

Agenda – Economy, Trade, and Rural Affairs Committee

Meeting Venue:

Committee room 5 – Tŷ Hywel
and video conference via Zoom

Meeting date: 2 July 2025

Meeting time: 09.30

For further information contact:

Robert Donovan

Committee Clerk

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Hybrid

Private pre-meeting

09.15 – 09.30

Public session

09.30 – 10.30

1 Introductions, apologies, substitutions, and declarations of interest

09.30

2 Food Processing: Panel 2

09.30 – 10.30

(Pages 1 – 22)

John Thorley, Chairman, Association of Independent Meat Suppliers

Nick Allen, Chief Executive Officer, British Meat Processors Association

José Peralta, Chief Executive Officer, Hybu Cig Cymru

Attached Documents:

Research brief

Evidence paper – British Meat Processors Association

Evidence paper – Hybu Cig Cymru



3 Papers to note

10.30

3.1 Soil Health in Agriculture inquiry

(Pages 23 – 30)

Attached Documents:

Response from National Trust Cymru – 20 June 2025

Response from the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs – 23 June 2025

3.2 Development Bank of Wales: Independent review

(Page 31)

Attached Documents:

Letter from the Cabinet Secretary for Economy, Energy and Planning – 23 June 2025

3.3 The Welfare of Animals (Transport) (Amendment) Regulations 2025

(Pages 32 – 33)

Attached Documents:

Letter from the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs – 23 June 2025

3.4 Inter-Institutional Relations Agreement: Meeting of the Inter-Ministerial Standing Committee (IMSC)

(Page 34)

Attached Documents:

Letter from the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs – 23 June 2025

3.5 Holyhead Port Storm Damage and Closure: fair work for seafarers

(Pages 35 – 36)

Attached Documents:

Letter from the Minister for Culture, Skills and Social Partnership – 25 June 2025

3.6 Inter-Institutional Relations Agreement: Meeting of the Tourism Inter-Ministerial Group (IMG)

(Page 37)

Attached Documents:

Letter from the Cabinet Secretary for Economy, Energy and Planning – 25 June 2025

4 Motion under Standing Order 17.42(ix) to resolve to exclude the public from the remainder of the meeting

10.30

Private session

10.30 – 10.50

5 Food Processing: Consideration of evidence

10.30 – 10.40

6 Legislative Consent: Animal Welfare (Import of Dogs, Cats and Ferrets) Bill

10.40 – 10.50

(Pages 38 – 46)

Attached Documents:

Legal advice note

Agenda Item 2

Document is Restricted



The British Meat Processors Association is the leading UK red meat trade body, working on behalf of businesses that supply over 80% red meat to the country. Our members are responsible for supplying fresh meat and meat products to retailers, restaurants and food service companies throughout the UK.

We work alongside the Government and other organisations to help develop a meat industry that is competitive, professional and provides a sustainable, long-term and affordable supply of food to British customers. We also have a strong Associate membership of supporting and associated industries to core red meat processing.

We have three key members in Wales - Kepak, Dawn Dunbia and Pilgrims - who account for approximately 95% of the beef and sheep processed in Wales. Between them they employ around 3000 people and contribute over £500 million to the Welsh economy. If added value is considered, that figure would be nearer to £1bn.

Our members have invested heavily in processing plants supported by the Welsh government, but they are now seriously concerned about their future in Wales.

The reductions and the forecast reductions in livestock numbers in Wales will drastically reduce our domestic food security and make us more reliant on imported meat produced less sustainably in other parts of the world.

It is therefore important that the Welsh government, and indeed all governments around the world, consider the twin challenges of climate change and food production as two sides of the same coin, rather than viewing them in isolation.

The carbon footprint of Welsh livestock production has already seen a massive reduction due to improving efficiencies in production which has enabled a steady decline in livestock numbers over the years. Wales also has the near perfect combination of extensive pasture and rainfall to rear livestock. With the correct measures, such a livestock system can add to biodiversity and be part of the solution to both climate change and feeding a growing population.

But it is not just food security, jobs and GDP that are at stake. The tourism industry is vital to the Welsh economy and research highlighted by the hospitality sector tells us that 8 out of 10 visitors to Wales look forward to consuming Welsh produced food and are prepared

to pay a premium for it. Internationally the Welsh meat brand is highly regarded, and meat exports not only bring value to the Welsh economy but serve to promote Wales as a holiday destination and a desirable place to visit.

The current trajectory will in our view damage the economy, tourism, biodiversity and discourage future investment in Wales. We also believe that, far from tackling climate change, if they encourage more meat imports, they will have a negative impact on future sustainability when viewed as a global challenge.

The Vision document and Net zero

“To support these environmental sustainability goals, the Welsh Government will undertake research to better understand the carbon impact of the food chain and supply systems in Wales. Critical to this will be developing our understanding of how food and drink manufacturers and their supply chains contribute to the carbon budget and identifying new technologies that can reduce the carbon impact throughout the food system in Wales. The outcomes of the research will enable the Welsh Government to develop a specific action plan which sets out appropriate steps for reducing carbon emissions across the industry. This action plan will provide direction to reduce the carbon impact of manufacturing and processing through process efficiency, energy usage and waste reduction and will link to other Welsh Government initiatives.”

It is our view that rather than following the actions stated above the drive to net zero has mainly focused on reducing livestock numbers.

Nick Allen

Chief Executive



Hybu Cig Cymru: Written evidence to the Economy, Trade and Rural Affairs Committee inquiry into Food Processing

1. Hybu Cig Cymru (HCC) welcomes the opportunity to provide evidence to the Economy, Trade, and Rural Affairs Committee on its inquiry into Food Processing in Wales.
2. HCC is an industry-led organisation, Welsh Government owned arms-length body, responsible for the development, promotion and marketing of Welsh red meat, currently solely funded by levy-payers funds.
3. A successful added value food strategy will undoubtedly require access to competitive raw material, differentiation (i.e. branded as Welsh), access to people and skills, access to capital, and scale from a processing and consumer point of view.
4. Due to HCC's remit we would like to focus our evidence on the key issues related to red meat, i.e. access to competitive raw material, its differentiation, and scale from a processing and consumer point of view. Although HCC also supports the pig sector, for practical and scale reasons we have focused our written evidence on the sheep and cattle sectors in Wales.

