



Evidence paper for Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs for General Scrutiny at Economy, Trade and Rural Affairs Committee

Information provided to aid the Committee in advance of the Deputy First Minister's attendance for General Scrutiny on 17 July.

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1. Sustainable Farming Scheme including economic analysis and impact assessment, payment rates and budget

Farming is crucial to Wales; to our culture and to our economy, and we are determined to ensure a successful and sustainable future for Welsh farming. Farming contributes much more than just the food we eat. A prosperous industry is vital to support farmers to produce food sustainably and provide a wealth of economic, environmental and social benefits.

Our ambition for the Sustainable Farming Scheme (SFS/Scheme) to support a sustainable, productive agricultural industry in Wales has not changed. Our future farm support will deliver multiple outcomes for all of Wales, and we will ensure that farmers are kept at its heart.

The SFS will serve as the primary source of government support for farmers in Wales. The Scheme will reward farmers for actions that align with the Sustainable Land Management (SLM) Objectives set out in The Agriculture (Wales) Act 2023 ('the Agriculture Act').

Those are:

- To produce food in a sustainable manner
- To mitigate and adapt to climate change
- To maintain and enhance the resilience of ecosystems and the benefits they provide
- To conserve and enhance the countryside and cultural resources and promote public access to and engagement with them, and to sustain the Welsh language and promote and facilitate its use.

Since publication of the SFS Scheme Outline on 25 November 2024, we have continued to work closely with the farming unions, environmental bodies and other important stakeholders through the SFS Ministerial Roundtable and its working groups to make sure the Scheme is accessible and practical, providing an opportunity for support to all farms in Wales. This includes the work of the Carbon Sequestration Evidence Panel who's full report was published on 30 April 2025.

In line with original aspirations, the SFS has been designed to support farmers to produce food sustainably, to mitigate and adapt to climate change, and maintain and enhance nature on their farm. The Scheme will support all farmers in Wales through a Universal Payment, based on the completion of a set of Universal Actions and a social value to represent the wider benefits to the environment and society the sustainable production of food provides.

The Universal Payment is intended to provide a level of certainty and stability for farmers with them knowing their anticipated level of income per year. There will be the opportunity for this to be enhanced with payments for Optional and Collaborative Actions, supporting farmers to undertake more ambition and complex actions and reward those already undertaking them. This support will be a combination of capital and revenue grants, alongside effective advice, guidance and knowledge transfer.

The SFS development has progressed well and I will be able to provide Senedd Members with an update on the development of the Scheme in the near future. I deeply appreciate the dedication and hard work shown by everyone involved. The significance of this collaboration, and its effect on the future resilience of our farming industry and the wellbeing of our farmers, is fully recognised.

2. Community food strategy

I was delighted to publish the Wales Community Food Strategy on 29 April 2025 to encourage the production and supply of locally sourced food across Wales.

I would like to extend my thanks, once again, to the many stakeholders and delivery partners connected with community food for their engagement.

Delivery of the Community Food Strategy will be key. The next step is to establish a Ministerial Advisory Group, to draw the key partners together to ensure more people in Wales enjoy locally sourced food. It will guide and monitor the delivery and impact of the Community Food Strategy and provide advice to Welsh Ministers on what will work best in practice. It will ensure our approaches are aligned at national, regional and local level to ensure the strategy remains targeted and relevant.

The Community Food Strategy will help strengthen local food systems, improve healthy eating, and create more sustainable communities across Wales and the Welsh Government is committing over £2 million in 2025-26, to support Local Food Partnerships as part of the delivery.

Since 2022, these partnerships have expanded to cover every local authority in Wales, coordinate local food systems, tackle food poverty, improve public health, and support green growth and education.

Building on over £26 million of funding specifically linked to the tackling poverty agenda, the Community Food Strategy integrates with the Healthy Weight: Healthy Wales and the 2024 Child Poverty Strategy to ensure everyone can access healthy food.

The Community Food Strategy is grounded in the Well-being of Future Generations (Wales) Act and the 'Cymru Can' strategy, supporting government objectives for social, economic, environmental, and cultural wellbeing.

The Welsh Government Cross-Portfolio Food Forum consists of senior internal policy makers connected with the delivery of community food. A wide range of Ministerial portfolios are associated with food and these areas contributed towards the Community Food Strategy. They include Agriculture, the Circular Economy, Education, Food in Schools, Health, the Foundational Economy, Fair Work, Land, Local Government, Skills and Tackling Poverty.

