

Minutes

Date: Wednesday 27 November
Time: 9.15am to 12.15pm
Venue: Committee Room, National Assembly for Wales

In attendance

Members

Christine Chapman	Cynon Valley
Jocelyn Davies	South Wales East
Ron Davies	Caerphilly
Cynog Dafis	Mid and West Wales
Delyth Evans	Mid and West Wales
Mike German, <i>Minister</i>	South Wales East
John Griffiths	Newport East
Peter Rogers	North Wales
Rhodri Glyn Thomas	Carmarthen East and Dinefwr

In attendance

Huw Brodie	Director, Agriculture and Rural Affairs Department
Tony Edwards	Chief Veterinary Officer
Colin Williams	Animal Health Division
Gareth Jones	CAP Management Division
Alan Starkey	Food and Farming Development Division
Bob Evans	Planning Division
Huw Davies	Forestry Commission
Dr Mike Christie	Institute of Rural Studies

Secretariat

Adrian Crompton	Committee Clerk
Liz Wilkinson	Deputy Committee Clerk
Peter Jones	Counsel to Assembly Committees

In the absence of the Chair, Ron Davies was elected as temporary chair in accordance with Standing Order 8.17.

Item 1: Introduction, apologies and substitutions

1.1 Apologies had been received from Glyn Davies.

1.2 Ron Davies declared an interest in respect of an item on the Minister's report as Chair of the Caerphilly Woodland Trust.

Item 2: Richard Commission: ARD 16-02(p1)

2.1 The Committee asked that a minor amendment be made to clarify that the submission was made by the Chair, rather than the Committee as a whole. Members suggested that the Committee should agree a separate submission focusing on the powers within the Agriculture and Rural Development portfolio and the impact for scrutiny of the Minister's position as a member of the Committee. Cynog Dafis agreed to discuss with the Clerk the basis for the Committee's submission, which would be scheduled into a future agenda for discussion.

Action point

Cynog Dafis to discuss with the Clerk the basis for the Committee's submission, which would be scheduled into a future agenda for discussion – **Cynog Dafis, Secretariat.**

Item 3: Minister's report: ARD 16-02(p2)

3.1 The Minister informed the Committee that he would be attending the Agriculture Council meeting on 29 November where he intended to discuss details of the CAP mid-term review with Commissioner Franz Fischler.

Animal movement restrictions

3.2 Current regulations governing livestock movement restrictions were due to end 20 January. The Minister's position regarding the new regulations would be informed by scientific and veterinary advice as well as industry concerns about the impact on trading. It was the Minister's intention to look at the animal movement regime in operation in Scotland to further inform the process.

Export of live animals

3.3 The Minister agreed to provide a note to the Committee on existing legislation governing the export of live animals following the issuing of the recent Customer Information Note.

Welsh Beef – PGI status

3.4 Clarification was sought on the respective roles of the Welsh Assembly Government and Welsh Lamb and Beef Promotion (WLBP) in securing Protected Geographical Indication (PGI) accreditation from the European Commission for Welsh Beef. The initial application, which had been made by WLBP, had been supported throughout by the Welsh Assembly Government in line with European Commission requirements. It was hoped that similar accreditation could be obtained for Welsh lamb but this was unlikely to be for several months.

Proposed new meat body

3.5 Members expressed concern about the composition of the Board of the proposed new meat body. In particular, a document put forward by the Meat and Livestock Commission, entitled *Memorandum of Association and Articles*, suggested a board of 15 members with the MLC and Welsh Development Agency having majority voting rights. The Committee noted that the proposals in this discussion document had been dismissed by the partners to the proposed body and would be revised.

Illegal meat imports

3.6 The Minister agreed to bring a paper to the Committee, after the meeting of the Beef Management Committee, on EU measures to address the issue of intervention meat containing Specified Risk Material (SRM). In advance of that the Minister agreed to provide a note on the extent to which public procurement policies could be used to prevent infected meat from intervention stocks entering the food chain.

Rural Community Regeneration Programmes

3.7 Discussion focused on the following points:

- the range and complexity of existing initiatives and programmes aimed at tackling community regeneration, in particular the plethora of funding streams;
- the administration of Rural Community Regeneration Programmes;
- the role of the Rural Observatory and the degree to which it would duplicate existing work carried out by the WDA;
- the need for a broad definition of rural communities;
- the importance of an effective marketing strategy to promote the programmes and raise awareness within rural communities;
- the potential use of Rural Community Regeneration Programme funding as match funding for other schemes.

3.8 In response the Minister said that:

- discussions were taking place with the WDA to secure its agreement to manage the Rural Community Regeneration Programme across its regional offices;
- the purpose of the Rural Observatory would be to collate existing information, to identify rural research needs and to commission further research if appropriate. It would be managed on behalf of the Assembly and contract details would be put out to tender shortly;
- communities within the 9 local authorities which were predominantly rural and the rural areas of Flintshire, Wrexham and the Vale of Glamorgan would be eligible for the programme;
- the bidding process would first seek to identify and build capacity in local partnerships. A second phase would then invite bids for specific projects. As a wholly Assembly-funded programme, it could be used as matched funding against European structural fund resources.

Tir Gofal

3.9 The Committee noted that the geographical spread of successful Tir Gofal applicants in part reflected the difficulties faced by the dairy sector in accessing the scheme. Discussions were taking place with the Countryside Council for Wales to address this.