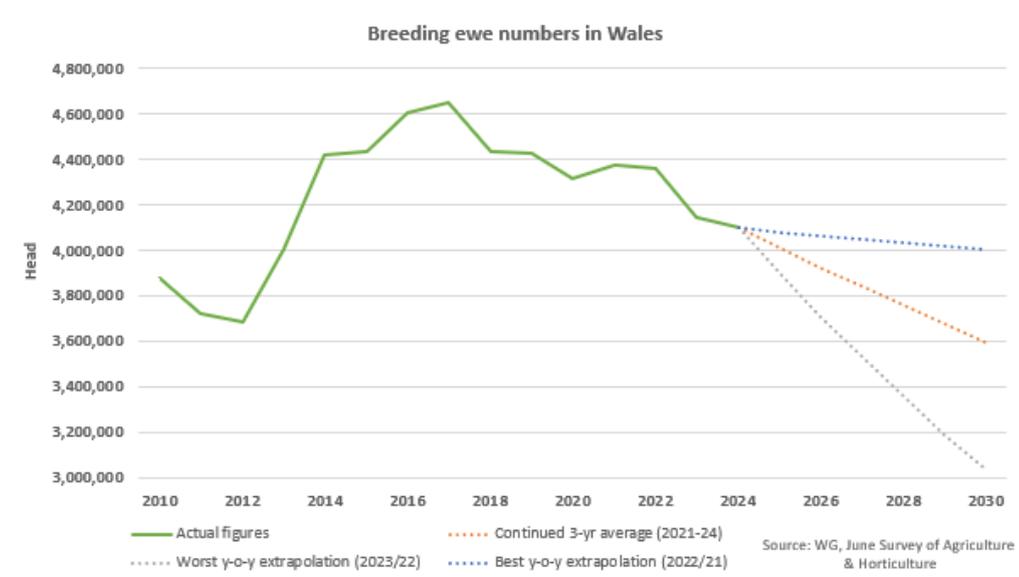
Background

5. **Size of the Red Meat sector in Wales:** The total value of aggregate agricultural output rose by approximately £20 million to around £2.21 billion in 2024. The value of output from cattle remained high at £549 million, whilst the value of output from sheep showed a modest decrease to approximately £319 million. Gross output from cattle and sheep is estimated to be 39% of the value of agricultural output in Wales.
6. **Employment:** The red meat supply chain in Wales directly employs around 50,000 of which circ. 5,000 are employed by the red meat processing sector.
7. **Societal importance:** The red meat industry in Wales directly supports in excess of circ. 13,000 sheep holdings and circ. 6,500 cattle holdings (albeit with some overlap) in Wales. Primarily located in the 80% of Welsh landmass which is particularly well suited for the production of sheep and cattle in an environmentally friendly and efficient way. Land that is in large parts unsuitable for other forms of farming (e.g. horticulture). Importantly a significant proportion of these areas would have little alternative economical use to sustain rural communities as well as Welsh culture and language.
8. **Welsh Lamb as the 'Halo' brand for Wales:** PGI Welsh Lamb and PGI Welsh Beef are extensively recognised across the UK and internationally and underpin the widely recognised character of Wales as a producer of high-quality food products. This is

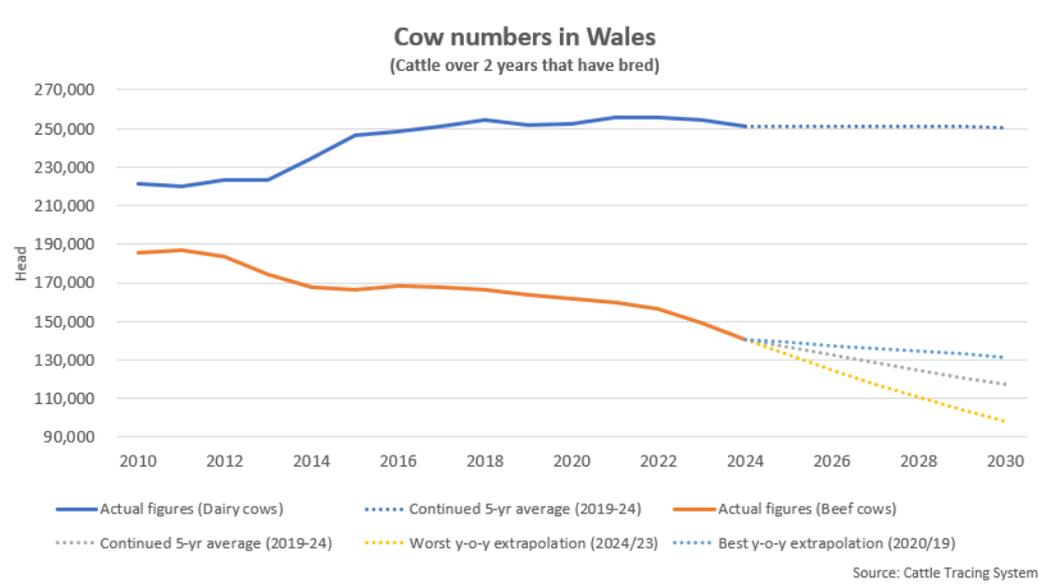
substantiated by strong brand recognition indicators (e.g. 72% main brand awareness for PGI Welsh Lamb in England and Wales). Evidence from a number of international trade shows highlight that Welsh red meat is seen as a key 'halo' product for the wider food and drink industry in Wales.

9. **Basis for further added value:** The well recognised PGI Welsh Lamb and PGI Welsh Beef provides opportunity for lateral brand expansion into other red meat-based categories and/or products. This is challenged by the difficulty in successfully adding value to an already high value raw material combined with continued consumer cost of living challenges.
10. **The importance of critical mass:** 'Critical mass', in the red meat context, is defined as the minimum number of livestock required by an industry to be economically viable in the medium to long-term. Without adequate livestock numbers to create a workable margin, supply chain businesses such as abattoirs, veterinary practices, marts, feed suppliers and manufacturers, may close or relocate. The closure of such crucial services would create a negative feedback loop potentially leading to increased inefficiencies and eventual failure in the supply chain.
11. **The importance of consumer scale:** In addition to the above for a product to be successful in the medium to long-term it requires scale in the marketplace because if it doesn't, production and distribution costs make it uncompetitive with respect to the alternatives. Most products start with a low-scale and hence require significant consumer facing investment to increase the scale and make them viable.

