

# **Evidence Paper**

Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs' General Scrutiny at the Economy, Trade and Rural Affairs Committee

17/09/2025

This information is provided to aid the Committee in advance of the Deputy First Minister's attendance for General Scrutiny on Rural Affairs on 1 October 2025.

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## 1. Sustainable Farming Scheme

Our ambition is for the Sustainable Farming Scheme to support a sustainable, productive agricultural industry in Wales. Our future farm support will deliver multiple outcomes for all of Wales, and we will ensure that farmers are kept at its heart.

The SFS will serve as the primary source of government support for farmers. The Scheme will reward farmers for actions that align with the Sustainable Land Management (SLM) Objectives set out in The Agriculture (Wales) Act 2023 ('the Agriculture Act').

#### Those are:

- To produce food in a sustainable manner
- To mitigate and adapt to climate change
- To maintain and enhance the resilience of ecosystems and the benefits they provide
- To conserve and enhance the countryside and cultural resources and promote public access to and engagement with them, and to sustain the Welsh language and promote and facilitate its use.

We published a Scheme description on 15 July. This was not a consultation, this is the final version of the Universal Layer of the Scheme, along with the eligibility criteria, and Scheme Requirements.

It represents a new partnership between the people of Wales and farmers - supporting food production and addressing the climate and nature emergency.

The SFS is a product of unprecedented collaboration. We have listened to wide ranging views, and worked intensely with the farming unions, environmental NGOs and other organisations.

This publication included anticipated Universal Payment rates, and we also published a Ready Reckoner at the same time. For the first time individual farmers can see what their indicative payments will be for 2026 whether they choose SFS, or to remain with BPS.

The Royal Welsh Show was an opportunity to discuss the Scheme with farmers.

I have committed a maximum of £238m in 2026 for Universal Payments and the legacy Basic Payment Scheme. A minimum of £102.2m will also be available for the Optional / Collaborative Actions.

The changes we've made mean the SFS is accessible to all farmers. So, the budget I've made available for 2026 is intended to be sufficient to support all farmers joining SFS from 2026.

Detailed scheme guidance will be published later in 2025 including the definitive technical notes setting out all the scheme requirements, scheme actions, and evidence required for the scheme.

I have committed to retaining the SFS Ministerial Roundtable and Officials Groups going for the remainder of this government term. These discussions will shortly reconvene.

The next stages of SFS delivery are:

- To continue developing communications materials so farmers understand what the Scheme means for them and how they can prepare themselves.
- Finalising administration systems and processes ready for the Scheme to commence.

Liaising with stakeholders to further develop the Optional and Collaborative Layers of the Scheme.

# 2. Agricultural pollution regulations

The health of our waterbodies is critical for every person in Wales. From access to water for drinking, recreation and food production, to healthy, thriving ecosystems, the well-being of current and future generations is heavily dependent upon clean water.

Water quality in Wales is still being detrimentally impacted, and we must continue to make improvements. Whilst the causes of pollution are not limited to any one sector, agriculture remains one of the main contributors. Since the written statement of 31 March, which announced the intention to take forward all 23 recommendations in full and at pace, Natural Resources Wales' detailed assessments of marine protected areas (MPA) in Wales have been released highlighting the continued need to take action.

Following the publication of the review officials have been developing a detailed work programme to take forward the recommendations in what is a complex area of work. The main areas of immediate focus are outlined below.

#### Stakeholder Engagement

Due to the technical nature of the recommendations and the importance of a collaborative approach there is an opportunity to build upon the experience gained from both the review process itself and the Sustainable Farming Scheme (SFS) and the round table process to inform the way forward.

There will be opportunities for stakeholders to be engaged in the design and development of the potential areas for regulatory change, based on the recommendations of the review. As this is a regulatory process, any proposals for substantive changes to the regulations will require formal consultation and will need to be underpinned by the necessary Impact Assessments.

#### Cross compliance and enforcement

Officials have begun to review the cross-compliance process with the intention to ensure farms are not penalised where they have taken the appropriate steps to mitigate the risks of pollution in challenging circumstances and a breach of cross compliance is as a result of being under TB restrictions. There will be the opportunity for stakeholders to explore this issue early and to develop a sustainable and long-term solution.

As a reminder, where non-compliance with the Regulations has occurred, officials and NRW are also able to consider any unforeseen Exceptional Circumstances which may have resulted in a breach of Cross Compliance. Where farmers consider that any non-compliance is due to unforeseen matters beyond their control, circumstances can be considered on a case-by-case basis. This could include being under TB restrictions.

The Welsh Government has committed £1.58m for NRW's enforcement of the Regulations in the 2025-26 financial year, which targets high-risk agricultural activities. The enforcement approach is leading to change within the sector and compliance levels are improving.

#### Developing the evidence base

Officials have begun to draft technical specifications for work to be carried out by contractors with scientific and agronomic expertise. The specifications include exploratory work on key recommendations, including alternatives to the closed periods and the 170kg limit and soil protection measures.

The Welsh Government is engaging with CIRIA, the Construction Industry Research and Information Association, a neutral, independent and not-for-profit body, on its review of industry guidance on best practice in relation to slurry storage for designers, contractors and agricultural operators. The outcome could inform future regulatory change.

## 3. Bluetongue (BTV-3)

From 1 July 2025 the BTV Restricted Zone was expanded to cover the whole of England, which meant BTV movement restrictions for susceptible animals within England no longer applied.

In June, the Deputy First Minister announced his decision to maintain stricter controls in Wales to attempt to hold back the disease for as long as possible. This policy provided additional time for Welsh industry to vaccinate its livestock against the worst impacts of the disease.

