

## Environment and Sustainability Committee

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Meeting Venue:  
**Committee Room 3 – Senedd**

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Meeting date:  
**28 November 2012**

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Meeting time:  
**09:30**

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Cynulliad  
Cenedlaethol  
Cymru

National  
Assembly for  
Wales



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### Agenda

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#### **1. Introductions, apologies and substitutions**

#### **2. The Natural Resources Body for Wales (Functions) Order – Evidence from the Minister for Environment and Sustainable Development (09:30 – 10:30)**

John Griffiths AM, Minister for Environment and Sustainable Development  
Matthew Quinn, Director, Environment & Sustainable Development  
Dr Dave Clarke, Living Wales Programme

#### **3. Inquiry into marine policy in Wales – Evidence from the Minister for Environment and Sustainable Development (10:30 – 11:30) (Pages 1 – 6)**

E&S(4)–30–12 paper 1

John Griffiths AM, Minister for Environment and Sustainable Development  
Matthew Quinn, Director, Environment & Sustainable Development  
Julia Williams, Head of Marine Branch

#### **4. Papers to note**

##### **4a. Letter from the Deputy Minister for Agriculture, Food , Fisheries and European Programmes – Actions arising from 18 October meeting on Budget Scrutiny (Pages 7 – 9)**

E&S(4)–30–12 paper 2

**5. Motion under Standing Order 17.42(vi) to exclude the public from this meeting for item 6 and from the meeting on 6 December**

**Private session**

**6. Consideration of evidence (11:30 – 12:00)**

## Environment and Sustainability Committee

### E&S(4)-30-12 paper 1

#### PAPER FOR THE NATIONAL ASSEMBLY OF WALES ENVIRONMENT AND SUSTAINABILITY COMMITTEE 28 NOVEMBER 2012 : INQUIRY INTO MARINE POLICY

#### The Minister for Environment and Sustainable Development

#### INTRODUCTION

1. The Welsh Government is committed to the UK-wide vision for clean, healthy, safe, productive and biologically diverse seas and the UK-wide high level marine objectives for achieving this vision. To deliver this vision the Welsh Government is establishing a marine programme of the four key, inter-dependent strands of policy work consisting of: marine planning, implementation of the Marine Strategy Framework Directive, marine nature conservation and marine licensing. The marine programme is being designed to work in an integrated way with policy areas across the Welsh Government, in particular Fisheries, Energy and Tourism, to support its cross-cutting nature.
2. We intend framing all aspects of our marine programme within an ecosystem based approach, reflecting the requirements of the Marine Strategy Framework Directive, and as set out in the UK-wide Marine Policy Statement which provides the strategic policy framework for marine planning. This will complement the holistic approach of the Welsh Government's *Sustaining a Living Wales* agenda, including natural resources planning.
3. We are currently reviewing the arrangements required to support the marine programme, including resourcing. A key underpinning theme for the review is communication and engagement with stakeholders, especially local coastal communities and including the role of coastal forums, reflecting the ecosystem-based approach. We will work in close partnership with the new Welsh Government sponsored body, Natural Resources Wales, to ensure that the programme is effectively supported. We will also continue to work in partnership with the UK Government and its agencies, in particular the Marine Management Organisation, and other governments to ensure that our respective marine policies are developed and implemented in an integrated way. We will look at formalising existing working arrangements through concordats or memorandums of understanding as required.

#### MARINE PLANNING

4. Under the Marine and Coastal Access Act 2009, the Welsh Ministers are the marine planning authority for the Welsh inshore (out to 12 nautical miles) and the Welsh offshore (from 12 nautical miles to the median line i.e. the

equidistant line between the Welsh coast and other countries' coasts up to a maximum of 200 nautical miles).

5. The purpose of marine planning under the Act is to help achieve sustainable development. Our aim is to develop initial national marine plans for the Welsh inshore and offshore areas by 2015.

6. Taken together, our marine and coastal areas represent important economic, environmental and social assets. Our marine environment supports an important communications and transport network and our ports are vital for international trade; our waters support valuable fishing activity and aquaculture developments and aggregates extraction that feeds local construction projects. Our marine area supports the development of energy installations to help deliver our climate change strategy, low carbon energy and green jobs policies. Our marine area additionally provides tourism and recreation opportunities which make a major contribution to the Welsh economy. Around 36% of our inshore marine area and 75 % of our coastline is designated for its environmental quality, and its outstanding beauty and heritage contributes to culture and well being.

