

EXPLANATORY NOTES

Agriculture Act (Northern Ireland) 2025

Chapter 6

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AGRICULTURE ACT (NORTHERN IRELAND) 2025

EXPLANATORY NOTES

INTRODUCTION

1. These Explanatory Notes relate to the Agriculture Act (Northern Ireland) 2025 which received Royal Assent on 16 September 2025. They have been prepared by the Department of Agriculture, Environment and Rural Affairs (the Department) in order to assist the reader in understanding the Act. They do not form part of the Act and have not been endorsed by the Northern Ireland Assembly.

2. These Notes need to be read in conjunction with the Act. They are not, and are not meant to be, a comprehensive description of the Act. So, where a section or part of a section does not seem to require an explanation or comment, none is given.

BACKGROUND AND POLICY OBJECTIVES

3. 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). The CMO encouraged cooperation through Producer Organisations (POs), provided market-support tools and aid schemes for certain sectors, 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.

4. Under the CMO, farmers and growers in a variety of sectors are incentivised to come together to form POs 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. When the UK left the EU in January 2020, the European Union (Withdrawal) Act 2018 converted EU law into UK domestic law, including the CMO legislation. This provided a smooth transition after the UK's exit from the EU and was 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.

5. While POs can be formed in a range of sectors, financial assistance is available to POs through the Fruit and Vegetable Aid Scheme (FVAS). Financial assistance is payable to horticulture POs that submit an operational programme that meets FVAS regulatory requirements and fits within the UK Strategy and Environmental Framework. Operational funds are part financed by contributions from PO members.

6. As a legacy of the scheme stemming from the EU, when it was the EU Commission that provided the financial support to POs, there has been an ongoing legal obligation for the Department to match fund eligible claims under the assimilated law. This has budget

implications, given the potential for new 3-year programmes to be submitted for approval for the programming period January 2026 to December 2028. It risks DAERA being unable to meet funding priorities and reduces the scope for the Department to provide support where it provides best value for money and where it best meets local need.

7. In addition, the Department is undertaking post-EU development of agricultural policy, including in relation to support for the horticulture sector and supply chains. However, the Department has limited powers to amend the FVAS legislation to align with new policy as it develops.

8. Separate EU legislation provides for support for agri-food information and promotion for agricultural products (promotion schemes). Under this legislation, not-for-profit organisations apply for EU support for food promotion campaigns, primarily in third countries. The aim 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. Since the end of EU funding in October 2020, the assimilated version of the legislation has applied here. While there are currently no active programmes under the assimilated promotions legislation in Northern Ireland, the Department has again limited powers to amend this legislation to allow promotion schemes to be tailored to specific local needs.

9. Therefore, the policy aim of the Act is to make FVAS funding discretionary prior to the end of 2025, in order that support can be prioritised and used where it best provides value for money and best meets specific local needs. A further aim is to provide the Department with the scope to amend the law governing the FVAS and promotion schemes, so that they can reflect on-going policy development.

OVERVIEW

10. The Act has six sections. 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.

COMMENTARY ON SECTIONS

Section 1 – Aid in the fruit and vegetables sector: amendment of CMO Regulation

This section 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. It empowers the Department to consider on a case-by-case basis whether to grant financial assistance to a PO in respect of a particular operational programme. The section also includes transitional provisions in relation to existing FVAS programmes.

Section 2 - Aid in the fruit and vegetables sector: power to modify

Subsection (1) of this section confers a power on the Department to make regulations to modify the listed assimilated direct legislation relating to aid in the fruit and vegetables sector.

Subsection (2) provides power to make regulations regarding the review of decisions relating to such aid. This includes power to make provision similar to existing regulations about review and so will allow provision to be made establishing review procedures, enabling renumeration and allowances to be paid in connection with the procedures, and allowing fees to be charged in respect of the costs of the procedures.

Subsection (3) clarifies that the power to modify in subsection (1) includes power to modify provisions inserted in the CMO Regulation by section 1.

Section 3 - Information provision and promotion measures: power to modify

This section confers a power on the Department to make regulations to modify the listed assimilated direct legislation relating to information provision and promotion measures.

Section 4 - Regulations

This section provides that the regulations made under the Act may contain supplementary incidental, consequential, transitional, transitory or saving provisions and that such provision includes modification of any statutory provision. This section also provides that regulations under the Act can only be made following approval by the Assembly.

Section 5 – Interpretation

This section provides interpretation of terms used in the Act, including that "modify" includes amend, repeal or revoke.

Section 6 – Commencement and short title

This section provides that the Act will come into operation on the day after the day it receives Royal Assent. The section also specifies the short title of the Act namely, The Agriculture Act (Northern Ireland) 2025.

HANSARD REPORTS

11. The following table sets out the dates of the Hansard reports for each stage of the Act's passage through the Assembly and the date Royal Assent was received.

STAGE	DATE
First Stage Official Report	25 November 2024
Second Stage Official Report	3 December 2024
Assembly Research Paper and Information Research Paper Assembly Research and Information Service Research Paper	16 December 2024
Motion to extend Committee Stage Official Report	20 January 2025
Committee Stage Report Report on the Agriculture Bill	23 May 2025

STAGE	DATE
Consideration Stage Official Report	9 June 2025
Further Consideration Stage Official Report	17 June 2025
Final Stage Official Report	30 June 2025
Royal Assent	16 September 2025

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