A <u>Press Notice</u> was published on Friday 20 June providing further information on the measures put in place in response to the England-wide Bluetongue Restricted Zone (RZ), alongside the related guidance for farmers and vets. Over the summer, the Welsh Government has worked with stakeholders to allow greater flexibility for farmers and auctioneers while maintaining disease controls. A phased approach to facilitate Autumn sales was agreed that balances industry needs against the risk of disease incursion.

Following a Bluetongue Roundtable held on 8 July a <u>Press Notice</u> was published announcing the introduction of Bluetongue Approved Red Markets in Wales. This allowed for greater flexibility for farmers, abattoirs and auctioneers while maintaining disease controls.

A <u>Press Notice</u> published on Monday 4 August setting out further important changes to Bluetongue restrictions to facilitate Autumn sales and markets. Since Monday 18 August, Welsh livestock that have completed a course of a Bluetongue virus serotype 3 (BTV-3) vaccination, have been able to attend English markets (who must adhere to specific conditions) within 20km of the Welsh border.

As a result of risk assessments and ongoing constructive engagement with the livestock sector, we have recently agreed that from noon on 21 September some movement restrictions will be eased for all animals vaccinated against BTV-3 moving from the Restricted Zone (RZ) into Wales. This aligns with Bluetongue low transmission period associated with lower autumn temperatures.

Animals fully vaccinated with any BTV-3 vaccine and showing no signs of illness can move into Wales to live without a pre-movement test, under the conditions

of a general licence. This includes farm-to-farm, via markets, and from shows or collection centres.

Vaccination of animals moving under authority of this licence must have been reported on gov.uk. This new licence will supersede the measures for 'Specified Green Markets' in England (introduced on 18th August) and under the new licence arrangements, markets in both England and Wales will be able to sell vaccinated and unvaccinated livestock at the same sale.

Animals going to slaughter can continue to move under general licence, but slaughterhouses will no longer need to be designated after 21 September. The general licence will also be amended to include moves to slaughter markets and collection centres for onward movement to a slaughterhouse and will supersede the current 'Bluetongue Approved Red Market' process in Wales. There is no vaccination requirement for animals moving under this licence.

Only vaccinated animals or those that have received a negative pre-movement test will be able to move from a market in the RZ to Wales. Non-vaccinated animals will still need a negative pre-movement test and a specific licence from APHA to enable movements to live in Wales from the RZ.

There is broad agreement that vaccination is the best way of protecting flocks and herds against Bluetongue. We continue to work with our partners to encourage farmers to consider vaccination with their vets, and to remain vigilant for the disease and report any suspect cases.

This remains a dynamic situation and an evolving disease picture across Great Britain. The policy is being kept under regular review subject to evidence on the ground, and in partnership with the livestock and veterinary sectors.

### 4. Bovine TB

In May, The Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs made an <u>Oral Statement</u> providing an update on the TB Eradication Programme in Wales.

The TB Eradication Programme Board and TB Technical Advisory Group (TAG) continue to meet regularly, providing advice to the Deputy First Minister on TB policies. A joint meeting of the TAG and Programme Board is scheduled for 18 September. The agenda includes discussions on the recently published Godfray bTB Evidence Review Update for England and TAG wildlife advice. The Programme Board will continue discussions on their Position Paper, whilst TAG will commence discussions on cattle movements and testing. The TAG will be meeting again in October where they will be considering the enhanced measures applied in persistent breakdowns as part of their ongoing discussions on cattle movements and testing.

In May the Deputy First Minister announced forthcoming changes to Inconclusive Reactor (IR) policy, whereby resolved standard IRs will be restricted for life to the farm on which they are found. A Programme Board Task and Finish Group are leading on the communications to support this change. The TAG is continuing to consider the role of wildlife in respect of bovine TB and initial advice, following their verbal update to the Programme Board at the joint meeting in September a written report will be shared with the Programme Board in the autumn.

The long-term bovine TB statistics from across Wales as a whole show positive progress in tackling TB, with the long-term data showing a clear downward trend in new herd incidents. We recognise the situation varies across the different regions of Wales and this is why we are taking a targeted approach.

While we have seen an increase in the number of cattle slaughtered because of TB in the 12-month period to June 2025, we have also seen an increase of 1.7% in new TB incidents, although the long-term trend still shows the rate of incidents falling. The TB Epidemiology Team are investigating these trends currently and findings will be considered to inform next steps.

The policy of Officially TB Free Withdrawn (OTFW) by default in Wales, coupled with the increased use of more sensitive diagnostic tests in herd breakdowns,

provides greater confidence that breakdown herds are free of TB before TB free status is regained and trading resumes. Overall, this reduces the risk of breakdown herds becoming recurrent and selling infected cattle to other herds.

### 5. Animal Welfare Private Members Bills

The <u>Animal Welfare (Import of Dogs, Cats and Ferrets) Bill</u> makes provision to restrict commercial importation and non-commercial movement of dogs, cats and ferrets into the UK from third countries, and prohibit import of mutilated, heavily pregnant and underage animals. The Bill passed committee stage on 14 May 2025 and a <u>Legislative Consent Memorandum</u> (LCM) was laid in the Senedd on 21 May 2025. A Senedd debate took place on 16 September.

The <u>Dogs (Protection of Livestock) (Amendment) Bill</u> includes provisions to deliver a number of amendments to the Dogs (Protection of Livestock) Act 1953 to improve enforcement in response to incidents of livestock worrying by dogs. The Bill passed committee stage on 21 May 2025 and an <u>LCM</u> was laid in the Senedd on 30 May 2025. Senedd Committees are due to report on the LCM by 19 September.