7. However these key assets are under a range of pressures. We need to find ways of achieving sustainable development whilst safeguarding precious environmental and heritage features and managing ecosystems, and adapting to the anticipated impacts of climate change. Therefore marine planning needs to maximise benefits for a range of stakeholders to support creative, co-location and co-use solutions wherever possible.

8. We have established a cross-cutting Welsh Government group on marine planning, made up of officials from across the key policy areas, including fisheries, marine conservation and energy.

9. Preparatory work to date includes the commissioning of an impact assessment for marine planning in Wales (the impact assessment for the UK-wide Marine Policy Statement was not country specific), a coastal communities study and a GIS planning tool to support a marine planning web portal for Wales.

10. The Welsh Government is supporting a marine co-location & co-use pilot project, investigating what type of aquaculture could take place within wind farms, and looking at supporting a Wales-wide project to map coastal and marine tourism, recreation and leisure activities (also GIS enabled).

11. We will also be looking at the evidence emerging from other UK research projects, particularly on co-location and co-use generally, as it should have generic relevance.

12. To reflect its cross-cutting nature, Cabinet will be asked to approve the approach to marine planning taking into account, this preparatory work. We will then start the statutory marine planning process, of which stakeholder engagement and participation will be an integral and crucial part.

## **THE MARINE STRATEGY FRAMEWORK DIRECTIVE**

13. Transposed into domestic law via the Marine Strategy Regulations 2010, the key purpose of the Marine Strategy Framework Directive is to achieve Good Environmental Status in Europe's seas by 2020, using an ecosystems based approach. The Welsh Ministers are the competent authority for the directive for the Welsh inshore area.

14. Following joint UK consultation, the initial assessment of the state of the UK's seas and targets and indicators for achieving Good Environmental Status is due to be submitted to the European Commission shortly.

15. As Competent Authority for the Directive for the Welsh inshore marine area, we are committed to playing our part in helping achieve Good Environmental Status. Implementing the reformed Common Fisheries Policy, and continuing to implement other European Directives such as the Water, Shellfish, Habitats and Birds Directives will play a major part in delivering Good Environmental Status. It is not yet clear what Wales specific measures will need to be taken to help achieve Good Environmental Status as the spatial scale for assessment is yet to be determined. However the way in which we (and the rest of the UK) use our powers and develop and implement our policies in respect of marine planning and marine nature conservation, including marine protected areas, is likely to be an important contributor whatever the spatial scale.

## **THE WATER FRAMEWORK DIRECTIVE**

16. As the Competent Authority for implementation of the Water Framework Directive in England and Wales, the Environment Agency are responsible for drawing up the River Basin Management Plans (RBMPs) in accordance with the principles and steps of the planning process set out by the Welsh Government and Defra.

17. The first RBMPs were approved by the Minister (and also the UK Secretary of State for cross-border plans) in December 2009. In Wales, the first RBMPs show that in 2009 only 33% of our water bodies were Good, and that by 2015 this would improve to 41%. Our ambition is to achieve 50% and work towards the delivery of objectives for Protected Areas such as Natura 2000 sites and Bathing Waters.

18. The RBMPs follow a 6 year cycle. Future plans will be published in 2015 and 2021.

## **THE BATHING WATER DIRECTIVE**

19. The Directive has been revised to set microbiological standards that are tighter than those applied by the 1976 Bathing Water Directive and which have to be met by 2015. On the basis of bacteriological sampling undertaken over four years (rather than a single year as required in the current Directive), waters will be classified as excellent, good, sufficient or poor.

20. We are currently in a transitional period between the current and revised Bathing Water Directives. The requirements of current Bathing Water Directive are changing in stages to reflect the requirements of the revised Bathing Water Directive between now and 2015.

