evidence received and the clauses of the Bill were conducted at the meetings on 13 March 2025, 20 March 2025, 27 March 2025, 10 April 2025, 1<sup>st</sup> May and 8<sup>th</sup> May 2025. The formal clause by clause scrutiny of the Bill was completed at the meeting on 8 May 2025. The relevant Minutes of Evidence of these meetings are included at Appendix 4.
56. The Committee enjoyed a productive working relationship throughout the Committee Stage with DAERA Officials, the Minister, the Assembly's Bill Office and Assembly Secretariat.

## **Context and Overview of the Bill**

57. The Common Organisation of the Markets in Agricultural Products (CMO) was part of the Common Agriculture Policy that governed UK agricultural support as a member of the European Union (EU).
58. The CMO provided market-support tools and aid schemes for certain sectors, including fruit and vegetables under the Fruit and Vegetable Aid Scheme (FVAS), encouraged cooperation through Producer Organisations (POs), laid down common marketing standards for certain products, and set out specific rules on competition and trade. The UK, including Northern Ireland, continues to operate legacy EU schemes derived from EU CMO legislation.
59. Under the CMO Regulation, farmers and growers in a variety of sectors are incentivised to come together to form POs in order to strengthen their position in the supply chain and increase competitiveness. POs also provide a mechanism for promoting environmentally sound cultivation practices and production techniques, and climate change mitigation.
60. When the UK left the EU in January 2020, the European Union (Withdrawal) Act 2018 converted EU law into UK domestic law. This was generally referred to as Retained EU Law, until it was preserved into domestic law at the end of 2023 as 'assimilated law' by the Retained EU Law (Revocation and Reform) Act 2023.
61. It is the assimilated law version of the CMO Regulation that now applies to the FVAS. Financial assistance is payable to POs in the horticulture sector who submit an operational programme that meets the FVAS regulatory requirements



and fits within the UK Strategy and Environmental Framework. Operational funds are part financed by contributions from PO members.

62. There is currently one mushroom PO headquartered in Northern Ireland supported by the Department under the FVAS. It may be that there will be no PO registered in Northern Ireland as of the 1st January 2026, as Northway Mushrooms Ltd has indicated that it will cease trading at the end of 2025.
63. The FVAS, being a legacy EU scheme, under which the EU would have provided the support, means a continuing legal obligation for DAERA to fund eligible claims under assimilated law. This then has implications for the future Northern Ireland budget.
64. In this context, DAERA believes there is reduced scope for it to decide on funding priorities, to provide support where it provides best value for money and to target support where it best meets local needs. Furthermore, there are also two other POs with local members funded by Defra because their PO is headquartered in England where the scheme is scheduled to close at the end of the 2025. While these growers are not currently eligible for funding by the Department, this may change.
65. In addition, the Department is undertaking post-EU policy development of agricultural support, including in relation to future support for the horticulture sector and supply chains. Part of this is a review of the operation of the FVAS in Northern Ireland and DAERA states new powers are needed to ensure it has the scope to amend the governing FVAS legislation to align with new policy as this is developed.
66. Separate EU legislation provides for support for agri-food information and promotion for agricultural products (promotion schemes). Under this legislation, not-for-profit organisations could apply for EU support for food promotion campaigns, primarily in third countries.
67. In this regard DAERA states the aim of the Bill is to open new market opportunities for farmers and the wider food industry, help them build their existing businesses and sell their products in an increasingly competitive global marketplace, while delivering jobs and growth.

68. Since June 2003, under the EU legislation, there have been 35 promotion schemes running campaigns with UK beneficiaries, but the largest and most successful UK beneficiary is based in Northern Ireland. Following the end of EU funding in October 2020 it is the assimilated version of the legislation that now applies here.
69. DAERA conducted a public consultation on the proposed legislative proposals between 3 April 2024 and 27 May 2024. The consultation was placed on the Department's website and on Citizen Space, and its launch was highlighted via the Department's social media and directly notified 214 individuals and organisations.
70. Consultees were asked three questions: What are your views on the proposal to make FVAS funding discretionary; What are your views on proposed new powers to allow amendments to be made to the law governing FVAS and Promotion Schemes via subordinate legislation and; what are your views on the Department's assessment that the Bill will have no equality or rural needs impacts, nor any direct financial impact. A total of seven written responses were received.
71. The Bill has six clauses as outlined in the previous section of this report. It amends, and confers power to make further modifications of, assimilated direct legislation in relation to aid in the fruit and vegetables sector. It also provides power to modify promotion schemes for agricultural products.
72. The Committee were keen to consider the Bill (as introduced) and commenced to do so through the Bill paper prepared by the Northern Ireland Assembly Research and Information Service (RaISe) and comparative issues raised in other written and oral evidence received. The RaISe Bill paper (Appendix 6) provided comparisons with similar legislation and policy in Great Britain and the Republic of Ireland; and identified issues for the Committee's further consideration.
73. The following contextual information is extracted and summarised from that paper, based on the Bill as introduced, and the Committee considered the issues and the context in more detail through the deliberations on the clauses of the Bill (see section titled 'Consideration of the Bill').