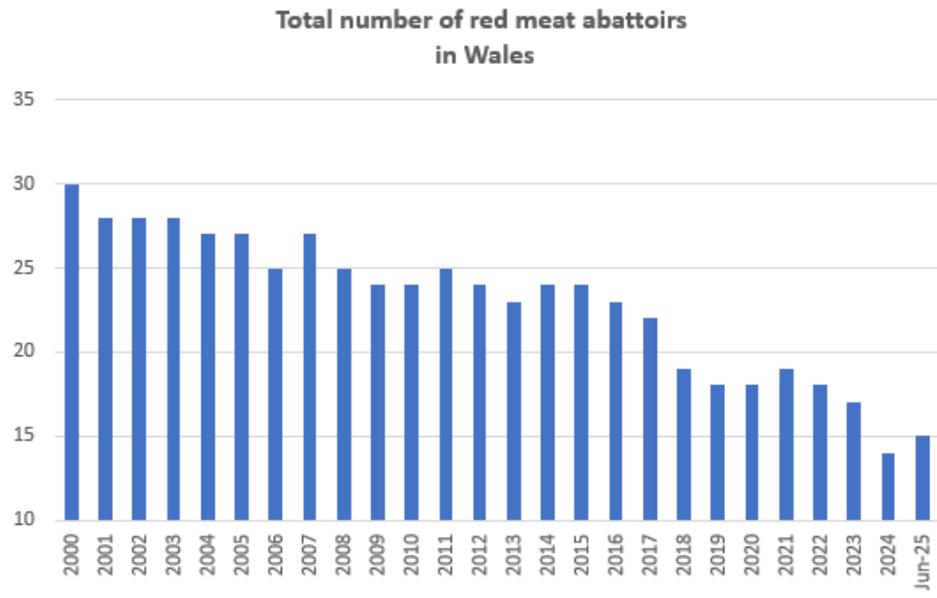
12. Livestock numbers:



13. **Sheep:** Traditionally the key factors influencing livestock numbers are price, government support (i.e. subsidy), input costs, and farmer confidence in the future. Deadweight prices are strong when compared to historical averages, with the current average for new season lambs across GB sitting some 80p higher than the 5-year average at £7.48/kg.
14. Input costs have increased, future subsidies are unknown until the Welsh Government Sustainable Farming Scheme is published, and farmer confidence is low due, amongst others, on mixed messages with respect to policy priorities between food production and net zero.
15. Our most recent farmer intention survey indicates that 49% of lamb producers intended to maintain their current sheep numbers, with 29% indicating their intention to grow their flock.
16. Although forecasting future numbers is difficult our best estimates indicate a further reduction of sheep numbers in the coming years with its corresponding challenges from a food security, competitiveness, critical mass, and consumer scale.
17. **Cattle:** Current projection indicate that dairy production remains stable driven by stable milk demand and relatively healthy returns for dairy farmers. The forecast for beef cattle is concerning as it shows a continued decreasing trend based on the last fifteen years. This is primarily driven by poor returns, animal health challenges, an aging workforce and potentially a lack of investment in infrastructure.



18. Primary processing facilities:



19. The number of red meat processing facilities in Wales has been on a steady decline over the last three decades.
20. Today there are fifteen red meat primary processing facilities with four of them processing circ. 80% of the volume in Wales.
21. There is an increasing risk that some of these facilities could be operating at under capacity which is economically unsustainable in the long-term and could result in further plant closures.
22. There is a strong correlation between the number of facilities and livestock production as the processing sector tends to consolidate around economies of scale to reduce processing costs and increase competitiveness.
23. The single most important reason for these facilities to exist is access to livestock in sufficient numbers to remain cost competitive.
24. There is a current danger of the red meat industry in Wales reaching a tipping point and transforming itself from a significant UK player to a small industry with little scale.

Factors impacting the decline

25. **Competitiveness/productivity:** Despite significant and numerous efforts by the different bodies involved in red meat development in Wales the dispersed nature of the supply base (leading to a low number of livestock per holding and hence high fixed costs per livestock unit) combined with its climatic conditions has resulted in Wales' livestock production cost being consistently higher than our key global competitors (e.g. New Zealand in lamb).