## **THE HABITATS AND BIRDS DIRECTIVES**

21. The Welsh Government is committed to the overarching aim of the Habitats and Wild Birds Directives, which is to safeguard marine ecosystems by protecting the important habitats and species that make up those systems, and working towards getting them to favourable conservation status. We currently do this mainly through regulatory regimes and by designating under the Directives for special areas of conservation and, (for birds), special protection areas.

### **Article 17 Reporting**

22. Every six years, Member States of the European Union are required by Article 17 of the Directive to report on implementation of the Habitats Directive. The Joint Nature Conservation Committee co-ordinates the report for the UK with input from the country nature agencies, including the Countryside Council of Wales. The first round of reporting focused on implementation of the Directive and the second on an assessment of the condition of protected sites. The third report is due in 2013. The framework for this third round of reporting is the assessment of the conservation status of all of the habitats and species in the Directive, with information on the wider environment and not just protected sites.

23. The Welsh Government, working in partnership with Natural Resources Wales, will use the outcome of the second Article 17 reporting to review and prioritise actions we need to take in Wales with regard to the conservation status of European marine habitats and species, including the management arrangements for marine protected areas, and to integrate them with wider strategies such as marine planning and *Sustaining A Living Wales*.

## **MARINE PROTECTED AREAS**

24. Marine protected areas are one of the tools available to the Welsh Government to help protect and improve marine ecosystems and they need to be considered in the context of the wider marine programme alongside marine planning, the Marine Strategy Framework Directive, and *Sustaining A Living Wales*. In Wales we already have a number of such sites covering approximately 75% of the coastline and 36% of our inshore marine area.

25. The Welsh Government together with the other UK administrations is committed to having a network of marine protected areas as part of a broad based approach to nature conservation. The network will be a key tool in contributing towards achieving Good Environmental Status under the Marine Strategy Framework Directive.

26. Wales' contribution towards the wider network will be made up of European Marine Sites (Special Areas of Conservation (SACs) and Special Protection Areas (SPAs)), intertidal Sites of Special Scientific Interest, intertidal Ramsar sites, the Marine Nature Reserve at Skomer, and Marine Conservation Zones.

27. We are working with the other UK administrations in considering how our respective contributions will make up the wider network, including marine conservation zones.

### **Marine Conservation Zones**

28. The Marine and Coastal Access Act 2009 gave Welsh Ministers a power to designate a new type of marine protected area in the Welsh inshore area - a marine conservation zone - to contribute to a wider network of marine protected areas.

29. We undertook a first stage consultation earlier this year on options for designating marine conservation zones in the Welsh inshore area, based on a highly protected approach. The consultation attracted around 7,000 responses, representing a range of strong and different views about how the new designation power should be used and the implications of a highly protected approach.

30. I announced on 5 November a period of additional work to reflect on and fully explore all the information received, to inform how we move ahead with marine conservation zones in Wales. This additional work is in line with our planned staged approach to listen to feedback at each stage, respond and then seek further views from all interested parties before deciding on next steps. It supports our commitment to work across policy areas in a joined up way. The additional work will be driven by a new cross-cutting Welsh Government team and supported by a new stakeholder focus group.

31. Key considerations will include the responses to the consultation, developments in the other UK administrations, the Welsh Government's commitment to sustainable development, communities and jobs, as well as biodiversity. The work will reflect the ecosystems based approach being embraced by both the Welsh Government and Natural Resources Wales, and will look to a designation timescale that is aligned with marine planning and the review of management arrangements for marine protected areas generally, in order to maximise integration.

### **MARINE LICENSING**

32. The Welsh Ministers are currently the marine licensing authority for the Welsh inshore area under the Marine & Coastal Access Act 2009. Following consultation, we will delegate the marine licensing function (as well as most wildlife licensing) to Natural Resources Wales in order to streamline environmental regulatory functions.. Licensing policy will remain the responsibility of the Welsh Government and a key strand of our marine programme.

33. Business continuity is paramount and is being addressed through the specific project management arrangements that have been established for the delegation of licensing functions.