74. RalSe presented its Bill Research Paper at the Committee meeting on 16th January 2025 and gave the Committee an overview of each Clause:

Clause 1 – Aid in the fruit and vegetables sector: amendment of CMO regulation	<p>Amends Article 32 of the CMO Regulation EU 1308/2013 (now UK assimilated law) to enable Fruit and Vegetable Aid Scheme (FVAS) claim payments to be discretionary rather than mandatory.</p> <p>Also includes transitional provisions for existing FVAS programmes – effectively no changes for operational programmes ending or before 31 December 2025.</p>
Clause 2 – Aid in the fruit and vegetables sector: power to modify	<p>Subsection 1 – gives DAERA powers to amend assimilated direct legislation which deals with aid in the fruit and vegetable sector through the means of Regulation. Areas which can be modified are as follows:</p> <p>Articles 32-28 CMO Regulation EU 1308/2013;</p> <p>As relating to relevant aid – Commission Delegated Regulation 2017/891;</p> <p>As relating to relevant aid – Commission Implementing Regulation EU 2017/892.</p> <p>Subsection 2- gives DAERA power to make regulations regarding review of decisions i.e. appeals, relating to decisions.</p> <p>Subsection 3 – clarifies that the power to modify in subsection 1 includes the power to modify provisions inserted in the CMO Regulation by Clause 1.</p>
Clause 3 – Information provision and promotion measures: power to modify	<p>Confers a power on the Department to make regulations to modify the listed assimilated direct legislation relating to information provision and promotion measures. Areas which can be modified are as follows:</p> <p>Regulation EU 1144/2014;</p> <p>Commission Delegated Regulation EU 2015/1829;</p> <p>Commission Implementing Regulation EU 2015/1831.</p>
Clause 4 - Regulations	<p>Provides that regulations made under the Bill may contain supplementary, incidental, consequential, transitional, transitory or saving provisions, and that</p>

such provision includes modification of any statutory provision.

This clause also provides that Regulations under the Bill can only be made following approval by the Assembly i.e. affirmative resolution.

Clause 5 –  
Interpretation

Provides interpretation of terms used in the Bill, including that “modify” includes amend, repeal or revoke.

Clause 6 –  
Commencement and  
short title

Provides that the Bill will come into operation on the day after the day it receives Royal Assent. The clause also specifies the short title of the Bill namely, The Agriculture Act (Northern Ireland) 2024

75. As part of the RalSe presentation, a series of potential issues for consideration by the Committee were discussed. The Committee then queried a number of these with DAERA and the DAERA responses received on 4<sup>th</sup> February 2025 are summarised below.
76. The Committee noted there were only seven consultation responses to DAERA’s consultation and queried if this number was low or an accurate reflection of the number of organisations that might be impacted by the issues which were consulted on. DAERA felt it was the latter.
77. The Committee also noted that DAERA’s consultation had three questions and only one of these dealt with a specific provision (Clause 1). The second question sought the views of stakeholders on proposed new powers to allow amendments to be made to the law governing FVAS and Promotion Schemes via subordinate legislation. The Committee sought examples of legislation that DAERA is considering making under these new powers.
78. The Department response stated that as it is an ‘enabling Bill’ it does not introduce new policy, and leaves that to future decisions but matters raised by stakeholders during the consultation and subsequently with the Committee, would be considered as part of the ongoing review of the FVAS and would be used to inform future policy.

79. The Committee noted, as set out in Clause 5 of the Bill, the power to modify includes amend, repeal or revoke and wished to explore those areas of the three Regulations identified in Clause 2. It sought clarity on which areas of the Regulations DAERA was planning to modify, as the research paper had highlighted a number of possible areas. DAERA's response stated that the Bill provides scope to make changes as necessary in the future and that precisely how these powers will be used is for future consideration and Assembly scrutiny.
80. The Committee sought clarity what policy directions may drive the need for revocation, repeal or amendment of the Regulations identified in Clause 2. DAERA's response stated that the review will inform the immediate future of the FVAS. However, in the event the scheme continues here post-2025 (which we now know it will do, since the Minister's announcement on 4 March 2025), the rules and legislation would need to be kept under regular review. Any future amendments to the scheme, including via secondary legislation, would be brought to the Assembly.
81. The Committee wished to explore Clause 3 and sought further detail on which areas of the Regulations DAERA was planning to modify. The research paper had highlighted possible areas, including issues relating to expenditure for environmental actions, the type and number of objectives that FVAS operational programmes must meet, the length of operational programmes and the level of financial assistance.
82. The Department responded by stating that it is not possible to say which, or any, may be considered given that a full review of the legacy legislation has not been undertaken, and the development of food promotion under the recently published Food Strategy Framework is at a very early stage.
83. The Committee sought clarification as to what policy directions may drive the need for revocation, repeal or amendment of the Regulations identified in Clause 3.
84. The Department response stated that the Assimilated Law in question was saved from being 'sun-setted' under the Retained EU Law Act, given it could potentially prove useful to have these powers in the future and it is seeking the

powers to amend this legislation on the same basis as it may prove a useful foundation for support for food promotion in the future. Any plans to use the Bill powers in the future to amend the rules in advance of using this assimilated legislation as the basis of a promotion scheme would again be subject to its own consultation, and to further Assembly scrutiny.

85. The Committee queried at an early stage if DAERA felt that the current name of the Bill is compatible with the existing UK Agriculture Act or any future potential stand alone and distinctive Northern Ireland Agriculture Bill (one with a broader remit than support for the Fruit and Vegetable sector and wider food promotion).
86. The Committee is aware that DAERA is reviewing post EU agriculture support, including in relation to the FVAS, and while work on a review of the promotion of Northern Ireland food is at an early stage, it will be taken forward as part of the emerging wider Food Strategy Framework. The Committee noted the Department has argued that it needs the powers contained in the Bill now in order to align with any new policy development in these areas and requested the terms of reference and to be advised of the progress of these reviews.
87. DAERA advised that the review of the FVAS is to consider whether the legacy EU scheme has met its objectives; assess how it best fits with Northern Ireland agricultural and food policy post EU Exit and the future needs of the sectors; and can the scheme provide value for money; what lessons can be learned and whether there is coherence with other post EU strategies and policies; and examine the existing legislative framework, and the scope for changes to meet future policy needs.
88. The Committee also asked if DAERA had any concerns in that bringing the Bill forward now, in advance of the outcome of any review processes may potentially limit subsequent policy decisions.
89. DAERA's response stated it did not believe that bringing the Bill forward now would limit subsequent policy decisions and that the nature of an enabling Bill is to provide the legal authority for implementation of future decisions. Furthermore, subordinate legislation using these powers requires the approval of the Assembly. The Department also believes awaiting the outcome of a

review, and then seeking the necessary powers to deliver new policy, would simply cause uncertainty and delay.

