

# NEW OPPORTUNITIES

## BETTER OUTCOMES AND REDUCED BURDENS IN A NEW REGULATORY FRAMEWORK



DIRECT SUPPORT



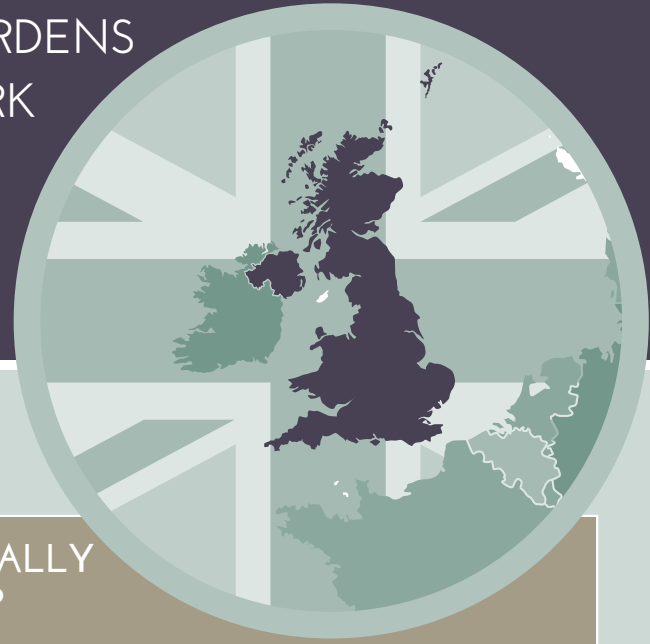
TRADE



REGULATION



LABOUR MARKET



This briefing, the third in the series, sets out the new opportunity to review and improve regulations that affect landowners and other rural businesses.

### WHAT IS THE OPPORTUNITY TO SUBSTANTIALLY IMPROVE REGULATIONS OUTSIDE THE EU?

The EU has been the source, and sometimes the excuse, for many of the frustrations and disappointments with regulations that govern the countryside. Exiting the EU potentially presents a unique opportunity to bring a new way of thinking about how to deliver the safety, standards and environmental outcomes, while removing unnecessary and costly burdens on businesses.

Landowners and farmers are expected to deliver a diverse range of benefits from their land. Exit from the EU provides the opportunity to see if we can meet these expectations in new and different ways. Regulation is only one way of changing behavior. Others include providing incentives, information and advice. Regulation should only ever be a backstop for situations where the others are inappropriate or prove ineffective.

Exiting the EU will not, and should not, lead to governments of the UK seeking to change all the laws that affect rural businesses. In many areas it is bound by commitments as a signatory to international agreements such as the Bern Convention and Climate Change Agreements. In others it is the UK that has led the EU and the world to achieve better standards that we would not seek to reverse. In addition, to trade within the single market the UK will need to comply with the rules that underpin it. Above all rural businesses want certainty and any changes in regulation arising from UK exit from the EU must be planned with the overriding objective of avoiding disruption and confusion.

### THE DECISIONS THAT MUST BE MADE

**The UK legal and regulatory framework is closely intertwined with EU law. A careful planned approach must be taken to prepare for the transition out of the EU.**

→ **Take immediate opportunities to remove obvious burdens:**

There are rules that do not achieve their intended purpose effectively and that also hold back farmers and other rural businesses. These changes should be ready to take effect as soon as we leave.

→ **Provide certainty for businesses by ensuring all laws transfer into domestic law unless deliberately changed:**

Ministers must introduce a legal backstop that ensures that all EU laws in place at the point of formal separation of the UK will be transferred into domestic law unless they are explicitly and deliberately removed or amended.

→ **Respect the devolution settlement in Scotland and Wales:**

Exit from the EU must be taken as an opportunity to redefine inter-governmental relationships and ensure that Westminster, Holyrood and Cardiff share the responsibility for ensuring that the rural economy thrives throughout the UK.

