



HOUSE OF LORDS
European Union Committee

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6 September 2018

George Eustice MP
Minister of State for Agriculture, Fisheries and Food
Department for Environment, Food and Rural Affairs
Seacole Block, 2 Marsham Street
London, SW1P 4DF

Dear George,

EM 8438/18 COMMISSION DELEGATED REGULATION (EU) .../... of 26.4.2018 amending Delegated Regulation (EU) No 907/2014 as regards noncompliance with payment deadlines and as regards applicable exchange rate for drawing up declarations of expenditure

Thank you for your letter, dated 15 August, on the above Proposal, which was considered by our Energy and Environment Sub-Committee at its meeting on 5 September.

We note that, this year, 55.5% of payments to agri-environment and forestry claimants had not been made by the 30 June deadline and so if the Regulation was in force now there would be a penalty of £70-75m. It is deeply concerning to note that so many payments are made late. Can you provide an explanation for why this is the case? Do these figures apply to England only or to the whole of the UK? Please provide figures on a nation by nation basis.

How would any penalty imposed in future as a result of this Regulation be distributed between the four nations of the UK?

We note that plans are in place in England to speed up payments, including through the recruitment of new staff and by moving the administration to the Rural Payments Agency (RPA). Given there have been problems in the past with the RPA's ability to deliver CAP payments, what steps have you taken to ensure this move will result in improved payment timeframes?

You state that "unfortunately there is no flexibility in how we implement [the Regulation], or in timings". Why is that unfortunate? How and when would you have preferred to implement it?

We have decided to retain the Regulation under scrutiny and look forward to a reply to this letter within 10 working days.

I am copying this letter to Sir William Cash MP, the Chair of the European Scrutiny Committee, Philip Aylett, Clerk of the European Scrutiny Committee; Arnold Ridout, Legal Adviser to the European Scrutiny Committee; Les Saunders, DExEU, and John Leach and Craig White, Scrutiny Coordinators, DEFRA.

Yours sincerely,

Tim Boswell

Lord Boswell of Aynho
Chairman of the European Union Committee