90. The Committee is aware that the provisions in Clause 1 would make funding of an FVAS discretionary and therefore would provide DAERA with the means to not proceed with FVAS funding under various auspices. However, the Committee noted the Minister's publicly stated position during the debate on the second stage of the Bill of support for the horticulture sector as not having plans to close the FVAS.
91. The Committee then heard on 4 March that the Minister confirmed that he would not be closing the FVAS at the end of 2025 allowing Producer Organisations with a head office in Northern Ireland to submit a new operational programme for approval in September 2025. The Minister also notified the Committee that he had instructed Officials to begin preparatory work on a replacement scheme to be developed in co-design with the horticultural sector, informed by the ongoing policy review of the current FVAS.
92. The Committee noted the concerns of the mushroom sector in Northern Ireland if FVAS either stopped totally or was significantly reduced through the use of the proposed discretionary payment power and noted that there was a lack of an impact assessment for local mushroom sector. The Committee also had early concerns that any discretionary spending in many areas in DAERA's remit are likely to remain under significant pressure.
93. The Committee also highlighted its concerns on the consideration of Rural Needs Impact Assessment (RNIA). In particular, the change proposed to discretionary funding proposed within Clause 1 of the Bill will not be subject to further rural impact consideration as no Regulation is required to deliver this change.
94. The Department response stated that the draft RNIA concluded that there would be no direct impact on rural communities from the proposals on. Legislation brought forward under the powers in clause 2 and clause 3 would be subject to further assessment of impact. However, DAERA Guidance on the Rural Needs

Act (NI) 2016 means that any policy changes, including in relation to future funding, would also be assessed for their impact, if the Bill is enacted.

95. The Committee enquired if the Rural Payments Agency would continue to administer any Northern Ireland specific FVAS or food promotion/information schemes or support. DAERA responded that the future of these arrangements is yet to be confirmed and is part of the review of the FVAS.
96. The Committee also queried if DAERA had undertaken any risk assessment to assess the potential liability to it if the FVAS provisions remained unchanged or how many GB based POs might try to qualify for support through DAERA. DAERA responded that it sees a potential risk of GB-based POs applying for FVAS support through DAERA, as a result of the closure of the schemes in England.

## Committee Recommendations

97. As stated earlier in this report, overall, the Committee felt it was placed in a very difficult position as the Bill is an enabling Bill, with wide powers (albeit in a narrow remit). Members had no sight of the possible replacement support scheme for the horticulture sector as the review of the present FVAS is not yet completed. Despite best efforts, it also did not receive much evidence from the wider horticulture sector, who are not currently members of a PO, so it was not clear what the reservations were outside the mushroom sector. Therefore, these recommendations lie in the area of the wider issues impacting on the horticulture sector.
98. The Committee were pleased at the impact of its deliberations, as the Minister took cognisance of the Committee's evidence sessions and agreed not to close the current FVAS at the end of this year and to co-design the new scheme with the horticulture sector.

### Recommendations

99. Regarding the Bill overall, **the Committee recommends that DAERA thinks twice before bringing forward such an enabling Bill in the future when the policy developments are not worked out at least to the stage where the**



**Committee can access well-developed draft policy and draft schemes so that it can properly assess the impact of the Bill and stakeholders do not feel that they are being asked to give evidence 'in the dark'.**

100. Having heard about the competitive nature of the horticulture industry and specifically for the mushroom sector the Committee recommends that: **the Minister produces a clear strategy and action plan on how he plans to develop the horticulture sector in Northern Ireland and in conjunction with the sector development as it is competing with the EU for market share.**
101. **The Committee recommends that the Department carry out evidence gathering and analysis to determine why the PO model is not working for the wider horticulture sector in Northern Ireland and develops alternative models for other growers and producers.**
102. **The Committee recommends that the Department investigate the potential for grants for the horticulture sector for setting up new technologies and systems that allow Northern Ireland growers to grow produce that is currently sourced elsewhere.**
103. In its evidence, the Committee noted that there were concerns among smaller farmers/growers that any new subsidies could be redirected towards farms with more advanced technology, leaving smaller, family-run farms at a disadvantage - **The Committee recommends in regards to smaller growers, that funding rules do not become so focused on large-scale output, that smaller, more traditional farms are pushed out in favour of large agribusinesses.**
104. A similar concern was expressed as regarding marketing support schemes that the Department might prioritise mass-market or export-oriented promotion strategies, more beneficial to large farms. Supermarket supply chains could be favoured over direct-to-consumer or farmers' market models, disadvantaging small producers who rely on local sales. **The Committee recommends that a balance is sought between focus on volume-based production and small-scale and specialty growers (e.g., organic, heritage crop producers), who might struggle to gain visibility in government-supported campaigns.**

105. The Committee noted in its evidence the developments in AI, automation and robotics, which other EU countries are funding within their FVAS and other horticulture grant funds. **The Committee recommends that DAERA considers how Northern Ireland growers will access these options so that our growers are not left on an uncompetitive footing.**
106. On a number of occasions, the Committee discussed the Short Title of the Bill and whether or not it should be more reflective of the narrow focus of the Bill. However, on investigating the matter further with the Bill Office, it was agreed not to seek an amendment to the Short Title which would likely end up being inadmissible, due to the Assembly legislative procedures, which in essence dictate that the short title may only be amended if amendments to the Bill necessitate the change. **Some Members were particularly keen to recommend that this particular aspect of procedures is investigated at some point through the Procedures Committee.**

## Consideration of the Bill

107. The Committee's consideration of the clauses of the Bill commenced with the session with RalSe on 16<sup>th</sup> January, as previously described, and was informed by the research, written and oral evidence it received. The Committee received written submissions from two mushroom sector groups in response to its call for evidence and heard oral evidence twice from both groups. The Committee also had ongoing engagement with Departmental Officials throughout its consideration of the Bill and explored the issues raised in evidence during Departmental oral evidence sessions and by correspondence. The main issues raised in the evidence are now summarised, including specific sections for that received from the mushroom sector.

