

Supply Chain Transition
Clare House
303 Airport Road West
Sydenham Intake
Belfast BT3 9ED
Telephone: 028 9052 4372
Email:
SupplyChain.TransitionBranch@daera-ni.gov.uk

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Dear Stakeholder,

Potential Technical Amendments to the Fruit & Vegetable Aid Legislation in Northern Ireland

As you will be aware, the Agriculture Act (NI) 2025 (the Act) came into law on 17 September 2025. The Act made changes to the legislation governing the Fruit and Vegetable Aid Scheme (FVAS) and provides the powers to make further changes via subordinate legislation.

The Department is considering the potential to make some initial technical changes to the FVAS using these new powers. In doing so, we would wish first to take the opportunity to discuss these with stakeholders. The proposals include a small number of urgent or essential changes to the legislation governing the FVAS which would:

- ensure that only Northern Ireland growers can benefit from support provided to POs with a head office here for their operational programmes;
- make consequential amendments on foot of the Act, and specifically on the new Article 32(1A) inserted by the Act;

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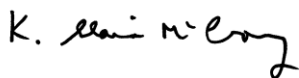
- insert new appeal provisions for decisions made in relation to the FVAS;
- update double funding rules;
- remove scope for advance payments;
- provide for off-setting, and
- update the on-the-spot checks requirements.

In addition, there are other important changes being considered, including to better reflect the FVAS law as NI rather than EU legislation, and otherwise ensure the legislation remains fully operable. Scope to better align the scheme with DAERA strategic priorities, and monitoring, evaluation and reporting requirements are also being considered.

Further details are set out in the attachment. We would welcome any comments you have on each of these proposals by 7 September 2026. Following consideration of stakeholder comments, officials will then brief the Minister on the potential for new legislation made under the Act.

At this stage we are proposing to make essential technical amendments only to FVAS law. However, as the Minister said during its Assembly passage, the Act's powers provide the scope to make further incremental changes in line with developing DAERA policy. This means further changes, including those identified as a result of work to develop a suitable replacement for the FVAS, will be forthcoming in due course.

Yours sincerely,



Elaine McCrory

Head of Supply Chain Transition Branch

Attachment: Draft Proposals for Discussion.

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Draft Proposals

1. Ensure only growers in Northern Ireland can benefit from support provided to POs with a Head Office here for their operational programmes.

Section 1 of the Agriculture Act (NI) 2025 (the Act) allows the Department to consider providing support under the FVAS on a case-by-case basis. However, to ensure that DAERA support can only be used for Northern Ireland based growers a further change to the legislation governing FVAS is required.

This 'belt and braces' provision would insert specific text that financial assistance granted to a PO with a head office in Northern Ireland will only be granted for the benefit of grower members located in Northern Ireland.

2. Make consequential amendments on foot of the Act, and specifically on the new Article 32(1A) inserted by the Act.

To make support under the FVAS discretionary, the Act inserted new wording to replace Article 32(1)(b) of the Assimilated Common Market Organisation (CMO) Regulation 1308/2013 and inserted a new Article 32(1A) instead. It is proposed to make the necessary consequential amendments to replace any reference to Article 32(1)(b) to reflect the new Article 32(1A).

This will require changes to both the CMO and Delegated Regulation 2017/891 (Delegated Act).

3. Insert new appeal provisions for decisions made in relation to the FVAS.

Subsection (2) of the Act includes an enabling power that allows for regulations to be made relating to appeals on any decisions made in relation to the FVAS. Such powers have been available for EU schemes and the proposal will ensure they are also available for the operation of the FVAS in NI, given the changes introduced by section 1 of the Act. It is proposed to insert a "belt and braces" provision to ensure that review procedures can be put in place should they be needed.

4. Make technical amendments to ensure the legislation remains fully operable, and also to reflect that the UK is no longer in the EU, as set out below.

i. Update double funding rules

Article 30 of the Delegated Act sets out the relationship between FVAS funding and support under the Rural Development Programme (RDP) and other schemes. Given there is no longer a NI RDP in operation under Assimilated Regulation 1305/2013, it is necessary to make amendments to reflect this, and make sure the prohibition on double funding is updated to ensure it covers all potential UK public funding.

ii. Remove scope for advance payments.

Article 11 of Assimilated Implementing Regulation 2017/892 provides scope for advance payments to be made to POs up to 80% of the amount approved for an operational programme.

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Chapter 4 of Managing Public Money NI (MPMNI) on Governance and Management notes that advance payments should be exceptional, and as a rule, would require specific Department of Finance approval. It is proposed to remove this option in line with MPMNI.

iii. Provide that, where necessary, aid can be recovered by offsetting against future grant aid.

There are provisions in the legacy legislation that provide for recovery of aid for example, if an investment is sold before the end of its depreciation period, or if a member leaves a PO. It would be better if it was possible to offset any recovery of aid in these circumstances against any sum otherwise payable by DAERA in the future, so it is proposed to ensure the powers for this are clear. This is good accounting practice and in doing so it would provide an effective and efficient route to recovery, rather than, for example, via civil dept recovery which would be burdensome for both the Department and POs.

iv. Remove the requirement for on-the-spot checks of 30 % of the total aid applied annually.

There are currently a number of checks built into the FVAS governance framework. The requirement currently in the legislation to undertake on-the-spot checks of 30% of the total aid applied annually is a legacy from when there were potentially a large number of UK POs in receipt of support; this scenario is not relevant in a NI-only context. Removal of this requirement and a move to risk-based on the spot checks would decrease the admin burden on both the Department and POs but with little or no increase in the risk to the funding.

v. Update publication of beneficiaries

The assimilated law (Art 54 of the Delegated Act) sets out detailed requirements for publication of beneficiary details and other monitoring, evaluation and reporting requirements for the FVAS. The key proposals are to remove the mandatory requirement to report this information, to make the reporting arrangements less bureaucratic and to ensure better alignment with wider DAERA policies for transparent and effective grant support.

vi. Review and update out-of-date EU based and post EU terminology.

Given the FVAS legislation originally stemmed from the EU, there are some terms and references that would benefit from review and update to reflect this is now a NI support scheme. A series of technical changes would replace "EU" or EU Exit related words and phrases (e.g. EAGF, Union, relevant authority/constituent nation etc.), add references to NI and DAERA, and otherwise tidy up the language. These changes would have no impact on policy, or how the Scheme is delivered.

This proposal would also include removing spent provisions, as well as requirements to report to EU, which are no longer relevant.

In addition to the above, DAERA officials would like to explore the scope to ensure closer alignment of the FVAS with DAERA strategic and environmental priorities.

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