



Llywodraeth Cymru
Welsh Government

WRITTEN STATEMENT BY THE WELSH GOVERNMENT

TITLE Introduction of the UK Agriculture Bill

DATE 12 September 2018

BY Lesley Griffiths AM, Cabinet Secretary for Energy, Planning and Rural Affairs

I am today announcing I have asked the UK Government to include powers for Welsh Ministers in an Agriculture Bill which has been introduced to the UK Parliament. The Bill provides a legal basis for future support to farmers after Brexit, as we transition away from the Common Agricultural Policy. The powers being taken for Welsh Ministers are intended to be transitional until our own primary legislation can be brought forward, to design a 'Made in Wales' system which works for Welsh agriculture, rural industries and our communities. Provisions relating to Wales are contained in a separate Schedule so that any changes the National Assembly wishes to see for Welsh Ministers can be made easily.

'Brexit and our Land' is the Welsh Government's consultation on future support to farmers after Brexit. Our land supports livelihoods, anchors communities and generates the vital natural resources we all rely on. The people who manage it contribute a huge amount to our country. We must continue to support them. However, the way we provide the support needs to change after Brexit.

The Welsh provisions in the Agriculture Bill broadly mirror those proposed by the UK Government for England. These include:

- New financial powers for future schemes
- Collection and sharing of data
- Powers to intervene in exceptional market conditions
- Setting of marketing standards
- Modification of retained EU law relating to the financing, management and monitoring of payments to farmers, including the CAP Basic Payment Scheme

There are a small number of additional powers being taken in Wales. In addition to a small number of technical differences, our powers also include an emphasis on supporting rural communities and businesses involved in supply chains.

In general, these are enabling powers which provide for Welsh Ministers to bring forward Wales-specific regulations to the Welsh Assembly for scrutiny. Regulations will not be brought forward until the policy development process has concluded. In “Brexit and our Land” we committed to bring forward a white paper in spring 2019.

The Intergovernmental Agreement on the European Union (Withdrawal) Bill and the Establishment of Common Frameworks sets out how the UK Government and Devolved Administrations will work together to create a fully functioning statute book across the UK when we exit the EU. The introduction of the Agriculture Bill is the first test of the principles in the Agreement of collaboration, cooperation and respect for devolution.

Today’s joint statement between the UK and Welsh Government on agriculture support demonstrates the considerable engagement and collaboration that is taking place to establish a UK common framework for agriculture support. The statement makes clear the majority of this framework will be managed through non-legislative, intergovernmental coordination. As a result, Wales will not be constrained in its design of new schemes and will be able to implement what is best for Wales.

While Welsh Government is generally supportive of the Bill as drafted, there are two outstanding issues which have not been resolved to our satisfaction: first, provisions relating to the World Trade Organisation (WTO) Agreement on Agriculture; and, second, the Red Meat Levy.

The management of the UK’s Agreement on Agriculture at the WTO is an issue which the UK Government believes to be reserved. As a matter of law, the Welsh Government does not accept all aspects of the clause are reserved and, in any case, there is a strong and self-evident relationship between the WTO powers and devolved responsibilities on agriculture support.

Welsh Ministers have secured an important agreement from the UK Government to commit in Parliament to consult the Devolved Administrations on WTO-related regulations. We have also agreed to find a process for how such regulations will be brought forward. However, a commitment to consult is insufficient given the importance of this matter. We will therefore continue to work towards an agreement which ensures appropriate engagement with and consideration of the views of Welsh Ministers and other administrations.

On the Red Meat Levy, it is disappointing powers relating to the redistribution of Red Meat Levy will not be on the face of the Bill at introduction. The Welsh Government expects a UK Government amendment to correct this as soon as possible. It is critical the red meat industry is able to access funds to prepare it best for the opportunities of Brexit and react to inevitable change. Given a legislative change is required to underpin any future agreed mechanisms about finding a solution, the Agriculture Bill – the first to be introduced in Parliament for some decades – is clearly an opportunity to resolve this longstanding issue.

Overall, the introduction of the Agriculture Bill is an important step in our transition to a new system of farm support. It gives significant new powers and flexibilities to Wales. We will continue to work with the UK Government to resolve our outstanding concerns and bring forward advice to the Assembly on legislative consent in the light of this work.

This statement is being issued during recess in order to keep members informed. Should members wish me to make a further statement or to answer questions on this when the Assembly returns I would be happy to do so.