### **Clause 1 – Aid in the fruit and vegetables sector: amendment of CMO Regulation.**

108. Issues raised in the Committee's call for evidence in relation to Clause 1 are now outlined but it must be borne in mind that the call for evidence was closed before the Minister advised that he had taken the decision not to close the FVAS scheme in December 2025, which was welcomed by the mushroom industry as it meant the imminent cliff-edge being removed.

- Overall, the Bill should not progress due to the absence of a replacement scheme.
- The removal of the requirement for all eligible claims to be funded leaves growers no future security and the shift to discretionary funding raises the risk that decisions could be influenced by changing political agendas rather than being based on clear, transparent criteria.
- There was a call to remove the term “discretionary” as future funding for horticulture will not be ring-fenced
- The term discretionary gives no confidence to the industry - does not encourage growth, does not allow future planning and leaves Northern Ireland at significant disadvantage in comparison to competitors, in Europe, the Republic of Ireland and Scotland who all have advantage of a long term, structured guaranteed FVAS scheme that encourages growth.

## **Clause 2 - Aid in the fruit and vegetables sector: power to modify**

109. Issues raised in the call for evidence in relation to Clause 2 included:

- The power should not be given until the review is complete and there is a clear plan laid out by DAERA on the future of Horticulture in Northern Ireland.
- The potential to reduce the level of funding causing more uncertainty to the sector and Northern Ireland growers need a guarantee that the current level of funding will be ring-fenced.
- Risks to smaller farmers including increased uncertainty in funding rules, risk of reduced or more selective funding, bureaucratic and administrative burden, potential for unequal treatment and limited Transparency and Accountability.

## **Clause 3 - Information provision and promotion measures: power to modify**

110. Issues raised in the call for evidence in relation to Clause 3 included:

- The review of the current scheme needs to be completed and a clear plan laid out for the future use of the funding.
- More information is needed as modifying the scheme could potentially reduce current levels of funding for information and promotion of healthy food within Northern Ireland.
- The key risks to small farmers including reduced access to promotional support, favouritism towards large agribusinesses, potential loss of transparency in information sharing, higher costs for small farmers and weaker local and sustainable farming narratives.

## **Clause 4 – Regulations**

111. Issues raised in the call for evidence in relation to Clause 4 included:

- The industry does not have enough information to be able to evaluate the impact.
- Regulations should not be granted for such wide-ranging powers without additional safeguards.

In relation to the provision that regulations in the Bill can only be made following approval by the Assembly (draft affirmative) among the supportive comments were:

- To make sure that horticulture in Northern Ireland remains protected and that any proposed changes are fully debated and analysed in advance; and
- The process helps maintain transparency, accountability, and democratic decision-making.

### **Clause 5 – Interpretation**

112. Issues raised in the call for evidence in relation to Clause 5 included:

- Until such time the full review of the scheme is complete, no power to modify can be given until there is a clear plan laid out by DAERA on the future of Horticulture in Northern Ireland.
- Assurances need to be given on future funding levels and support for horticulture and as a minimum existing funding levels need to be ring fenced.
- The term "modify" is too broadly defined, allowing for full repeal or revocation of key farming regulations without adequate oversight.
- A clearer distinction should be made between "modification" (adjustment) and "repeal" (removal).

### **Clause 6 – Commencement and short title**

113. There were no issues raised in the call for evidence in relation to Clause 6.

#### **Mushroom Sector Evidence**

114. Although the Committee invited the groups listed earlier to provide oral evidence, only the mushroom sector availed of the opportunity. The evidence brought forward by the mushroom sector is now summarised.

#### **Northern Ireland Mushroom Growers Association (NIMGA)**

115. The Northern Ireland Mushroom Growers Association (NIMGA) gave its main oral evidence session on 30 January 2025, highlighting that the sector is a main part of the agri-food industry, contributing £42 million annually, with an additional £22 million in the local supply chain. It is a significant employer,

providing 10% of all mushrooms and 40% of organic mushrooms across the UK.

116. However, NIMGA highlighted that the FVAS is the only substantial support mechanism available to it and that any reduction in or removal of the scheme without a clear and fully funded replacement would have devastating consequences for mushroom growers.
117. NIMGA called on the Northern Ireland Executive to amend the legislation to retain the 4.1% baseline to be the minimum level at which the Minister can exercise discretionary powers and also to remove the power to revoke FVAS and ensure that, if the scheme is withdrawn, it is replaced immediately with a new scheme that provides at least the same level of support and is developed in consultation with the mushroom sector.
118. NIMGA also highlighted that the Irish Government have invested €19 million annually in their horticulture sector, including in schemes that directly benefit mushroom growers and without comparable support, Northern Ireland mushroom growers will struggle to compete.
119. NIMGA also proposed an enhanced PO scheme, including revising the recognition criteria to make it easier for growers to engage in the PO; introducing a seven-year scheme to allow for long-term investment; providing 80% funding for automation and robotics, in line with EU standards; incentivising environmental and R&D actions with funding that is comparable with the EU's 80% support; and increasing flexibility and funding for promotional activities.

### **Mushroom Producers**

120. The mushroom producers gave their main oral evidence on 20 February 2025 and it is now summarised.
121. Their evidence outlines why they felt the Agriculture Bill should be suspended and why the current FVAS should be extended until a suitable, ring-fenced replacement grant scheme can be identified for the sector. They provided an overview of the mushroom sector in Northern Ireland stating it makes £42

million in farmgate sales per annum, representing circa 40% of all horticultural output. The sector provides 10% of all mushrooms and 40% of organic mushrooms in the UK.