SF/AD/3104/12

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Llywodraeth Cymru  
Welsh Government

Ein cyf/Our ref: SF/AD/3104/12

Dafydd Elis-Thomas AM  
Chair of the Environment and  
Sustainability Committee

21 November 2012

Dear Dafydd

Thank you for your letter of 24 October following my evidence session with the Committee on 18 October and also for sight of your letter to the Chair of the Finance Committee. I have taken each of the areas of concern in the same sequence as in your letter and also included the information on the proportion of the fisheries budget that is linked to enforcement prosecution that I undertook to provide during the meeting.

### **Fisheries enforcement vessels**

As I indicated at the Committee meeting, we are currently assessing all viable options for procurement of replacement assets for fisheries enforcement, which includes vessels for at-sea enforcement. I expect to write to the Committee by the end of January 2013 to outline progress.

### **Transfer of fisheries functions**

As I have already indicated, any additional ICT provision for the devolution of quota management and licensing will be built on the existing BETS infrastructure. Detailed specifications for this work are still being developed and so I am not able to forecast firm figures at this stage. However, it is likely that expenditure will fall to both the current and 2013/14 financial years. My officials expect these costs to be relatively small and met from existing budgets.

### **Proportion of the budget spent on prosecution**

The total operational enforcement costs represent 60% of the Fisheries budget. This sum covers all of the operational costs of running two Inshore Fisheries Protection Vessels, a fleet of pool vehicles and all ancillary costs of managing an enforcement

team. The specific costs of prosecution are not clearly identified as investigation and data gathering in relation to alleged infringements is a day-to-day role of the team.

A nominal sum of £5.5k has been set aside for legal costs in taking prosecutions forward at Magistrate Courts, but again this is not a true reflection of the resources involved as the Welsh Government will normally seek reimbursement of all associated costs in any successful prosecution. This budgetary sum is only in place as a contingency marker for any potential unsuccessful prosecution action.

### **EID Database**

As discussed at Committee, the costings for the development of EIDCymru are currently being calculated. A technical evaluation of ScotEID is underway to identify the necessary work to the base system together with the changes necessary to meet the Welsh requirements. Until this work has been completed I cannot make decisions on where the funding will be drawn from. Once I am able to do so I will write to the Committee.

### **Re-profiling the RDP plans**

As I stated at Committee, our understanding was that the European Commission were intending to change the rules around the ability to apply N+2 to agri-environment schemes in certain cases. This could have put some of our EU programme funding at risk. Since the meeting we have been working further with the Commission to clarify the position and to seek consent to take steps to mitigate the risk of decommitment such a decision might cause. Our latest exchanges with the Commission suggest that they are reverting to the position as we originally understood it, but there are still some issues to be finalised. I will write to the Committee once we are certain of the outcome.

### **Food promotion grants**

At the meeting I explained that objectives and targets are placed on all the food grants operated under my portfolio and undertook to provide the Committee with further details.

Starting with Food Festivals these play an important role in developing and supporting the Tourism sector in Wales through building the image of food tourism, providing local events for visitors, encouraging a food culture and offering access to a concentration of visitors and food theatre. The budget is fairly small at £400,000 but the multiplier effect is seen to be much higher with an economic impact equated to £24.7m per annum on average and at its highest £38.9 million per annum. These figures included direct spend by the festivals themselves and individual consumers spend either, with food producers or within the wider community over the year.

The Promotional Grant has an annual budget of £80,000 and supports various activities which promote the food and drink sector in Wales. This funding had been allocated to a range of organisations since 1999. Examples of activities supported include – The Farmhouse Breakfast initiative associated to Welsh Breakfast week, Great Taste Awards and the high profile Welsh Cheese Awards. The grant does not as such deliver any direct job creation / employment but is evaluated for effectiveness on a regular basis.

Turning to the Processing and Marketing Grant Scheme, this offers capital grant support for SMEs to make investments in the processing agricultural or forestry products. The broader objective of this scheme is to support companies to improve their profitability and so the key indicator is the volume (or tonnage) of product being processed. This is coupled with an assessment of the increase in profit margin as measured by the increase in Gross Value Added (GVA) between the start of the investment and two years after completion. Work to capture this information is ongoing and it will be some time before the figures are available because many of the investment plans have not yet finished. Separate from the assessment of GVA, the creation of new jobs and the safeguarding of existing jobs is also recorded and again those figures are in the process of being compiled.



Alun Davies

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