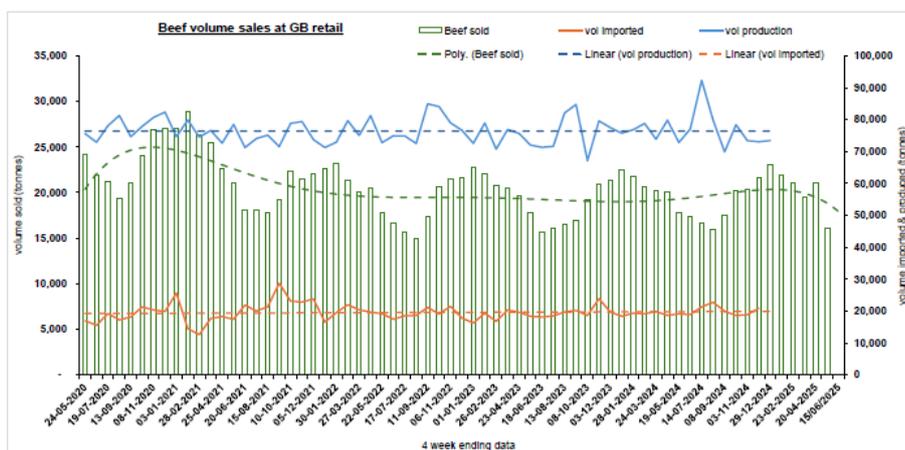
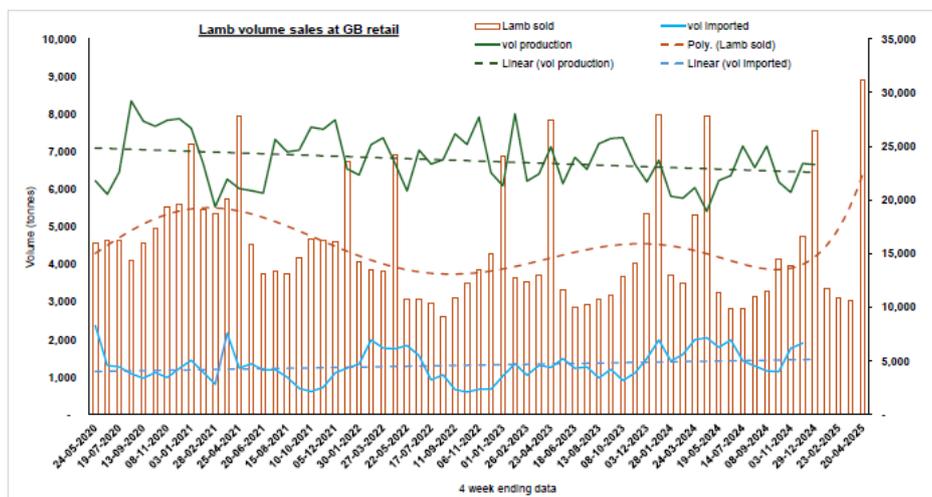
26. **Perceived health challenges:** Over recent years there has been a negative impact on red meat demand driven by the various and mixed reports on the perceived negative health impact of high red meat consumption. This still remains a challenge, despite significant efforts from the industry to counteract this effect by highlighting the important nutritional aspects of red meat as part of a healthy and balanced diet.
27. **Price versus other proteins:** The combination of positive health messaging from the chicken industry, versatility of the product, and relentless cost reductions driven by the development of the intensively reared broiler industry, have resulted in chicken being the dominant and growing protein in the UK and many other countries.
28. **Environmental pressures:** Undoubtedly ruminant animal production (cattle and sheep) have an environmental impact, particularly in the form of methane emissions. The recent narrative around this topic has had a negative impact on farmer confidence. Whilst the protection of the environment is paramount global warming by definition is a global issue; Wales has a role to play in reducing greenhouse gas emissions. A balanced view, however, needs to be considered in the development of policy in relation to environmental gain against the unintended consequences of negative economic and food security impact. Wales' livestock impact on global emissions is estimated to be below 0.5% of the total, based on relative livestock numbers.
29. The Welsh climate, land and extensive grass-based production makes it particularly suitable to produce livestock in a comparatively advantageous way from an environmental viewpoint. This is evidenced by results published by HCC, namely the Welsh Way, biodiversity benchmarking, with further environmental baselining currently being undertaken to further underpin these findings
30. Assuming meat demand remains relatively static, if livestock numbers in Wales do not stabilise, we are running the risk of increased imports which would be at the detriment of Welsh producers and would effectively export the environmental impact to other producing countries likely to be less adept in producing livestock with a relatively low environmental impact (i.e. 'carbon leakage').

Global red meat demand

31. The OECD-FAO Agricultural Outlook projects a global increase in red meat consumption over the next decade, but with significant regional variations and shifts in consumption patterns. Global beef and sheep meat consumption are both forecast to increase, with projected growth of 11% and 16% respectively by 2033, largely driven by population growth, rising incomes, shifting dietary preferences and expansion of the foodservice sector.

UK red meat demand

32. The below data outlines GB retail sales.



33. Around 65% of the lamb produced in Wales is consumed in the UK (with England being the largest market), whilst the remaining 35% is consumed in export markets. Of these export markets, the EU is by far the largest destination and receives over 90% of the volume of lamb exported from Wales annually. For beef, around 85% of the volume produced is consumed within the UK, and 15% is exported globally – again, with the EU being the biggest market and receiving over 85% of the volume from Wales.

34. **The importance of scale and seasonality:** Retailers are in the business of selling squared metres of sales area which is prioritised on the basis of turnover (volume sold per unit of time) and margin. SKU (stock keeping unit) proliferation is a key cost driver for both retailers and processors and in order to pursue a better return, lower volume products tend to fall victim of SKU reductions with the net effect that over the long-term lower selling products cease to be present on shelf.

35. Naturally a big factor behind volume sales is price and competitiveness; because of this it is paramount for the long-term sustainability of Welsh Lamb and Welsh Beef products

additional effort is put into increasing productivity and hence reduced cost without affecting the net return to the producer.

36. The effect above is further exacerbated in the case of Welsh Lamb as it is not available in sufficient volumes for part of the year.

Barriers to public procurement:

37. Whilst from an economic impact point of view Wales public procurement is not necessarily a large factor for the Welsh red meat industry, we recognise and support its importance from a cultural, societal, and nutritional point of view.

38. Traditionally Welsh red meat has struggled to form part of a public procurement offer due to the following barriers:

- Higher prices when compared with other proteins and/or sources, combined with limited public procurement budgets and spending targets
- Lack of emphasis on the nutritional benefits of eating red meat as part of a healthy and balanced diet
- Typically, overly bureaucratic and inflexible procurement schemes leading to large scale suppliers not applying for what they would see as a lower return contracts and smaller-scale suppliers not applying or not having the necessary resources to navigate the system.

39. We note the *Procurement Act 2023* and *Social Partnership and Public Procurement (Wales) Act 2023* places a greater emphasis on social value than in the past as opposed to the most economically advantageous tender which should provide additional opportunities for red meat from Wales into public procurement.

Conclusion

40. Wales needs a thriving livestock sector to maintain a viable red meat industry. This requires a minimal 'critical mass' of livestock to ensure the industry has an economically viable scale. We are currently at risk of being near or below that critical mass.

41. In HCC's view a suitable set of policies can be developed that support not only a reduction of the environmental impact of red meat production in Wales but also as importantly an increase in productivity to improve food production to the benefit of the Welsh farmer, supply chain and the global consumer. The Sustainable Farming Scheme (SFS) currently under development offers an ideal opportunity to set such a strategic policy direction, incentivise farmers accordingly and have clear messaging to have net positive impact for food production in Wales.

