

Date: Wednesday 20 June 2001
Time: 2.00pm to 5.05pm
Venue: Committee Room, National Assembly Building

REPORT OF THE MINISTER FOR RURAL AFFAIRS

Foot and Mouth

1. The position as at 1500 hours on 18 June is that there have been no new confirmed cases since 28 May. The total number of confirmed cases in Wales remains at 92: 54 in Powys; 13 in Anglesey; 18 in Monmouthshire; 3 in Newport; 2 in Caerphilly; and one each in Neath Port Talbot and Rhondda Cynon Taff.
2. As at 14 June, 313,795 animals had been slaughtered in Wales under the disease control measures – 30,233 cattle; 276,720 sheep; 6791 pigs; and 51 goats. A further 32,941 animals are under surveillance.
3. At close of play on 13 June, 508,419 animals from Wales were registered with the Intervention Board under the Livestock Welfare Disposal Scheme – 460,585 sheep; 7,285 pigs; 40,330 cattle; and 219 goats/deer. Applications in respect of 361,642 animals have been processed to date . A further 109,613 animals are waiting to be processed. Animals withdrawn from the scheme so far total 27,545.
4. 37,618 movement licences for welfare purposes have been issued in Wales to date. These include 11,185 occupational licences; 16,184 local licences; and 10,249 licences under the longer distance movement scheme. In addition, 1018 licences have been issued permitting the movement of animals onto common grazing land.
5. As far as compensation is concerned, claims from Welsh producers totalling over £47 million have been processed to date with only a handful (about 4 to 5) claims totalling £105,000 outstanding.

Proposed 20 Day Movement Standstill for Cattle, Sheep and Goats

6. In conjunction with the other UK Agriculture Departments, the National Assembly issued a consultation paper on 29 March seeking views on proposals to limit the movement of cattle, sheep and goats modelled along similar lines to that which already exists for pigs. The consultation initially ran to 11 May, but was subsequently extended to 11 June.
7. Views were invited on a number of options that might be adopted to limit movement of livestock off a holding, together with the proposal for notification of sheep and goat movements. The consultation

paper made clear also that, following consideration of the responses received, there would be a further round of consultation.

8. The National Assembly has received over 70 responses. These have been copied to Committee Members. In England, DEFRA received over 12,500 responses by 11 June.

9. Officials are currently analysing the responses from Welsh interests. A significant number of respondents favour the introduction of measures to bring order to (pre-FMD) movement patterns, particularly in the sheep sector. There are divergent views on how best to achieve this. Officials will be discussing conclusions with their counterparts in DEFRA, Scotland and Northern Ireland in order for preparation of the promised further consultation. I will make sure that the Committee is involved in this process.

Farm Business Options Reviews

10. The Farm Business Options Review scheme is now available to all those farmers who have had stock culled as a direct result of Foot and Mouth and those that, in some exceptional circumstances, have lost all of their stock or all of one species through the Welfare Disposal Scheme. The scheme is being managed by the WDA, where an operations room has been set up, and staff there will be contacting farmers eligible for the scheme to make sure that no one who can take advantage of this free advice misses out. In addition, a specific enquiry number has been set up – 0845 6000 813 – which farmers can ring if they want to find out more about the scheme.

11. Consultants delivering the scheme will be operating to a strict bio-protection protocol agreed with the Chief Veterinary Officer and, where a farmer prefers not to have someone on his / her farm, provision has been made for off-farm meetings.

Aeron Valley Cheese/First Milk

12. On 4 June 2001, First Milk completed the acquisition of the Aeron Valley Cheese factory at Felinfach from Milk Marque.

13. First Milk is a farmer-owned co-operative, which started trading on 1 April 2001, following the merger of Axis and Scottish Milk. First Milk has around 4,500 farmer members and markets around 2.2 billion litres of milk. It is the only national dairy farmers' business, with members in Scotland, Northern England, the Midlands and Wales.

14. Aeron Valley Cheese currently has capacity to produce around 10,000 tonnes a year of mature Cheddar and other cheeses. This capacity has increased recently and a new cheese store and packing hall was opened last year, supported by Processing and Marketing Grant of £611,400 from the National Assembly and other assistance from the Welsh Development Agency.

Farming Futures Group

15. The Group met on 11 June to take stock following the outbreak of Foot and Mouth disease (FMD). There was general recognition that FMD had heightened the debate about the future of farming and that the situation had made the work of the Group more important than ever. The Group will be meeting again on 5 July to revise the draft outline strategy document in light of further discussions to prior to it being considered by the Committee at its meeting on 18 July. The committee will wish to note that I have strengthened the Group with representation from consumer and food safety interests. Anne Hemingway, Food Standards Agency Board member for Wales and Dr Chris Llewelyn, Head of Policy and Consumer Research at the Wales Consumer Council are the two new members.

Horeb Food Centre

16. On 13 June, I opened the Food Centre Wales Research and development Centre at the Horeb Business Park, Llandysul. The centre is a key part of the technical support being offered by the National Assembly and the WDA Food Directorate to the food industry in Wales under the Agri-Food strategy. The Horeb centre is one of three product development facilities which have received investment totalling £300,000 under the Agri Food strategy. The others are Coleg Menai, Bangor and UWIC, Cardiff. Through the development of centres of excellence such as these, we are improving the ability of food companies to create new and innovative products made in Wales.

Woodland Grant Scheme

17. On the 2 July, I will be launching the National Assembly's Woodland Strategy which has been developed with input from this Committee. As part of the implementation of the Strategy we will need to review the arrangements for Woodland Grants. A review will also link in with the Foot and Mouth Disease Recovery Plan, where woodlands are seen as a possible diversification opportunity for some farms. I have asked the Forestry Commission, in discussion with NAWAD, to bring forward plans for a review of all Woodland Grants as an early action to implement the Woodland Strategy, and to report on progress to the Committee.

Marketing of lightweight lambs

18. In conjunction with the Meat and Livestock Commission Cymru, I gave a video presentation on 12 June aimed at encouraging local authorities and other public sector meat procurement bodies to purchase more Welsh Lamb and Beef; and consider assurance schemes and welfare issues in their procurement policies. With the export ban in place, the market for up to 1.4 million lightweight Welsh lamb carcasses has been taken away. It is unlikely that this market will re-open in time for this year's lamb crop. In the meantime, this poses the industry in Wales with a massive challenge. The presentation therefore focussed on how lightweight lamb carcasses can meet the requirements of institutional bodies in Wales. The video and associated CD containing recipe ideas will be used by MLC Cymru to urge public authorities to buy Welsh quality lamb and beef. The publicity material will also be available on the

internet for public agencies to access.