3. Bluetongue

Bluetongue (BTV-3) - A [Written Statement](#) was issued in June on the Bluetongue Virus Control Policy in response to the England-wide Restriction Zone which came into effect from 1 July. The Deputy First Minister also made an [Oral Statement](#) on 17 June. These set out his decision, which is to buy farmers time by attempting to hold back the disease from Wales for as long as possible. This is a dynamic situation and an evolving disease picture across Great Britain. The policy is being kept under regular review subject to evidence on the ground, and in partnership with the livestock and veterinary sectors.

A [Press Notice](#) was published on Friday 20 June providing further information on the measures in place in response to the England-wide Bluetongue Restricted Zone (RZ), alongside the related guidance for farmers and vets.

Since 20 June, livestock have been permitted to move from the current Restricted Zone (RZ) in England to live in Wales, subject to obtaining a licence to move and a negative pre-movement test at the keeper's expense. Furthermore, this allows farmers to source business-critical animals such as herd and flock replacements. Moves direct to slaughter can continue and these livestock moves do not require a pre-movement test.

Cattle which have completed the full treatment requirements with Boehringer 'Bultavo-3' vaccine and have no clinical signs of illness are able to move from a Restricted Zone to Wales to live under licence and without a pre-movement test.

Arrangements are also in place to allow livestock to move to and from shows and sales in the RZ, subject to licences and either pre-movement or post-movement testing as appropriate. These policies still apply after 1 July.

There is agreement that vaccination is the best way of protecting flocks and herds against Bluetongue. We will continue working with our partners to encourage farmers to consider vaccination with their vets, and to remain vigilant for the disease and report any suspect cases.

4. Bovine TB

In May, The Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs made an Oral Statement providing an update on the TB Eradication Programme in Wales. The Statement included updates on the disease situation in Wales and the work of the TB Eradication Programme Board and TB Technical Advisory Group (TAG), now the governance arrangements are in full operation.

The Oral Statement also reflected on the changes to on farm slaughter arrangements, which was a recommendation from the TAG. As a result of the changes made, in the first 12-months, 242 fewer cattle needed to be slaughtered on farm. This is a reduction of around 25% animals, from 111 individual herds. Further work is ongoing in partnership with industry to identify ways to further reduce the number of cattle that need to be slaughtered on farm. The Deputy First Minister also announced forthcoming changes to Inconclusive Reactor (IR) policy, to reflect the increased disease risk of standard resolved IRs, which it is anticipated will take effect from Autumn 2025.

The Programme Board and TAG continue to meet regularly. Most recently, the TAG has begun work to consider the role of wildlife in respect of bovine TB. Initial advice will be shared with the Programme Board in the autumn. The Programme Board continues to consider communications and engagement with the farming industry.

The long-term bovine TB statistics from across Wales as a whole show continued progress in tackling TB, with the long-term data showing a clear downward trend in new herd incidents. We recognise the situation varies across the different regions of Wales and this is why we are taking a targeted approach.

While we have seen an increase in the number of cattle slaughtered because of TB in the 12-month period to March 2025, we have also seen an increase of 2% in new TB incidents, although the long-term trend still shows the rate of incidents falling. It is also important to interpret short-term trends with caution. The TB Epidemiology Team's investigations are ongoing and findings will be considered to inform next steps.

The policy of Officially TB Free Withdrawn (OTFW) by default in Wales, coupled with the increased use of more sensitive diagnostic tests in herd breakdowns, provides greater confidence that breakdown herds are free of TB before TB free status is regained and trading resumes. Overall, this reduces the risk of breakdown herds becoming recurrent and selling infected cattle to other herds.

5. Outcomes of the licensing of animal welfare establishments, activities and exhibits consultation

National Model for the regulation of animal welfare, a Programme for Government commitment: The [Summary of Responses](#) to our consultation on the licensing of animal welfare establishments, activities and exhibits was published in December. The Deputy First Minister issued a [Written Statement](#) on the Welsh Government response to the consultation and our next steps on 24 June.

We will take a phased approach to introducing a national model for the regulation of animal welfare, working closely with stakeholders, operational agencies, industry and the third sector. Our focus will be on areas where regulation can deliver the greatest benefit, informed by the evidence and views submitted during the consultation. We will begin by developing proposals for the regulation of animal welfare establishments, including rescues, sanctuaries, rehabilitation and rehoming centres.

We recognise the need for consistent, proportionate, and enforceable standards, to protect animal health and welfare, support the positive work undertaken and prevent wrongdoing and mistreatment.