42. Research and trade which is part of HCC's remit when it comes to the red meat industry, requires further financial investment in the following areas, to support the industry:

- Research into livestock productivity increases and carbon footprint decreases
- Additional support to the development of further trading opportunities and the suitable marketing of the product.



Ymddiriedolaeth
Genedlaethol
National Trust

ETRA Committee – Soil Health in Agriculture Inquiry National Trust Cymru response

Response submitted by National Trust Cymru to the Economy Trade and Rural Affairs Committee

20 June 2025

Introduction

National Trust Cymru (NTC) welcomes the inquiry into soil health in agriculture and we are pleased to share with the Economy, Trade and Rural Affairs Committee our views on how tenants might be supported or encouraged to improve soil health on land they rent.

Our response reflects our position as a conservation charity caring for the natural and historic environment in Wales, and our commitment to playing our part so that people and nature can thrive for generations to come. National Trust Cymru proudly looks after 46,000 hectares of land, 157 miles of coast and 18 of our nation's historic houses, gardens and industrial sites, for everyone's benefit. Approximately 37% of this land is let – via approximately 300 separate agreements - on a variety of tenancies and licences.

Sustainably managed, resilient soils are key to improving the condition of our natural resources, whilst producing high quality food and fibre, and allowing the agricultural industry to withstand - and respond - to climate change.

Feedback response

We understand the committee has received extensive evidence and feedback from soil scientists, farming unions and farming organisations such as the Nature Friendly Farming Network and the Soil Association about their specific areas of knowledge. We provide below a summary of our position specifically in relation to supporting tenants and licensees to improve soil health on the land they rent:

High Nature Status and Healthy Soils

Due to the specific nature of much of the land within the National Trust ownership, (for example the high proportion of land under environmental designations), the overall health of that land, and the ecosystem services it provides, has continually been a priority, with specific focus put on its improvement via our strategic objectives.

Our outgoing strategy called for 'nature rich landscapes' and 'high nature status farms'. This was to be achieved by implementing appropriate - nature positive - land management principles alongside a drive to conserve, improve and expand nature rich habitats. Healthy soils (assessed by condition, stability and structure) were an important part of this, but we also considered productivity, wildlife, water, culture, and access across all our land, both managed by ourselves and by our tenants.

Current process – tenancy clauses and ad-hoc support

The primary method for achieving our strategy on our let land, utilises the agreements themselves to influence land management practices. When a change of tenancy is due, for

example because of succession or retirement, the tenancy clauses and land condition would be reviewed by staff with a range of expertise to decide if that land is achieving, or moving towards achieving, the desired objectives. For example, depending on the specifics of the farm, we may include clauses at a field or whole farm level to undertake or prohibit specific activities to allow certain species to thrive; or to encourage a specific habitat. By the nature of these clauses, soil health would be positively affected but it is not always specifically targeted.

For shorter term agreements such as grazing or mowing licences, they are often used to manage specific sites to achieve specific outcomes. As a result, the terms of the agreement are tailored to those outcomes; and as with longer term tenancies, soil health is positively impacted but not necessarily specifically targeted.

In addition to the opportunities presented by tenancy changes, National Trust Cymru offers direct support to our tenants via access to soil sampling contribution or access to advice and support from in-house expertise. This is often on an ad-hoc basis as requested by the tenant, or perhaps through a NTC project that the tenant is participating in.

We recognise the positive financial implications that farm businesses can achieve when soil health is optimal, lessening the need for costly inputs and improving yields and livestock health. As a result, we also encourage our tenants to participate in agri-environment schemes or explore accreditations such as Pasture For Life or Organic which facilitate improvements to soil health through environmentally sensitive land management practices but may also offer premiums for products.

In summary, to date our support of tenants to improve soil health has been in-direct and ad-hoc, focusing on holistic land management improvements to achieve multiple objectives, rather than solely soil health.

Direction of travel and the future – novel tenancy approaches; nature friendly farming

Our new 10-year strategy has ramped up our focus on the scale of our ambition, to help nature recover and create climate resilient systems whilst producing high quality food and fibre and allowing rural communities to thrive. Nature friendly farming is a key vehicle to achieve that and we see “good soil health” as a fundamental aspect to this approach.

In order to achieve the scale of change required, a much more collaborative and pro-active approach is necessary. We will talk with farmers, to understand their current position and any plans, and to share our ideas. We’ll make suggestions for next steps based on those discussions, including identifying relevant schemes and opportunities. It is likely that many of these discussions will focus on improving soil health as the underpinning feature of all other actions. These conversations will occur throughout the tenancy term, rather than just at renewal, succession or retirement.

At some Trust properties (though not in Wales), we have explored opportunities to include environmental KPIs within contract farming arrangements. We understand that other organisations such as The Crown Estate and The Church Commission are also introducing newly developed tenancies such as “eFBTs”; where specific soil health and/or other environmental conditions are explicitly required within the terms of the tenancy.

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Rhif elusen gofrestredig/Registered charity number 205846



In parallel, we are working to ensure there are funding opportunities available to support planned delivery. We anticipate this will be from a mix of grants, green finance, and income from fundraising and commercial activity.

We believe that a collaborative approach between tenants and landlords, alongside clear policy, abundant evidence-based guidance and well-funded schemes is crucial to achieving the necessary soil health improvements that will directly benefit farm businesses and wider society. The Sustainable Farming Scheme offers significant opportunity to support the improvement of soil health across Wales, but actions will need to go beyond the current proposals of basic soil testing and should include opportunities for CPD on the subject, alongside expansion of the biological metrics assessed, which will give a much clearer picture of soil health as a whole (rather than focusing on chemical components related to productivity value). Alongside this, clear and cohesive advice and recommendations will be needed to translate the testing outputs into “real world” change.

National Trust Cymru welcomes the opportunity to provide feedback on the inquiry into soil health in agriculture, and we look forward to further engaging with the process in due course.

3

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Huw Irranca-Davies AS/MS
Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet
dros Newid Hinsawdd a Materion Gwledig
Deputy First Minister and Cabinet Secretary for
Climate Change and Rural Affairs



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: PO/HIDCC/0269/25

Andrew RT Davies MS
Chair: Economy, Trade and Rural Affairs Committee
Welsh Parliament
Cardiff Bay,
Cardiff,
CF99 1SN

23 June 2025

Dear Andrew,

Thank you for the opportunity to discuss this important topic with the Committee. Soils are the foundation of our agricultural systems and the natural environment.

