

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



Llywodraeth Cymru
Welsh Government

Mike Hedges AM
Chair
Climate Change, Rural Affairs and Environment Committee
National Assembly for Wales

21

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Dear Mike

Thank you for your letter of 9 November seeking further clarification following my attendance at the Committee session on the Welsh Government's draft budget report 2019-20 held on 8 November.

Please accept my apologies for the slight delay in responding. There was a need to conclude discussions with DEFRA on some of the queries you raised with regards to the UK Agriculture Bill.

Consideration of the Climate Change (Carbon Budget) (Wales) Regulations 2018

I have noted your intention to report on the regulations, in accordance with Standing Order 27.8.

Low Carbon Delivery Plan

A copy of the Delivery Plan will be made available to the Committee in week commencing 18 March 2019.

UK Agriculture Bill

I am confident the Bill does not constrain future policy. The Welsh provisions in the Bill provide broad, enabling powers which allow the flexibility for a wide range of possible payment schemes to be designed and implemented dependent on the nature of the UK's exit from the EU and the outcome of the consultation 'Brexit and our Land'.

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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.

It is necessary to take these broad powers now so the Government can react appropriately once decisions are made. As I outlined in my letter of 30 October, I would like to reassure the Committee no policy decisions will be made before further consultation and the use of these powers will require separate secondary legislation to take effect, giving the Assembly opportunity for proper scrutiny. I also reconfirm my intention to bring forward an Agriculture (Wales) Bill to the Assembly once decisions have been made on future policy.

If the UK leaves the EU without a Brexit agreement, new regulations correcting deficiencies in the EU regulations (including the Common Agricultural Policy (CAP) Direct Payments regulation for scheme year 2020) will come into effect on 29 March 2019 under the UK Withdrawal Act. In this scenario, the Direct Payments regulation would apply up until claim year 2020 only. The provision to allow the making of Direct Payments beyond 2020 is therefore being taken under the UK Agriculture Bill.

In the event of an agreement on an Implementation Period running up until 31 December 2020, EU regulations would continue to apply until that date, with the exception of the CAP Direct Payments regulation which is not included in the current draft Withdrawal Agreement for scheme year 2020. As currently drafted, the Agriculture Bill does not include powers to make Direct Payments in 2020 in this scenario. The legislative mechanism to resolve this cannot be brought forward until Parliament has had a meaningful vote on the final Withdrawal Agreement. If agreement is reached we expect the provision to continue to make Direct Payments in claim year 2020 to be taken under UK legislation.

As you acknowledge, I was very clear to the Constitutional and Legislative Affairs Committee that the issue of the WTO rules is a red line for the Welsh Government and I would be unable to recommend the Assembly gives its consent to the Bill until this has been resolved. I have had recent positive discussions with the Secretary of State and officials are also making good progress in finding a solution. It may not be necessary to amend the Bill to achieve this and it could be possible to reach a satisfactory outcome through an agreement between governments as to how the existing provision should operate. I am hopeful our two governments will reach agreement and that I will be able to recommend the Assembly gives its consent in due course.

UK Fisheries Bill

Standing Order 29 requires the Welsh Government to table legislative consent memorandums normally within two weeks of a Bill's introduction and we always seek to comply with that deadline. This has not been possible in a few recent cases, but we have to recognise both the Fisheries Bill has significant consent issues to consider, being a UK Bill dealing with the implications of Brexit for important sectors for which responsibility is devolved. As a result, it has taken longer than normal to lay the memorandum which was laid on 15 November. On Assembly consent matters such as this, the Welsh Government is keen for there to be plenty of scrutiny time for Committees.



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