

SL(6)727 – The Closure of European Union Legacy Agriculture Schemes (Wales) Regulations 2026

Background and Purpose

The Closure of European Union Legacy Agriculture Schemes (Wales) Regulations 2026 (the “**Regulations**”) close three EU legacy agricultural schemes in Wales. These are the Fruit and Vegetable Aid, Public Intervention and Private Storage Aid Schemes.

Fruit and Vegetable Aid Scheme

This scheme is an EU legacy scheme established in 1996, which offers Producer Organisations financial assistance to improve fruit and vegetable production. The Explanatory Memorandum (“**EM**”) states that since its inception in 1996, there have been no applications from Welsh Producer Organisations for the scheme.

Public Intervention and Private Storage Aid

These were two of the main market intervention mechanisms under the Common Agricultural Policy for supporting market prices. Both schemes relate to the removal of agricultural products from the market when prices fall below certain thresholds.

The EM explains that Public Intervention schemes may currently be opened under two circumstances. Mandatory Public Intervention schemes are opened automatically if the market price falls below the threshold, requiring the Rural Payments Agency (RPA) to buy in the products up to a certain quantity. Public Intervention in exceptional market conditions are schemes opened at the discretion of Ministers when there is an impact upon specific market sectors due to a crisis.

Private Storage Aid schemes are market support measures used by the Welsh Government to stabilise agricultural markets during periods of surplus or price volatility. Under these schemes, producers or processors are given financial incentives to temporarily store certain agricultural products.

The EM states that these schemes have not been used in Wales since at least the year 2000.

Procedure

Senedd approval procedure.

The Welsh Ministers have laid a draft of the Regulations before the Senedd. The Welsh Ministers cannot make the Regulations unless the Senedd approves the draft Regulations.



Technical Scrutiny

The following 5 points are identified for reporting under Standing Order 21.2 in respect of this instrument.

1. Standing Order 21.2(v) – that for any particular reason its form or meaning needs further explanation.

In the preamble, there is a statement that *"The Welsh Ministers are the relevant national authority for the purposes of section 14(1) of the Retained EU Law (Revocation and Reform) Act 2023"*.

The provisions of an enabling Act which define expressions such as *"the relevant national authority"* are usually included in an accompanying footnote (as also occurs in footnote (3)).

There does not appear to be a requirement to make this statement in the preamble, nor is it noting the fulfilment of a condition that is required before the making of these Regulations (see SIP 3.11.28).

The Welsh Government is asked to explain why this statement has been included in the preamble of these Regulations.

2. Standing Order 21.2(vi) – that its drafting appears to be defective or it fails to fulfil statutory requirements.

In regulation 7(7), the amendment is described as "after paragraph ZB", but it appears that it should be described as "after point ZB". This is because the existing lettered divisions are described as 'points' in the cross-references within Annex 2 to Commission Delegated Regulation (EU) No 907/2014.

This is also the case for amendments made by regulations 9(8) and 10(20) which should be described as "after point A2" rather than "after paragraph A2" in relation to the numbered divisions within the Annexes to Commission Delegated Regulation (EU) 2016/1238 and Commission Implementing Regulation (EU) 2016/1240.

3. Standing Order 21.2(v) – that for any particular reason its form or meaning needs further explanation.

Regulation 7(8) purports to insert text into Annex 3 to Commission Delegated Regulation (EU) No 907/2014 after "the second paragraph".

We note that separate analogous provision made for England and Scotland both insert the relevant text "at the beginning".

It is unclear whether the specified insertion point in regulation 7(8) reflects the Welsh Government's intention.

4. Standing Order 21.2(vi) – that its drafting appears to be defective or it fails to fulfil statutory requirements.



In regulation 10(13), the list of Articles identified for amendment in Commission Implementing Regulation (EU) 2016/1240 includes Article “51 (notification of conclusion of contracts)”. However, the words in parenthesis are in fact the heading of Article 50 of that Regulation. The correct heading of Article 51 is “elements of the contract”.

Therefore, it is unclear whether the amendment should be made to Article 50 (notification of conclusion of contracts) or Article 51 (elements of the contract) of Commission Implementing Regulation (EU) 2016/1240.

5. Standing Order 21.2(vi) – that its drafting appears to be defective or it fails to fulfil statutory requirements.

In regulation 10(21), identical text is inserted in each of Annexes 6, 7 and 8 to the Commission Implementing Regulation (EU) 2016/1240.

The provisions in Annexes 6 and 7 are unnumbered. However, in Annex 8, the existing provisions are numbered. Therefore, it appears that the new text inserted in Annex 8 should be numbered as “A1”. This is also the case for the new text that is inserted by regulation 10(22) to Annex 9 to the Commission Implementing Regulation (EU) 2016/1240.

Merits Scrutiny

The following two points are identified for reporting under Standing Order 21.3 in respect of this instrument.

6. Standing Order 21.3(ii) – that it is of political or legal importance or gives rise to issues of public policy likely to be of interest to the Senedd.

The EM outlines the consultation undertaken on these Regulations. It states:

“From 2 June to 25 August 2025 the Welsh Government ran a consultation, seeking views on our proposal to close the Fruit and Vegetable Aid scheme and Public Intervention and Private Storage Aid schemes in Wales.

The consultation was published online and shared with key stakeholder groups in the agriculture sector and the wider public to gather views on the proposed changes set out in the consultation document. The consultation asked for views on the use of the schemes in Wales and what impact the discontinuation of the schemes could have.

There was a total of three responses, two of which agreed with the changes suggested and the third not containing pertinent responses to the subject matter. Respondents highlighted the lack of use of the Fruit and Vegetable Aid Scheme in Wales and that horticulture growers would be best supported in other ways. They stated that the scheme was overly complicated and this is why people had not entered the scheme.

Most respondents were unaware of what the Public Intervention and Private Storage Aid schemes were and were happy for the schemes to be closed.”



7. Standing Order 21.3(ii) – that it is of political or legal importance or gives rise to issues of public policy likely to be of interest to the Senedd.

The EM contains a Regulatory Impact Assessment. It states:

“By removing these schemes, the Welsh Government will reduce the financial and administrative risk on public finances to develop, run and maintain schemes that are no longer fit for use to the agriculture sector in Wales.

These changes will negate the need to introduce a new set of processes that the Welsh Government does not currently administer. It will also negate the need for a series of updates to systems that were used to run both schemes that are out of date. Keeping the schemes would also require storage to be procured, the training of new technical officers and restarting technical contracts with laboratories, all of which would need significant financial investment.

Overall feedback suggests that these schemes are of no use to the agricultural sector in Wales and closing them will have no impact on the sector in Wales.”

Welsh Government response

A Welsh Government response is required in relation to the technical points only.

Legal Advisers

Legislation, Justice and Constitution Committee

27 January 2026