Caerphilly Woods

3.10 The Minister said the woods would be managed for community benefit in the shape of improved public access and opportunities for health and educational gain.

Wales Rally GB

3.11 The Minister agreed that car rallying and mountain bike events offered valuable economic opportunities for rural Wales.

Action points

Minister to provide a note to the Committee on existing European legislation governing the export of live animals – **Minister, Animal Health Division.**

Minister to bring a paper to the Committee, after the meeting of the Beef Management Committee, on EU measures to address the issue of intervention meat containing Specified Risk Material (SRM). In advance of that to provide a note on the extent to which public procurement policies could be used to prevent infected meat from intervention stocks entering the food chain – **Minister, Animal Health Division.**

Item 4: Sheep Annual Premium: ARD 16-02(p3)

4.1 The Committee considered the background to the delay in SAP payments arising from the

introduction of a new computer system.

4.2 In discussion the following points were made:

- Agriculture Department officials had met with representatives of the NFU and FUW in September to discuss the risks associated with the introduction of the new payment system and likely progress in making the payments;
- although payments had now been made within the required period, they had been made later than had originally been hoped;
- 4 farmers had approached the Agriculture Department to ask for their payments to be made manually;
- the risks inherent in the rollout of any new computer system remained in relation to payments for other schemes later in the year. Some Members were concerned that the focus on making SAP payments could delay those for other schemes;
- the Minister refuted the suggestion that farmers' expectations of when payments would be received had been raised unrealistically.

4.3 The Committee agreed to invite the NFU and FUW to attend a future meeting to share their views on the matter, but only if the unions were able to identify significant lessons that could be learned for the future.

Action point

Committee to invite the NFU and FUW to attend a future meeting to share their views on the matter, but only if the unions were able to identify significant lessons that could be learned for the future -
Secretariat.

Item 5: Common land: ARD 16-02(p4)

5.1 The Committee considered the background to the development of proposed legislation in respect of common land.

5.2 Members noted that, having initially made a bid for Wales-only primary legislation, the current proposal to legislate on an England and Wales basis would mean a more wide-ranging Bill than the Assembly would have been able to resource.

5.3 The Minister agreed to provide the Committee with an update, early in the New Year, on the progress of the working group developing specific proposals. The Minister also agreed to seek the Committee's input into the content of any future consultation document before its publication.

Action points

Minister to provide the Committee with an update, early in the New Year, on the progress of the working group developing specific proposals – **Minister, Food & Farming Development Division.**

Minister to provide a paper on the future consultation document to allow the Committee's input into its content before its publication - **Minister, Food & Farming Development Division.**

Item 6: Committee inquiry in to agri-environment schemes: ARD 16-02(p5)

6.1 Dr Mike Christie, of the Institute of Rural Studies, Aberystwyth, gave oral evidence to the Committee's inquiry. Dr Christie drew attention to two studies; one on the economic and environmental benefits of agri-environmental schemes in Wales and the other on public preferences for the benefits such schemes deliver.

6.2 The first study recommended a four-fold increase in resources for Tir Gofal in order to maximise the delivery of bio-diversity gains. Dr Christie was not aware of any research comparing the economic benefits delivered through Tir Gofal with other forms of economic development support.

6.3 Dr Christie explained that the monetary values attached to benefits by the public preference study were not reliable in absolute terms. The strength of the study lay in clarifying the relative value attached by the public to different potential benefits. More detailed analysis indicated that such relativities varied by social group. The key benefits included in the study had been identified through pre-study focus groups.

6.4 Dr Christie felt that the principle of whole-farm schemes should remain as it maximised the delivery of environmental enhancements. This should be underpinned by a lower tier scheme accessible to all farmers delivering basic environmental standards.

Item 7: Committee inquiry in to agri-environment schemes: ARD 16-02(p6)

7.1 Huw Davies, of the Forestry Commission, gave oral evidence to the Committee's inquiry.

7.2 He said that Tir Gofal was one of the few agri-environmental schemes that had successfully integrated the delivery of forestry benefits. Although the administration of forestry schemes remained separate, Tir Gofal provided individual farmers with a seamless application process. The Forestry Commission hoped to see a single forestry grant scheme for Wales integrated into all agri-environment schemes. A priority for the scheme should be the encouragement of group management applications such as that seen in Pontbren.

7.3 The Forestry Commission in Wales was confident of its ability to respond to the CAP mid-term review but had concerns about the impact possible changes in farm management practice might have on forestry. Historically the agricultural support systems have encouraged woodland to be available for uncontrolled grazing so that they can be declared as land eligible for allowances. With the proposed

‘decoupling’ of agricultural support, land may be able to be managed for its best purpose without affecting the support payments a farmer receives. However, this relies on the inclusion of woodland (and semi-natural habitats) in the definition of ‘retaining land in good agricultural condition’. This will be essential to allow the management of farm woodlands throughout Wales.

7.4 Since most farms contained some woodland resource, the Forestry Commission wished to see the protection of that resource included in the scoring system for a basic entry level agri-environment scheme.

7.5 The promotion of the use of forestry by-products and the use of timber in construction were important to the development of the sector. Progress in this area was being made by the Woodland Forum and others, through the identification of opportunities in an increasingly competitive international market.

Item 8: Minutes of the previous meeting

8.1 The minutes were approved.

Committee Secretariat

November 2002