

Lesley Griffiths MS  
Minister for Rural Affairs and North Wales,  
and Trefnydd

21 March 2024

Follow up to General Ministerial Scrutiny on 6 March 2024 – National Minimum Standards and next steps with the Sustainable Farming Scheme

Dear Minister,

Thank you for your time answering Members' questions on Wednesday 6 March. I am writing to seek some further clarification from the Minister responsible for Rural Affairs on the answers given regarding National Minimum Standards (NMS) and future agricultural support under the Sustainable Farming Scheme (SFS).

### **National Minimum Standards and "the regulatory baseline"**

In the White Paper for the Agriculture (Wales) Bill published in December 2020 you said that you intended to consolidate existing rules, including cross-compliance, to make up NMS. Responding to the consultation outcomes you said that "further work will need to be carried out on the development of NMS proposals, including exploring both legislative and non-legislative options for delivering our ambitions".

During Stage 2 of the scrutiny process for the Bill, in March 2022, you said the Welsh Government was considering the need for legislation to consolidate rules and confirm the regulatory baseline. Legislation was not brought forward, and at our meeting on 6 March you told the Committee that the rules are on the Welsh Government website and that they include cross-compliance – complying with both statutory management requirements (SMR), which would apply whether or not a farmer receives BPS support, and Good Agricultural and Environmental Conditions (GAEC), which only apply to farmers currently receiving support. You stated:



*"the regulatory baseline for agriculture, which is what we refer to as NMS, already exists, and what that does is establish the minimum requirements every farmer must comply with and the associated criminal offences for any serious contraventions. So, as I say, that's already there; it's not part of the consultation. Obviously, NMS, or the regulatory baseline, is kept under review, and if there are any changes required—agricultural pollution regulations is an example—we always, obviously, consult before we bring them in."*

The Committee would appreciate further clarity on whether or not a farmer who does not subscribe to the SFS would still have to apply GAEC, i.e. is the regulatory baseline the same for farmers who remain outside the scheme?

Stakeholders' expectations about a consolidated new set of standards, whether statutory or otherwise, have been raised during recent consultations, and stakeholders from across the board have called for these to be implemented. The scale of recent protests by farmers also underlines the need to ensure the sector fully understands Welsh Government's approach. Given Welsh Government has now taken a position on what constitutes 'National Minimum Standards' and 'the regulatory baseline', it would therefore be helpful if you could explain how you intend to communicate that clearly to all stakeholders.

### **UK Committee on Climate Change (UKCCC) recommendations and the rationale for the 10 per cent tree cover target**

The UKCCC's 2023 Progress report: Reducing emissions in Wales recommended the Welsh Government should:

*"Maintain and enhance incentives to support agroforestry and hedgerows in the Welsh farmed landscape over the transition to the new post-CAP framework. Plant trees on 2% of farmland by 2025 while maintaining its primary use, rising to 5% by 2035, and extend hedgerows by 20% by 2035 and better manage existing hedgerows."*

Following recent farmer protests, you made a joint statement with the First Minister on 27 February setting out some potential next steps including:

*"Ensuring actions within SFS are appropriately targeted at improving the economic resilience of farms. This includes ensuring woodland and habitat requirements do not make farms unviable."*

You were asked in Committee about why Welsh Government had set a 10 per cent tree cover target for the SFS when the UKCCC recommendation was 5 per cent by 2035. In response you referred to a requirement for "43,000 hectares of new woodland by 2030" but also to other targets set by the

UKCCC for 2035, including an increase in annual tree planting rates from at least 4,500 hectares per year by 2030 to 7,500 hectares by 2035, for agroforestry to plant trees on 2 per cent of farmland by 2035, and for an extension of hedgerows by 2035. In light of the degree of concern and unrest in the farming sector over the tree cover target it would be helpful if you could set out in detail the rationale for coming to the 10 per cent tree cover target for farmers arising from these different UKCCC recommendations.

### **Review of the consultation process and next steps**

The Welsh Government has been consulting on the SFS scheme for years and has carried out co-design exercises and established specialist working groups. Despite this level of engagement we have seen strong protests from farmers, and so what in your view has not worked in terms of the process and how do you think this can be rectified going forward?

There was frank discussion in Committee of the possibility of needing to delay the introduction of the scheme in 2025 as you repeatedly stressed the importance of “getting it right”. What would be the implications of the scheme not being introduced in 2025 - in terms of farm businesses but also the environment, given Welsh Government’s net zero and biodiversity commitments?

Given that there will be further “more meaningful” economic modelling with a different set of assumptions, and that you have said there will definitely need to be changes to the scheme, can we expect further consultation to take place, and if so can you provide details of how and when you expect this to happen?

It is also expected that further engagement will take place with specialist groups, for example through the Commons working group. The need to find solutions for groups such as tenant farmers, young farmers and new entrants and farmers on common land was something the Committee raised early on in scrutiny of the Agriculture (Wales) Bill. It would therefore be helpful to receive more information about what policy changes and practical actions are planned or being implemented to address the concerns raised with us and in response to Recommendation 6 of our Stage 1 Bill report published in January 2023.

Thank you for continuing to engage with the Committee on these important issues for the rural economy in Wales and we look forward to your response.

Kind regards,



Paul Davies MS

Chair: Economy, Trade and Rural Affairs Committee