122. The current FVAS provides match funding for investment in facilities, employment of specialist staff, professionalisation of production planning, growing a business, marketing operations and research and innovation projects. The Northern Ireland annual funding budget is approximately £1.6 million and gives growers security of uncapped funding for three to five years.
123. In 2024, the EU revamped the fruit and veg aid scheme rules to make it more attractive than the current scheme that is operated in the UK. EU POs now have access to seven-year operational programmes, which guarantees funding for seven years; a minimum of 4.1% of value of marketed production (VMP) guaranteed and 50% and 80% in grant funding for environmental and R&D actions.
124. In the Republic of Ireland, Teagasc is promoting the FVAS. The Scottish Government are continuing with the FVAS for a further three years, and new programmes are to be submitted before 15 September 2025. They wrote to their POs this week to advise them of the value of the scheme, and they will be conducting a consultation this year on how it can be improved.
125. The mushroom producers highlighted that the Northern Ireland agriculture policy contains the objective to double horticulture from £100 million to £200 million over the next five to seven years. That policy outlined that the next step was to develop a suitable support programme through pilot programmes focusing on group cooperative structures, the production of crops with good economic potential and working in consultation with relevant subsectors of the industry.
126. The FVAS is exactly what DAERA is looking for to meet the above objectives: a collaborative approach to increase growth in the sector, instead the horticulture sector has been directed towards three new schemes that are under development: sustainable sector growth groups, an innovation driver and support scheme and a new growers' academy. The initial briefing they had on

the three schemes suggested that they are of limited value to the mushroom sector.

127. Clause 1 removes the requirement for all eligible claims to be funded, which will leave growers with no future security in the industry and leaves Northern Ireland at a significant disadvantage in comparison with competitors.
128. They felt at this point in time, it is too late to replace the current FVAS before 1 Jan 2026, so they recommended that DAERA pauses the Bill and prioritises the continuation of the existing scheme for a further three years, similar to what Scotland recently announced. That three-year period will allow for a review of the scheme to be completed and, if needed, developed with industry consultation.

## **Committee Deliberations on the Bill**

129. The Committee used the evidence it had received throughout its deliberations. It commenced its deliberations on the clauses of the Bill at its meeting on 13 March 2025 and continued the deliberations at its meetings on 20 March 2025, 27 March 2025, 10 April 2025, 1 May 2025 and 8 May 2025.
130. The Committee Chairperson informed Members that the deliberations on the Bill was their opportunity to go through the clauses and comprehensively review with the Department any issues raised by stakeholders or by Committee Members. It was also the opportunity to ask for clarification on how the Bill addressed these concerns and any additional action that the Department intended to take on the back of the evidence the Committee received.
131. The deliberations on each clause commenced with a brief overview by the Officials of the intentions of the clause.
132. The following information is a summary of the points discussed and agreed during the deliberations. The full discussions can be read in the Minutes of Evidence of the relevant meetings (see Appendix 4).



## **Delegated Powers**

133. The Committee was briefed by the Examiner of Statutory Rules (ESR) on the delegated powers within the Bill at its meeting on 20 March 2025. Overall the ESR was satisfied that the exercise of legislative power provided for in the Bill is, in each case, subject to the appropriate Assembly scrutiny procedure. However, a number of points were highlighted for Committee consideration.
134. Attention was drawn to the breadth of delegated legislative powers provided for in clauses 2(1) and 3 of the Bill. The Committee noted they provide a potentially broad scope to modify the specified assimilated legislation.
135. In Clause 4, Henry VIII powers were highlighted which allow for making amendments, including to primary legislation and that the provision in Clause 4 is one which is consequential to, incidental upon, etc, the other legislative powers delegated under the Bill.
136. For Clause 5, the implications of the definition were highlighted as any of the Regulations specified within 2(1)(a)-(c) of the Bill can be repealed or revoked in full or in part. The power extends to revocation or repeal of the specified assimilated legislation.

## **Clause 1 – Aid in the fruit and vegetables sector: amendment of CMO Regulation**

137. At the meeting on 13 March and 20 March Officials explained that Clause 1 amends assimilated law EU 1308/2013 (the CMO Regulation) in relation to the FVAS, so as to remove any requirement for all eligible claims to be funded and enable the Department to continue the FVAS on a discretionary basis bringing the scheme into line with other agriculture support. The clause also includes transitional provisions in relation to existing FVAS programmes.
138. At the meeting on 13 March, the Committee asked if has there had been any assessment of impact of FVAS payment becoming discretionary on the wider horticultural sector. Officials replied that the scheme is available to other sectors but not used and that the FVAS review is looking at why uptake is not wider and that strawberry growers used to be in a PO but did not like being tied to

marketing its produce solely through the PO and they felt that it did not suit them and did not want to be constrained by it. It was considered that it may be that the FVAS needs better promotion to other sectors but Officials could not pre-empt outcome of the Review into FVAS.

139. Officials also stated the move to discretionary is a budgetary matter and will allow the Minister to prioritise other sectors in horticulture for payments if needed and if measures are put in place to protect the mushroom sector it may then negatively impact on other sectors.
140. A Committee Member was of the view that flexibility should be included for the Minister for all horticulture sectors and that safeguards should be in place for spending for political changes, weather events, market pressures etc. Officials agreed and stated that the discretionary funding element is partly to protect the public purse.
141. Some Members expressed the view that this Bill is putting 'the cart before the horse' and that Ministerial assurance regarding extension of the FVAS means nothing unless it is on the face of the Bill and that the Bill was not properly discussed with the mushroom sector. Officials responded by stating DAERA feels the mushroom sector has been included in discussions and there is presently only one PO with a HQ in Northern Ireland.
142. Some Members queried when the current FVAS will end (after the recent extension) as it is the 'only game in town' for the mushroom sector and expressed concerns that discretionary spend gets removed from low-hanging fruit first. In response, Officials stated that at present the extension is for a new 3-year programme, and the Minister wants to co-design a replacement scheme and then incremental changes can be made to a new scheme going forward via this Bill.
143. Officials responded to the point raised by the Committee that the Minister already gave assurance that the three CAFRE schemes would support the mushroom sector and its now clear that they will not by stating it is a lengthy process to develop all the new schemes after CAP and CAFRE are developing those schemes to be of use for the whole of the horticulture sector.