Additional information is included in the Annex to this letter. I hope the Committee finds it useful.

- 1. We note the first objective listed in the Glastir General Guidance was “Managing soils to help conserve our carbon stocks and reduce soil erosion.” To inform our understanding and recommendations to you, we would welcome further explanation of why you believe Glastir was a “success story”, while the ERAMMP results show a seemingly different picture against this objective?*

Our view that Glastir was a success is based on the scheme and evaluation documents and we do not believe the ERAMMP [Report-105: Wales National Trends and Glastir Evaluation](#) shows a different picture against the objective stated in the Committee’s question above.

In the Committee’s letter, it highlights a summary of the national trends identified by the analysis of the ERAMMP National Field Survey. There is a distinction to be made between national trends and Glastir evaluation outcomes, i.e. not all farms in the national survey would be in Glastir and therefore not all issues would be the same. The headline results should be read in the context of the accompanying technical annexes.

In [Report-105](#) Figure 8 indicates the impact of Glastir management options for soil was mostly stability (grey), had modest improvement (blue) for some indicators and some decline. This is more positive than the National Trend (2013-16 to 2021-23) for soil shown in Figure 2 of the report.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

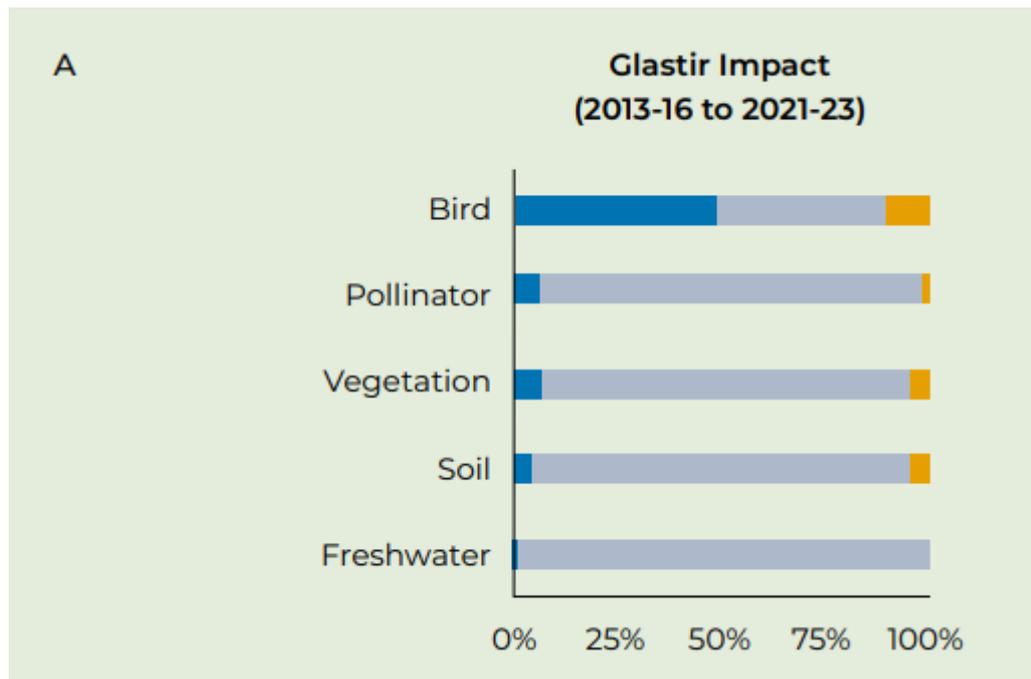


Figure 8. The percentage of total counts of indicators which had improved (blue), were stable (grey) or had declined (orange) at the national scale for land within the Glastir scheme for: A) five Natural Resources, and B) four Asset Classes over the short term (2013-16 to 2021-23). Indicators are the enhanced ERAMMP suite of indicators.

Table 3 of the ERAMMP [Report-105: Wales National Trends and Glastir Evaluation](#) demonstrates that the expert summary assessment of the effect of Glastir management options show some improvement for blanket bogs and a “modest and variable response of the individual indicators” for other peatland habitats within the scheme.

Page 68 of the ERAMMP [Report-105: Wales National Trends and Glastir Evaluation](#) identifies the following limitation, “The initial condition of a site can also greatly impact on the magnitude of improvement detected as identified by previous analysis of GMEP¹ data (Alison, et al., 2022). GMEP results clearly identified management options had in general been targeted on the better environmental quality land, which could affect the impact the magnitude of benefits realised”.

2. *You told the Committee on 15 May 2025 that “The GAEC 4 and 5 are expected to be included within the SFS scheme requirements.” While the Committee welcomes the inclusion of GAEC 4 and 5 in cross-compliance rules for those participating in the SFS, we would like clarification about whether these rules would not apply to farmers outside of the SFS or not?*

GAEC 4 & 5 will apply to both BPS and SFS claimants.

The [Control of Agricultural Pollution Regulations review](#) published on 31 March 2025 considered the role of soil and soil management for all agricultural land in Wales.

The review identified that there was a lack of legislative protection for soils in Wales, where they were a feature in other parts of the UK and recommended measures to reduce the risk of soil loss to the environment. The recommendations will be taken forward in full.

¹ GMEP - Glastir Monitoring and Evaluation Programme

- Recommendation 6 (short term): Include requirements within the Control of Agricultural Pollution regulations to protect against soil loss to the environment, potentially replicating the Good Agricultural and Environmental Condition (GAEC) requirements of Cross Compliance.
 - Recommendation 7 (medium term): Consider the role of higher risk cropping on potential losses of soil to the environment and effective mitigation techniques such as buffer strips.
3. *We would also like to understand the Welsh Government's change of approach from the Agriculture (Wales) Bill White Paper where it was proposed that NMS would be introduced to create a clear regulatory baseline for all farmers in Wales, including GAEC 4 and 5. Please could you provide some detail on the thinking behind this?*

The regulatory baseline for agriculture, previously referred to as National Minimum Standards, already exists and establishes the minimum requirements every farmer and landowner must comply with, and the associated criminal offences for any serious contraventions.