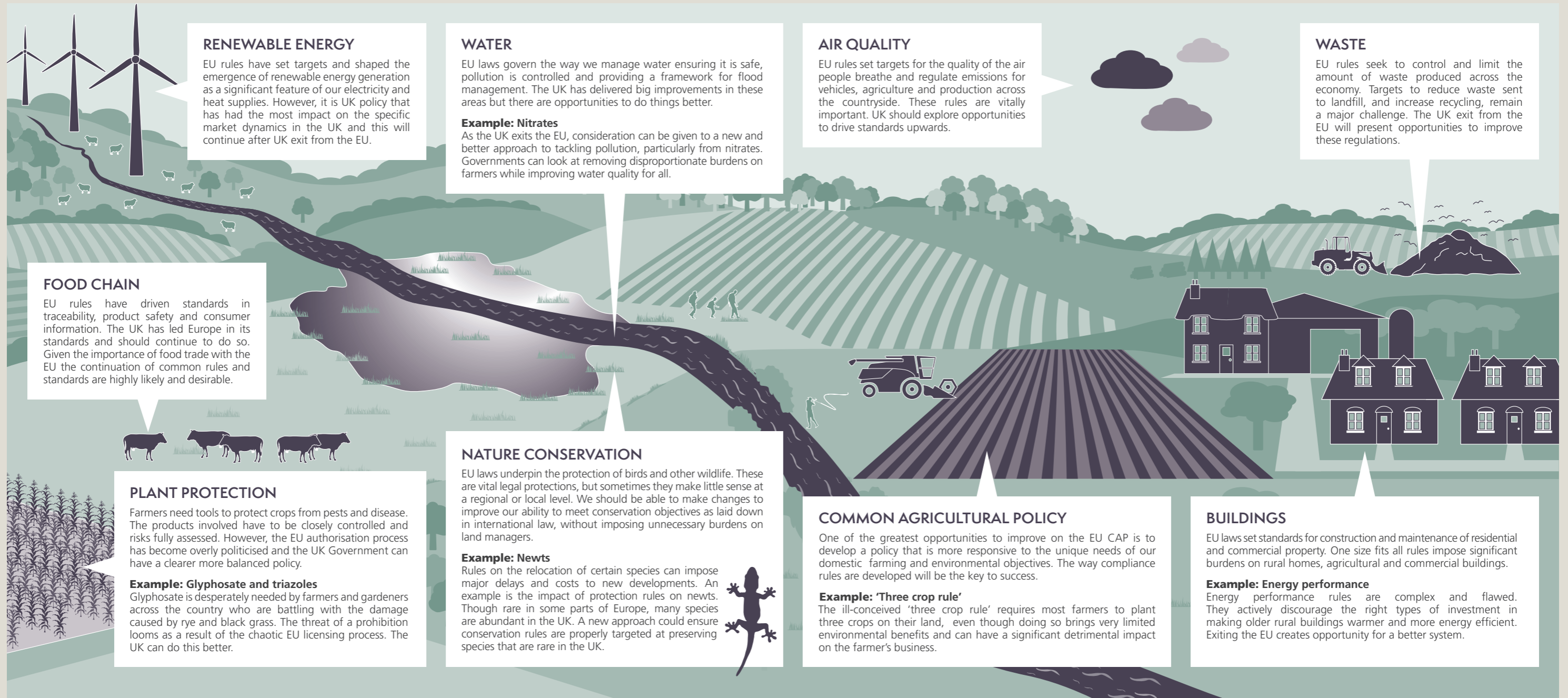
→ **Develop new world-leading approaches to achieving regulatory outcomes:**

Exiting the EU provides an opportunity to think differently about how we deliver outcomes across all the regulations governing farming, land management and running rural businesses. This opportunity should not be missed but it should also be systematic and undertaken over a realistic timeframe.

# MAIN AREAS OF EU REGULATION AFFECTING LAND OWNING BUSINESSES



REGULATION



## BEFORE THE UK EXITS THE EU

### Take immediate opportunities to remove obvious burdens

Develop a new world-leading Food, Farming and Environment Policy with a more proportionate compliance system that reduces costs for land managers and the tax payer without reducing environmental standards.

Identify the immediate changes that can be made once the UK is no longer subject to the EU's legal framework.

Undertake careful planning alongside the Scottish, Welsh and Northern Irish governments to ensure that businesses understand the compliance requirements and legal jurisdictions.

## AS THE UK EXITS THE EU

### Avoid chaos

Establish a legal backstop that ensures that any EU law that has not been specifically identified for alteration or removal is automatically transferred into domestic law.

Ensure that businesses fully understand the legal jurisdictions that apply for repatriated legislative powers between UK and devolved governments.

## ONCE THE UK IS OUTSIDE THE EU

### Lead the world

Commit to formal review of all the regulatory areas that affect farming, land management and rural business. These reviews must be established with clear timelines and objectives to ensure that all laws and regulations are achieving the best outcomes with the minimum burden. Regulation should form part of a wider approach which also considers the potential for other options including facilitation, information, advice and incentive as well as regulation.



## FOUR CHANGES TO REGULATION MADE EASIER BY EXIT FROM THE EU THAT COULD HAVE AN IMMEDIATE IMPACT ON RURAL BUSINESS

1

### UK FOOD, FARMING AND ENVIRONMENTAL POLICY

→ Building a new policy to succeed the Common Agricultural Policy presents numerous opportunities to change the regulatory burden on farmers. Rules imposed by the EU to tackle problems elsewhere in Europe, like the 'three crop rule' need not apply.

2

### PLANT PROTECTION PRODUCTS LICENSING

→ Introduce a new transparent and streamlined process for licensing crop protection products vital to managing crops and other plant life.

3

### WATER MANAGEMENT

→ Replace prescriptive rules on nitrate use with evidence-based regulations which reduce water pollution with less regulatory burden on farm businesses.

4

### ENERGY PERFORMANCE RULES FOR BUILDINGS

→ Undertake immediate review of rules on achieving energy efficiency compliance for domestic and commercial property to ensure they are fit for purpose for rural properties and encourage the correct approach and investment.

## AN OPPORTUNITY FOR CO-OPERATION ACROSS THE UK

The legal implications of exiting the EU are made even more complex when seen through the lens of devolved government settlements. There is scope for significant confusion that could have a harmful impact on businesses across the rural economy.

The first priority must be to avoid confusion. As part of the process of transferring regulations into domestic law, there must be clarity and transparency over which legal jurisdiction applies. Secondly, the process of repatriation of competences must be an opportunity to strengthen devolution especially in the core areas of food, farming and environmental policy. Governments must be empowered to make the decisions that are right for their specific circumstances and priorities. However, exiting the EU must also provide a foundation for more effective policy co-operation between ministers.

It is vital that, as policy evolves and changes outside the EU, opportunities are sought to achieve common objectives wherever possible, and to avoid businesses from any part of the UK-facing trade or other competitive disadvantages.

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