144. One Member expressed concern from a business perspective and that growers or producers approaching a bank for additional support they would require more certainty of income, support and sustainability to protect the business and that if a key element of that certainty, which should come from the Department, is absent, in part or in full, that would create a problem.
145. Another Member was concerned about comparisons being made with bank loans or private-sector business as this is public-sector action with taxpayers' money and a bank loan, almost without exception, is paid back with interest.
146. At the meeting of 27 March, the Committee stated it was appreciative of the move by the Minister not to close the FVAS Scheme in December 2025 and asked is there a guaranteed 3-years funding for successful PO applicants in the next round of FVAS funding or is it funding until the new Scheme is ready.
147. Officials responded stating the Minister is clear that he will not remove support from the mushroom sector without a new scheme. POs will submit a 3-year programme but Officials cannot say categorically that the 3 years will run if a new scheme becomes available and that DAERA could use this Bill to extend the FVAS if a new scheme is not ready.
148. The Committee also queried that as Clause 1(4) refers to amending the current assimilated law relating to FVAS - would a new scheme require new primary law or new regulations. Officials responded that it is dependent on what new scheme is developed the Department would be constrained by the powers in this Bill if the new scheme was to be very different and therefore new powers may be needed for a new scheme
149. Following a further briefing from the mushroom sector on 3<sup>rd</sup> April the Committee asked if the Minister would be minded to consider an amendment to Clause 1 that ringfences funding set at an agreed baseline of 4.1 % VMP (Sales), above which the above which the Minister can then exercise discretionary powers.
150. In response the Minister stated he was not minded to make such an amendment as he has already provided assurance that he will not end the existing scheme until there is a suitable successor in place and the policy aim of

the Bill was to make support discretionary; if 4.1% of VMP baseline was included on the face of the Bill, further primary legislation would then be needed to amend it; and an alternative to the VMP calculation may be more attractive to other sub-sectors.

151. At the meeting on 10 April the Committee heard from Officials that 4.1% VMP was a cap in the original EU Scheme and not a baseline and that DAERA is concerned that with the closure of the scheme in England, POs with the majority of their growers based there, could potentially set up their HQ here, resulting in Fruit and Veg Aid benefitting growers in another jurisdiction.
152. At the meeting on 1 May the Committee had an informal Clause by Clause discussion to allow all Members the opportunity to state for the record their position on each Clause or ask any last questions of the Officials before the formal Clause by Clause meeting.
153. The Chair stated the content of Clause 1 and summarised the Committee discussions at the last meeting on 10 April. The officials stated that it changes funding to discretionary and does not give the power to close the scheme.
154. A Committee Member asked what would happen if the Bill did not go ahead. In response the Officials stated the scheme would continue as it is and there would be a risk that funds could be used for the benefit of non Northern Ireland growers with an added pressure on the budget. There would also be no scope to change the scheme to make improvements. Members then summarised their positions on Clause 1.
155. At the meeting on 27<sup>th</sup> March the Committee queried that as Clause 1(4) refers to amending the current assimilated law relating to FVAS would a new scheme require new primary law or new regulations. Officials responded that it is dependent on what new scheme is developed the Department would be constrained by the powers in this Bill if the new scheme was to be very different and therefore new powers may be needed for a new scheme.
156. Overall, the Bill Office advised that if the Committee was to seek amendment to the 'discretionary' principle this could be seen as going against what was agreed at second stage by the Northern Ireland Assembly.

157. At the meeting of 8 May 2025, the Committee considered correspondence from NIMGA dated 7 May 2025, reiterating its concerns regarding the elements within the Bill and addressing risks that DAERA had highlighted regarding new POs.
158. At that meeting the Committee sought examples of when the discretionary element contained in Clause 1 might be used.
159. The Committee heard from Officials that the impact of Clause 1 is to allow DAERA to make decisions on a case by case basis and not to grant assistance for an operational programme if it would result in the budget allocation for the scheme being exceeded, which could then require funds being diverted to it from other schemes. Another example of when discretion could be used was if funding could be used to the benefit for growers operating outside of Northern Ireland.
160. The Committee also heard that the location of the PO head office is currently determined by where the majority of turnover is derived but can also be determined by where most of its members are located (by agreement between Defra and DAERA). The Department is concerned that there may be a situation where a PO headquartered in Northern Ireland with its majority of members located here could have members with large turnovers based outside Northern Ireland, resulting in funding going to growers outside the jurisdiction. The Officials stated that the purpose of Clause 1 is to close the door on this potential scenario.

### **Clause 2 – Aid in the fruit and vegetables sector: power to modify**

161. At the meeting of 13<sup>th</sup> March Officials clarified that the powers in 2(1) are an enabling power to amend the existing FVAS and that a new scheme may require a whole new set of regulations.
162. The Committee queried how might the law on FVAS change in the future and Officials advised that DAERA, as part of the FVAS Review, is looking at the legislation as it has not kept pace with the EU law post EU Exit. DAERA may wish to improve the law as assimilated EU law is very clunky around paper

administration checks for example and it is an opportunity to potentially align with the better elements of law elsewhere.