The [Sustainable Farming Scheme \(SFS\) outline proposals](#) published in November 2024, proposed that maintaining compliance with the Scheme eligibility criteria, scheme requirements, regulatory baseline, and all applicable Scheme Actions will be a condition of payment.

As part of efforts to make the agricultural regulatory baseline more accessible, the Welsh Government has invited the Law Commission to report to simplify and modernise agricultural law in Wales. The project was formally launched on 16 April 2024, the Law Commission has met with stakeholders and policy officials to conduct their analysis of agricultural related law, which is expected to be published before the end of 2025. Further information can be found on the Law Commission website: [Agricultural Law in Wales - Law Commission](#).

I hope the Committee find this information helpful as part of your important Inquiry.

Yours sincerely,



Huw Irranca-Davies AS/MS

Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros Newid Hinsawdd
a Materion Gwledig

Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs

Annex 1 - Additional Information:

Chapter 7 of the [Review of Welsh soil evidence | GOV.WALES](#) provides all references used, including ERAMMP.

The evidence base for the [Welsh Soil Evidence Review](#) incorporates evidence from ERAMMP and GMEP as well as other sources (p. 23).

The Agricultural Soil Policy Statement [Farmers Engagement Report](#) provides the evidence, engagement and sectors represented.

The Agricultural Soil Policy Statement [Stakeholder Engagement Findings and Response](#) chapter 2 provides the organisations consulted.

[Agricultural Land Classification Technical Review: scoping study | GOV.WALES](#) Table 25 sets out the scope of the England and Wales project to update the ALC system.

[Agricultural land classification: predictive map guidance | GOV.WALES](#) sets out how to use the predictive ALC Map.

[Agricultural land classification: frequently asked questions | GOV.WALES](#)

[Soil function maps resource review | GOV.WALES](#) scopes the data sets and systems available to balance land use decisions where trade-offs between soil functions and land use demands compete. The map may allow specialists and non-specialists to understand and quantify the impact of land use and policy decisions on a range of soil functions and services.

[Assessment of soil, climate and habitats across designated sites | GOV.WALES](#) This report summarises the key soil, habitat and climate characteristics of sites with designations to understand their unique character, the contribution that soil plays to the importance of the designation and the additional functions that soil provides given these unique characteristics.

ERAMMP [Report-105TA1S2: Wales National Trends and Glastir Evaluation, Technical Annex-1, Supplement-2: Broad Habitat Results](#) details the methods used to analyse data collected from the ERAMMP National Field Survey to create the results The report covers:

- Survey square selection
- Calculation of Glastir bundle predictors
- Calculation of other covariates
- National trend models
- Glastir models

ERAMMP [Report-105TA1S8: Wales National Trends and Glastir Evaluation, Technical Annex-1, Supplement-8: Peatland Emissions](#) provides an assessment of peatlands emissions reduction resulting from restoration activities.

ERAMMP [Report-105TA1S9: Wales National Trends and Glastir Evaluation, Technical Annex-1, Supplement-9: Soil Erosion](#) provides an overview of an approach to assessing the state of soil erosion and disturbance in Wales.

The [Glastir General Guidance](#) is Rules Booklet 1 with the general objective of, “managing soils to help conserve our carbon stocks and reduce soil erosion”. The objective refers to both mineral and peat soils.

The ERAMMP [Report-105: Wales National Trends and Glastir Evaluation](#) measured “soil quality and management” in Table 1 as the Glastir Objective. This included an expanded range of indicators: carbon, pH, nitrogen, phosphorous and bulk density. It did not include “soil erosion”. Soil erosion is part of the national trends reporting.

The ERAMMP [Report-105TA1S7: Wales National Trends and Glastir Evaluation, Technical Annex-1, Supplement-7: Soil Health](#) provides the assessment methodology and conclusions for each of the Glastir management action bundles referred to in our evidence to the committee.

Table 1 of the ERAMMP [Report-105: Wales National Trends and Glastir Evaluation](#) summarises the impact for land in the Glastir scheme as “low” under the objective. The limitations and conclusions of the report do not indicate “low” as being either negative or positive. “Low” must be viewed in the context of the scheme and evaluation data.

Figure 21 A of the ERAMMP [Report-105: Wales National Trends and Glastir Evaluation](#) demonstrates the indicators for soils within the scheme are stable.

Glastir [Technical guidance 2015](#) Rules Booklet 2 provides the list of management actions available. [Glastir Advanced 2019](#) Rules Booklet 1 provides the Management and Capital Works payment rates.

Rebecca Evans AS/MS
Cabinet Secretary for Economy, Energy and Planning
Ysgrifennydd y Cabinet dros yr Economi, Ynni a Chynllunio

Agenda Item 3.2



Eich cyf/Your ref
Ein cyf/Our ref

Llywodraeth Cymru
Welsh Government

Andrew RT Davies, MS
Chair
Economy, Trade & Rural Affairs Committee

23 June 2025

Dear Andrew,

I write to update the Economy, Trade and Rural Affairs Committee on the planned Project Assessment Review of the Development Bank of Wales. In response to recommendations made by the Committee following its Development Bank of Wales inquiry, the independently led review, will take place between 8-10 July 2025.

The review has been commissioned to consider the governance arrangements and processes in place between the Welsh Government and the Development Bank, with particular reference to customer complaints and due diligence.

A copy of the recommendations arising from the review will be shared with the Committee.

Yours sincerely,

Rebecca Evans AS/MS
Cabinet Secretary for Economy, Energy and Planning
Ysgrifennydd y Cabinet dros yr Economi, Ynni a Chynllunio

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We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Agenda Item 3.3

Huw Irranca-Davies AM/MS
Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros
Newid Hinsawdd a Materion Gwledig
Deputy First Minister and Cabinet Secretary for Climate
Change and Rural Affairs



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: MA/HIDCC/1009/25

Andrew RT Davies MS
Chair
Economy, Trade and Rural Affairs Committee
Welsh Parliament
Cardiff Bay
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23 June 2025

Dear Andrew,

I am writing to inform you of my intention to consent to the UK Government making regulations to provide the poultry industry, and their associated catching companies, with clarity on the legal requirements that apply to the catching of poultry during transport operations.

