

Huw Irranca-Davies AS/MS
Ysgrifennydd y Cabinet dros Newid Hinsawdd a Materion
Gwledig
Cabinet Secretary for Climate Change & Rural Affairs



Llywodraeth Cymru
Welsh Government

Our ref/ein cyf: HID-PO-122-24

Paul Davies MS
Chair: Economy, Trade and Rural Affairs Committee
Welsh Parliament
SeneddEconomy@senedd.wales

22 April 2024

Dear Paul

Thank you for your letter of 21 March to my predecessor Lesley Griffiths MS, the former Minister for Rural Affairs and North Wales, requesting further clarification on the answers given by my predecessor in relation to National Minimum Standards and the Sustainable Farming Scheme during her attendance at General Ministerial Scrutiny on 6 March.

Focussing on National Minimum Standards and “the regulatory baseline”, as my predecessor explained in March, the regulatory baseline (for agriculture) refers to the national minimum standards in law that all persons in Wales are required to comply with, and the associated criminal offence(s) for any contravention of those minimum standards. This legal threshold is often colloquially referred to by officials as NMS.

The regulatory baseline is distinct from scheme rules and guidance. Each scheme establishes specific rules relevant to its activities and outcomes, which often comes with tailored guidance published on our website. These rules may impose conditions on participants, in addition to triggering specific regulatory requirements which only apply to participants of that specific scheme.

For farmers claiming Basic Payment Scheme (BPS), one condition of grant is complying with cross compliance. This is a subset of the regulatory baseline made up of Statutory Management Requirements (SMR) or Good Agricultural and Environmental Conditions (GAEC).

The recent Sustainable Farming Scheme (SFS) consultation proposed compliance with the regulatory baseline would continue to be a condition of the SFS grant. Details of the final scheme rules, including checks of the regulatory baseline, and their use in SFS will be published before the launch of the Scheme.

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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.

Following the end of BPS, those farmers not in SFS will still be required to meet the regulatory baseline which includes the majority of the GAEC requirements.

Details for all GAEC standards are set out in the verifiable standards and guidance published every year for farmers within BPS, and a similar approach is expected to be adopted for SFS.

Turning to the UK Climate Change Committee (CCC) recommendations, and the rationale for the 10 per cent tree cover target, the Welsh Ministers have accepted advice from the CCC to increase tree cover in Wales as part of our managed pathway to net zero i.e. 43,000 ha of new woodland to be planted by 2030.

As farmers manage the majority of land in Wales, they are best placed to help achieve these targets and receive the benefits from them.

The latest [Progress Report: Reducing emissions in Wales \(theccc.org.uk\)](https://theccc.org.uk) from the CCC sets out their recommendation of the pathway to net zero for Wales. The CCC advice includes;

- reference to achieve annual tree planting rates of at least 4,500 hectares/year in Wales by 2030, rising to 7,500/year by 2035.
- agro forestry – to plant trees on 2% of farmland by 2025 while maintaining its primary use, rising to 5% by 2035, and extend hedgerows by 20% by 2035 and better manage existing hedgerows.

It is not a choice between the two – both need to be met as part of the CCC balance pathway.

The SFS proposal of 10% tree cover was intended to help spread this target across Wales to avoid large blocks of land use change, and enable all farmers to benefit from the funding as well as the direct and indirect benefits of additional tree cover.

In reference to the SFS consultation process and next steps, by involving farmers in the scheme design process including two phases of co-design, three consultations and through stakeholder engagement, we have been able to use farmer's input in a way we have not done previously. The continued intention is to design our future farm support so it is fit for Wales, recognising the strengths and opportunities farming provides.

The Sustainable Farming Scheme Roadshows were a valuable opportunity to speak to over 3,200 farmers about scheme proposals. They also allowed us to dispel some of the common misconceptions which, unfortunately, have become accepted by industry. Officials received lots of feedback about how useful those discussions were in providing clarity around the proposals.

It was also suggested we were not listening to the concerns raised, however, we have made a number of significant changes from previous versions of proposals based on industry feedback.

We are exploring how to better communicate directly with individual farmers along with representative stakeholders in the future. We will establish regular review points between the Welsh Government and the farming unions and representatives, in formulating final proposals, as set out in the Written Statement of 29 February.

The proposal is for the Scheme to be introduced from 2025, however, this can only be when the Scheme is ready. It is important we take the time to analyse the responses to the

consultation and consider what this means for the design of the Sustainable Farming Scheme.

We received approximately 12,000 responses to the consultation with the majority, 75% of them being submitted by email, so we have had an excellent response. This alongside the feedback from the ten SFS roadshows provides a strong evidence base to test and refine the proposals.

This was a genuine consultation, and no decisions will be taken on any element of the proposal, including how we support tenant farmers, common graziers and young farmers until we have conducted a full analysis of the consultation responses.

I fully expect to make some changes to the Scheme as a result of the consultation. I will share with you details of the proposed changes and practical details such as further engagement with the industry at the earliest opportunity.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Huw Irranca-Davies', written in a cursive style.

Huw Irranca-Davies AS/MS

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