163. Officials also clarified that the power to modify relates to legislation under the FVAS and to Clause 3 marketing definitions.
164. At the meeting of 27 March Officials clarified that the power to repeal or revoke could be used to repeal parts of EU laws that do not apply in Northern Ireland but were assimilated at the time. It would also allow for removal of the FVAS once a new scheme is ready and to remove parts of the information and promotion assimilated law, that don't apply in Northern Ireland.
165. Following the meeting on 3 April the Committee sought further clarity regarding the breadth of delegated legislative powers provided for in this clause - how DAERA envisages or intends to use these powers in the future and also on its intentions on its intentions in relation to revocation or repeal of the assimilated legislation within Clause 2(1).
166. The Department response stated that work on the replacement scheme will take time and during that time the enabling power in this Bill could allow for changes to improve the existing scheme. No decision has been made on how these powers will be used and any proposed changes to existing FVAS rules will be subject to draft affirmative regulations.
167. In relation to the 'repeal' and 'revoke' aspects of the powers to modify - the Department stated it is necessary to have these for when a suitable alternative scheme is introduced. These powers also provide for repeal/revocation of parts of existing legislation which may be used if such parts are considered unsuitable for a Northern Ireland only scheme. The Department also stated that until work on a successor scheme is advanced it is not possible to be definitive as to how these powers will be used.
168. Following the meeting on 3 April the Committee also sought clarification in relation to any proposed replacement scheme and confirmation if a member of the existing FVAS submits a successful application for the extension of the current FVAS recently confirmed by the Minister but then does not meet the

criteria or does not apply to a new scheme, will the Department commit to continue the funding to the end of the three year programme.

169. The Department's response stated that if a PO submits a suitable 3-year programme, the Department would be expected to match-fund eligible expenditure incurred for the full three years up to the approved maximum funding and that business decisions made by the PO itself would also have a bearing on the level and duration of funding.
170. At the meeting on 1 May the Committee had an informal Clause by Clause discussion to allow all Members the opportunity to state for the record their position on each Clause or ask any last questions of the Officials before the formal Clause by Clause. The Chair stated the content of Clause 2 and summarised the Committee discussions at the last meeting on 10 April. The Officials clarified that the powers could be used to make incremental improvements to the current scheme prior to the introduction of any replacement scheme. The Committee had no further questions.

**Clause 3 – Information provision and promotion measures: power to modify**

171. At the meeting on 20 March the Committee noted the action plan on the Food Strategy Framework is still awaited (this was then presented to Committee at its meeting on 1<sup>st</sup> May) to see what opportunities will be taken in this area and that there could be unintended consequences of Clauses 2 and 3 and queried if this means there can be more flexibility in the future with this Act in place.
172. In response, Officials stated that the information provision and promotion measures are useful but the current assimilated law is not that flexible and that is why DAERA want to preserve it on the statute book until it can complete the Review and then potentially improve on it.
173. Officials highlighted the success of the information provision and promotion measures for the dairy industry in Northern Ireland and between 2015 – 2020, 55 million in sales for dairy industry was attributed to this marketing scheme.

174. The Committee understands that the considerations in relation to development of policy and the appropriateness of delegating power in respect of clause 2(1) are equally applicable to Clause 3 of the Bill. Following the meeting of 3 April, in order to further inform the Committee's consideration as to whether the delegation of this broad legislative power is appropriate, the Committee sought clarification in relation to limitations of the power and future intentions to revoke or repeal the assimilated legislation within Clause 3(a) - (c) of the Bill.
175. The Department's response stated that these powers will save the law in question from 'sunsetting' and it may be a useful foundation for support for food promotion in the future. The Department also stated it is not clear whether, or how, the new powers may be used in the future as they are limited to the amendment of the existing assimilated law but could be used to amend the rules including potentially revoking any part deemed unhelpful to a Northern Ireland only call for applications. The powers could also be used to revoke the legislation in its entirety, if its decided it's not needed and would be subject to the approval of the Assembly.
176. At the meeting on 1 May the Committee had an informal Clause by Clause discussion to allow all Members the opportunity to state for the record their position on each Clause or ask any last questions of the Officials before the formal Clause by Clause. The Chair stated the content of Clause 3 and summarised the Committee discussions at the last meeting on 10 April. The Committee had no further questions and Members then summarised their positions on Clause 3.

#### **Clause 4 – Regulations**

177. At the meeting on 13 March the Committee queried if larger businesses would have better access to the schemes than smaller businesses. Officials responded that FVAS does not just benefit larger businesses – a range of sizes come together in a PO – smaller can learn from larger and the smaller get a good share of the funding for their size.
178. At the meeting on 27 March the Committee noted that the Bill provides for secondary legislation that can amend a primary Bill (known as Henry VIII



Powers) and queried why these powers are needed and could the Bill have been brought without them.

179. Officials responded that powers in Clauses 2 and 3 can amend primary legislation so on the face of it these are Henry VIII Powers. However, it will be subject to draft affirmative Regulations therefore providing a safety net for the Assembly. It also provides the means to ensure that policy changes don't cause issues in other legislation and to keep the statute book operational. Officials further stated that the powers are enabling but apply to narrow areas of law and the limit of power in Clause 2 is to three pieces of legislation only that are devolved and not reserved matters.
180. Following the meeting on 3 April the Committee sought further clarification how the Department intends to use these broad powers. The Department response stated that it is not possible to be definitive as to what changes might be proposed or what impacts that may in turn have on other legislation until the future policy position is clear.
181. The Committee noted that this Clause was supported by all respondents to the call for evidence.
182. The Department also stated the powers in clauses 2 and 3 are narrow as they only allow for changes to the named legislation, and therefore any consequential amendments will also be very narrow and will be subject to draft affirmative regulations.
183. At the meeting on 1 May the Committee had an informal Clause by Clause discussion to allow all Members the opportunity to state for the record their position on each Clause or ask any last questions of the Officials before the formal Clause by Clause meeting. The Chair stated the content of Clause 4 and summarised the Committee discussions at the last meeting on 10 April. The Committee had no further questions and Members then summarised their positions on Clause 4.

