Lesley Griffiths AC/AM Ysgrifennydd y Cabinet dros Ynni, Cynllunio a Materion Gwledig Cabinet Secretary for Energy, Planning and Rural Affairs



Mike Hedges AM
Chair of Climate Change, Environment and Rural Affairs Committee
National Assembly for Wales
Cardiff Bay
Cardiff, CF99 1NA

30 October 2018

Dear Mike,

Thank you for your letter of 18 October raising a number of questions following the Committee's consideration of the UK Government's Agriculture Bill. I welcome the opportunity to clarify the Welsh provisions further. I have dealt with your questions broadly in the order in which they are raised in your letter. In some cases I have given grouped answers where it helps explain the position more clearly.

By way of context, the Welsh Government's Green Paper 'Brexit and our Land' sets out proposals for providing future support to farmers when the UK leaves the EU. It consults on proposals both to simplify existing schemes and a new land management programme which would replace the Common Agriculture Policy in its entirety. The consultation closed on 30 October and responses are now being considered. No decisions have been taken, including on timescales for the introduction of new schemes, and further consultation will take place next spring before I make decisions on the detail.

Bae Caerdydd • Cardiff Bay Caerdydd • Cardiff CF99 1NA Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
0300 0604400
Gohebiaeth.Lesley.Griffiths@llyw.cymru
Correspondence.Lesley.Griffiths@gov.wales

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.

I instructed the UK Government to take powers for Welsh Ministers in the Agriculture Bill to provide certainty to the Welsh agriculture sector as the UK Government continues to negotiate the terms of the UK's future relationship with the EU. I confirm it is still my intention to bring forward an Agriculture (Wales) Bill to the Assembly but this is unlikely to be in place for 2020 because of the pressure on the legislative timetable. The Welsh provisions in the Bill are needed now to provide Welsh Ministers with a legal base to continue with existing schemes following our exit from the European Union (EU) and provide flexibility for transition and potential implementation of new schemes, should that be required. Without such powers the Welsh Government would not be able to continue paying agricultural support in 2020 or to simplify existing schemes, for example, by removing the greening requirement of the Basic Payments Scheme and simplifying arrangements for payments to cross border farms. The powers provide the flexibility to begin transition, once policy decisions have been taken on the nature of new schemes.

Given the level of uncertainty surrounding Brexit, I did not consider it to be appropriate to include an explicit sunset provision for these powers to be on the face of the Bill. The provisions in the UK Agriculture Bill are, therefore, not time limited. I can confirm it is my intention for the powers to be transitional and superseded by a Wales Agriculture Bill at the appropriate time. I intend to bring forward a Wales Agriculture Bill before the end of the current Assembly term.

I would like to reassure the Committee the powers being taken now are broad enabling powers which do not constrain or predetermine future policy decisions. The Committee will appreciate it is necessary for legislation to be ready in good time in order the Government can react quickly once decisions are made. I acknowledge the Committee's concern regarding the significant regulation-making powers provided in the Bill to Welsh Ministers. I am committed to consulting stakeholders properly should these powers be used. We are already consulting on future policy and have outlined our intention to undertake further consultation before making any changes to payments. The powers in the Agriculture Bill are generally enabling powers which required separate secondary legislation to take effect. The Assembly and the Committee will, therefore, have the opportunity for scrutiny.

The Committee has asked for information on how powers in Schedule 3, Part 1 to delegate functions for the giving financial assistance may be used. In general terms, the powers would allow for a wide range of possible payment schemes to be established. The purposes for which Welsh Ministers will be able to give financial assistance are designed to be non-limiting in their scope and no decisions have yet been taken on the use and purpose of the powers. This will very much be dependent on the consultation outcomes and on the UK's future relationship with the EU and rest of the world.

As you note, the agricultural transition period for Wales mirrors that for England in the Bill. This reflects the Welsh Government's decision to make a neutral assumption and not prejudge the consultation. Whilst we are consulting on an agricultural transition period from 2020 to 2025, it would be inappropriate for this to be on the face of the Bill. Our legal provisions for agricultural transition thus mirror the UK Government's approach for England, however, this would be amended later if necessary, once decisions have been made about the length of the transition period in Wales.

The Bill enables simplifications through a power to amend retained EU law relating to direct payments. These powers are separate to provisions providing for future financial assistance to deliver the new land management schemes. Secondary legislation laid under the EU (Withdrawal) Act will make operability fixes to the direct payments regulation. The powers under the Agriculture Bill may allow for further policy changes to that regulation if desired. There would need to be further consultation with those affected and work to understand risks of making changes to farmer payments.

Officials are continuing discussions on the WTO and Red Meat Levy clauses with the UK Government and I hope to resolve these issues as the Bill passes through Parliament.

In terms of timescales, the Bill passed second reading in the House of Commons on 10th October and is now at the Committee stage. The Public Bill Committee met on Tuesday 23 October 2018 and is expected to report to the House by Tuesday 20 November 2018. Beyond this, the timetabling of subsequent stages is a matter for Parliament but I can reassure the Committee that officials are in regular communication with the UK Government to ensure provisions for Wales are properly taken account of.

My clear objective is to retain broad powers for Welsh Ministers as the Bill passes through Parliament. Where amendments to English provisions are tabled they will be considered carefully on a case by case basis to see whether equivalent amendments are needed in Wales. If amendments are made to Welsh provisions which would require consent, I confirm that a Supplementary Memorandum will be laid.

You have asked me to give oral evidence to the Committee To which I am of course agreeable and my Diary Secretary will be in touch to confirm.

Lesley Griffiths AC/AM

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