Greyhound Racing: In February, The Deputy First Minister made an [oral statement](#) announcing an intention to move to ban greyhound racing in Wales as soon as practically possible. In April the Counsel General and Minister for Delivery [announced](#) the legislation will be brought forward in this Senedd term to deliver this commitment. The Implementation Group to support this work is being established. Invitations have been issued to prospective members for the Group to be formally established in the summer.

6. Fisheries

Strategic Approach to Welsh Fisheries and Aquaculture

Following the publication of the **written statement** on a strategic approach to Welsh fisheries and aquaculture in December, Fisheries officials have been embedding the Approach by directing our resources to focus on the key deliverables.

Welsh Government has refocused our finite science and data support to deliver these priorities. The Welsh Marine and Fisheries Scheme will continue to be developed with stakeholders and will support delivery.

Our fisheries and aquaculture priorities have the delivery of sustainable management at their core, with a focus on delivery of Fisheries Management Plans (FMPs) and adaptive management measures. All supported by science, evidence and engagement with our stakeholders. We will continue to deliver in line with our statutory duties and seek opportunities and initiatives to support the industry to develop and grow.

A highlight report is being developed to track delivery.

EU reset

The Welsh Government welcomes the announcements on 19 May made at the UK-EU Summit on trade, energy and security, and we look forward to working with the UK Government as things develop to ensure Wales's interests are fully represented.

As part of the announcement, both parties agreed to work towards a 'Common Sanitary and Phytosanitary (SPS) Area' that will seek to address many of the issues experienced by our producers in respect of the movement of agri-food products.

Given the nature of the fishing industry in Wales, and its focus on shellfish, coupled with over 70% of our fish exported to the EU, it is imperative to ensure the final agreement allows Live Bivalve Molluscs from class B Welsh waters to once again be granted market access to the EU. Welsh Government continues to push for this through engagement with UK Government and welcomes the positive progress on this issue at the EU/UK Summit.

Our seafood industry has suffered greatly as a result on Brexit. We are hopeful that this deal could remove some of the barriers that our seafood industry face to exporting to the EU. A final agreement which allows our Welsh producers to access the EU market once more will be welcomed.

Industry concerns

We appreciate the concerns within industry regarding the 12-year access arrangement, in particular what impact this might have on delivery of FMPs.. It remains our position in Welsh Government that delivery of FMPs remains a top priority.

Fishing and Coastal Growth Fund

We welcome the announcement of a new Fisheries and Coastal Growth Fund. What is key now is to understand the details and to ensure the Welsh industry are supported fully. Our expectation is that this funding should be devolved in the usual way. I know that the industry in Wales is looking for the fund to be guaranteed and strategically focussed to deliver both sustainable fisheries and investment in Welsh fishing communities – which Welsh Government also endorse.

On 16 June, the Deputy First Minister wrote to Minister Zeichner MP setting out these fisheries priorities and Welsh Government expectations following the EU reset announcement.

7. Review of the agricultural pollution regulations

The health of our waterbodies is critical for every person in Wales. From access to water for drinking, recreation and food production, to healthy, thriving ecosystems, the well-being of current and future generations is heavily dependent upon clean water. Water quality in Wales is still being detrimentally impacted by pollution and we must continue to make improvements. Whilst the causes of pollution are not limited to any one sector, agriculture remains one of the main contributors.

The independently chaired review of the Control of Agricultural Pollution Regulations has determined that the general approach we have taken to reduce and prevent agricultural pollution is the right approach. However, the review has also highlighted that there is significant scope to improve the regulations for the benefit of farming and the environment. We will implement the recommendations in full and at pace.

The report identifies that the regulations must remain in place as they currently stand until recommendations are implemented. The recommendations are for short, medium and long-term actions to improve the regulations. This reflects that some changes should be relatively quick and easy to make but taking forward some of the recommendations will require consideration of very complex issues.

It is clear from the engagement which took place with a wide range of farming representatives during the review, including those within the supply chain, that there is wide recognition that agricultural pollution is a risk to the sector itself and there is a clear need for improvements to be made. A key principle behind the recommendations is that they must lead to improved environmental outcomes and better outcomes for farmers.

The implementation of the recommendations will lead to improved environmental outcomes but also improved targeting of the regulations at risk, thereby reducing the burden on farms carrying out low risk activities. We will make changes to the regulations to make them more accessible to farmers. This is key to achieving the outcomes we are seeking whilst reducing the complexity of implementation.

The review has identified key gaps in the regulations which must be addressed, including in relation to soils and phosphorus within nutrient management planning. By addressing these gaps in the right way, we can help farms to minimise the loss of valuable soil whilst protecting the environment and improving nutrient management.