## Clause 5 – Interpretation

184. At the meeting on 20 March the Committee asked if there was any other route or other form of words considered. Officials stated in response that similar definition is used in the legislation in Scotland and it is what the legal drafters for this Bill chose.
185. Officials also advised that these are standard provisions allowing for change (in whole or in part) to any new schemes. They are not overly ‘broad’ provisions and are seen as standard and restated that all Regulations are subject to draft affirmative resolution which would give reassurance to the Assembly.
186. Following the meeting of 3 April, given that the implications of the definition of ‘modified’ are significant as any of the Regulations specified within clause 2(1)(a)-(c) of the Bill can be repealed or revoked in full or in part, the Committee sought further explanation and clarity from the Department under what circumstances it would intend to use these powers.
187. The Department response stated that the work on a replacement scheme is to be developed in co-design with the sector and will take some time, during which the Department could use the enabling power in order to make improvements to the present scheme.
188. The Department also stated that the revocation powers may be needed to remove redundant provisions as part of any improvement and that any such changes will be subject to draft affirmative regulations.
189. At the meeting on 3 April the Committee took further evidence from the mushroom sector and heard that in Clause 5, the terms “repeal or revoke” causes concern to the sector. The Committee queried if the Minister would be minded to amend the Bill to ensure that the current FVAS could only be repealed or revoked once a suitable co-designed replacement scheme is in place, with the same baseline support which is available under the FVAS.
190. The Department response stated the Minister was not minded to bring forward such an amendment as the scheme will not now close at the end of the year and a replacement scheme is to be co-designed. The Department may also

need powers to revoke specific parts of the legislation in advance of any replacement scheme, as part of any work to improve the existing scheme and these would be subject to the approval of the Assembly. Furthermore, the Department does not think it is appropriate to earmark support for one sector/sub-sector or another and that the Minister needs flexibility to allocate support according to DAERA priorities.

191. At the meeting on 1 May the Committee had an informal Clause by Clause discussion to allow all Members the opportunity to state for the record their position on each Clause or ask any last questions of the Officials before prior to the formal Clause by Clause. The Chair stated the content Clause and summarised the Committee discussions at the last meeting on 10 April. The Committee had no further questions and Members then summarised their positions on Clause 5.

#### **Clause 6 Commencement and Short Title**

192. At the meeting on 20 March the Committee queried the name given the specific remit of the Bill. Officials responded stating that at time of drafting this was as an amendment to 2020 Agriculture Act and that this Bill was a more open way of making changes.
193. Following further discussion at the meeting on 3 April and strong feelings on the matter by some Members, the Committee requested if the Minister would be minded to consider an amendment to the short title to reflect the specific remit of the Bill regarding aid for the Fruit and Vegetable sector and information provision and promotion measures.
194. In response the Department stated that it is the Minister's understanding that the title adequately covers the content of the Bill in that its subject relates to agriculture and the specific content is made clear in the Long Title and this is therefore neither unusual nor inappropriate. The Department also stated that to change a Bill's name during passage would however be unusual and would normally only be done when it was necessary to do so to reflect changes to a Bill during its passage.

195. At the meeting of 1 May following advice given by the Assembly Bill Official at a closed session the Committee stated it not be seeking an amendment to the Short Title as it would very likely be inadmissible.

## **Clause by Clause Scrutiny of the Bill**

196. Having considered the written and oral evidence received on the Bill, the Committee undertook its formal Clause-by-Clause consideration at its meeting on 8 May 2025 – see Minutes of Proceedings in Appendix 3 and Minutes of Evidence in Appendix 4.
197. Information on the Committee's deliberations on the individual Clauses in the Bill and additional provisions can be found in the previous section of this report.

### **Clause 1 – Aid in the fruit and vegetables sector: amendment of CMO Regulation**

198. The question was put that the Committee is content with Clause 1.

The Committee divided: Ayes 1; Noes 7

**Ayes:** John Blair MLA,

**Noes:** Robbie Butler MLA, Declan McAleer MLA, Aoife Finnegan MLA, William Irwin MLA, Patsy McGlone MLA, Michelle McIlveen MLA, Áine Murphy MLA

The Committee was not content with this clause as drafted by the Department but agreed not to formally table an opposition to the clause stand part.

### **Clause 2 - Aid in the fruit and vegetables sector: power to modify**

199. The Committee was content with this clause as drafted by the Department.

### **Clause 3 - Information provision and promotion measures: power to modify**

200. The Committee was content with this clause as drafted by the Department.

#### **Clause 4 - Regulations**

201. The Committee was content with this clause as drafted by the Department.

#### **Clause 5 – Interpretation**

202. The Committee was content with this clause as drafted by the Department.

#### **Clause 6 - Commencement and Short Title**

203. The Committee was content with this clause as drafted by the Department.

#### **Long Title**

204. The Committee was content with the Long Title as drafted by the Department.

## **Links to Appendices**

### **Appendix 1: Memoranda and Papers from the Department for Agriculture, Environment & Rural Affairs**

[View Memoranda and Papers supplied to the Committee by the Department](#)

### **Appendix 2: Memoranda and Papers from Others**

[View Memoranda and Papers supplied to the Committee from other individuals or organisations](#)

### **Appendix 3: Minutes of Proceedings**

[View Minutes of Proceedings of Committee meetings related to the report](#)

### **Appendix 4: Minutes of Evidence**

[View Minutes of Evidence from evidence sessions related to the report](#)

### **Appendix 5: Written submissions**

[View written submissions received in relation to the report](#)

### **Appendix 6: Research Papers**

View Research Papers produced by the Assembly's Research and Information Service (RaISe) in relation to the report

[The Agriculture Bill \(Northern Ireland\) 2024 NIAR 282/24](#)

## **Appendix 7: Other Documents relating to the report**

[View other documents in relation to the report](#)

## **Appendix 8: List of Witnesses that gave evidence to the Committee**

- NIMGA
- Mushroom Producer Organisation, Commercial Mushroom Growers UK Ltd & Northway Mushrooms

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