This follows a joint public consultation on poultry catching and handling: [Poultry catching and handling: proposed changes to permitted methods | GOV.WALES](#)

If the preferred option, option one, is pursued, then regulations could disapply the prohibition in assimilated Council Regulation (EC) No 1/2005 on the protection of animals during transport and related operations ("1/2005") on the lifting of animals by their legs, to chickens, to allow chickens to be caught by two legs. This amendment would remove a discrepancy between 1/2005 and the statutory codes of practice for the welfare of laying hens and pullets, and the welfare of meat chickens and meat breeding chickens. The consultation also sought to gain further information on the methods used to catch turkeys, and to understand whether there was evidence to support allowing turkeys under a certain weight to be caught by two legs.

It is normally the policy of the Welsh Government to legislate for Wales in matters of devolved competence. However, in certain circumstances there are benefits to working collaboratively with the UK Government where there is a clear rationale for doing so. On this occasion, I am giving my consent to the UK Government to make regulations. This approach will ensure regulations are introduced simultaneously across England, Wales and Scotland, and will provide the poultry industry with clarity on the legal requirements that apply to the catching of poultry during transport operations. Separate regulations, or any divergence in the coming into force of regulations, across Great Britain could lead to complexity, inconsistencies and administrative burden for industry and enforcement agencies.

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Welsh Government officials have a good working relationship with their Defra counterparts and will continue to work with them and the Scottish Government to strengthen the protection of animal welfare during transport, maintaining positive and constructive intergovernmental relations.

I anticipate regulations will be laid during the week commencing 30 June (based on the date I have). I will provide an update to committees once regulations have been laid.

I am copying this letter to the Mike Hedges MS, Chair of the Legislation, Justice and Constitution Committee.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Huw Irranca-Davies', written in a cursive style.

Huw Irranca-Davies AS/MS

Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros Newid Hinsawdd
a Materion Gwledig

Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs

Agenda Item 3.4

Huw Irranca-Davies AS/MS

Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros
Newid Hinsawdd a Materion Gwledig
Deputy First Minister and Cabinet Secretary for Climate
Change and Rural Affairs



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: PO/HIDCC/0303/25

Mike Hedges MS
Chair
Legislation, Justice and Constitution Committee
Welsh Parliament
Cardiff Bay
Cardiff
CF99 1SN

24 June 2025

Dear Mike

I am writing in accordance with the inter-institutional relations agreement to notify you of the seventh meeting of the Inter-Ministerial Standing Committee (IMSC), which will take place on 26 June 2025.

The Standing Committee will be chaired by the Deputy First Minister and Cabinet Secretary for Economy and Gaelic, Kate Forbes MSP. I will represent the Welsh Government at this virtual meeting. I anticipate the meeting will provide an opportunity to discuss the industrial strategies, the UK Internal Market Act 2020, the Sewel Convention and the UK Legislation Programme, along with other current affairs issues.

I have copied this letter to the Chairs of the Finance Committee, the Economy, Trade and Rural Affairs Committee and the Culture, Communications, Welsh Language, Sport, and International Relations Committee.

I will provide an update after the meeting.

Yours sincerely,

Huw Irranca-Davies AS/MS

Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros Newid Hinsawdd
a Materion Gwledig
Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs

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We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Jack Sargeant AS/MS
Y Gweinidog Diwylliant, Sgiliau a Phartneriaeth Gymdeithasol
Minister for Culture, Skills and Social Partnership



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref
Ein cyf/Our ref

Andrew RT Davies MS
Chair
Economy, Trade and Rural Affairs Committee

25 June 2025

Dear Andrew

I write in relation to the committee's investigation into Holyhead Port Storm Damage and Closure and the request for a note in relation fair work with regards to greater regulation around seafarers.

We continue to work closely with the UK Government on the Employment Rights Bill, which represents the most significant enhancement of workers' rights in a generation.

The Bill includes specific provisions for the maritime and seafarer workforce, offering stronger protections for their welfare and working conditions. It also lays the foundation for a legally binding Seafarers' Charter, which will establish higher standards for seafarers' rights and extend wage protections beyond UK waters for seafarers on services that regularly call at UK ports.

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These measures are designed to prevent a race to the bottom by discouraging operators from undercutting competitors through lower employment standards.

Yours sincerely,

A handwritten signature in black ink that reads "JACK SARGEANT". The signature is written in a cursive style with a large initial 'J' and a long horizontal line extending from the end of the name.

Jack Sargeant AS/MS

Minister for Culture, Skills and Social Partnership

Y Gweinidog Diwylliant, Sgiliau a Phartneriaeth Gymdeithasol

Rebecca Evans AS/MS
Cabinet Secretary for Economy, Energy and Planning
Ysgrifennydd y Cabinet dros yr Economi, Ynni a Chynllunio

Agenda Item 3.6


Our ref: RE/PO/306/2025

Llywodraeth Cymru
Welsh Government

Mike Hedges MS
Chair
Legislation, Justice and Constitution Committee
Welsh Parliament
Cardiff Bay
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SeneddLJC@senedd.wales

25 June 2025

Dear Mike,

I am writing in accordance with the inter-institutional relations agreement to notify you that the Tourism Inter-Ministerial Group (IMG) will meet on 22 July 2025.

This will be the first meeting of the IMG since the publication of the Review of Intergovernmental Relations in January 2022 and will be chaired by the UK Government Minister of State for Creative Industries, Arts and Tourism, Chris Bryant MP. I will represent Welsh Government at this virtual meeting.

I anticipate the meeting will provide an opportunity to discuss the UK Government's plan to increase international tourism, and updates from all four governments in relation to activity and issues in their respective areas.

I have copied this letter to the Chairs of the Finance Committee, the Economy, Trade and Rural Affairs Committee, and the Culture, Communications, Welsh Language, Sport, and International Relations Committee.

Yours sincerely,



Rebecca Evans AS/MS
Cabinet Secretary for Economy, Energy and Planning
Ysgrifennydd y Cabinet dros yr Economi, Ynni a Chynllunio

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We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Agenda Item 6

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