

Interviews – Tuesday, 27 February

Location: Oriel - Senedd

Time and date: 4pm, Tuesday 27 February

Format: pre-record

Press Officer: Redacted – Section 40

Y Byd ar Bedwar

Time: 4pm – 4.15pm

Interviewer: Redacted – Section 40

ITV Wales News

Time: 4.15pm – 4.20pm

Interviewer: Redacted – Section 40

ITN

Time: 4.20pm – 4.25pm

Interviewer: Redacted – Section 40

Background: Y Byd ar Bedwar are preparing a programme to broadcast on Monday 4th March on the Sustainable Farming Scheme. They say they have spoken to both farmers and environmental campaigners for the programme.

ITV Wales and ITN are preparing pieces for tomorrow ahead of the protest and have asked for a pre-record today.

Lines to Take

Top Lines:

- Farming is very important to Wales and our economy and we want a successful future for Welsh farming.
- We have had a seven-year conversation with farmers to design future farming support and we are committed to continuing to working with farmers to develop the Sustainable Farming Scheme.
- The scheme is currently out for consultation and we would like to thank the thousands of farmers who have already responded and attended the 10 Welsh Government Roadshow sessions across Wales. This is a genuine consultation and no decisions will be taken on any element of the proposal, including how we achieve the requirement for habitat and trees, until we have conducted a full analysis of the consultation responses.

- We fully expect to make changes to the proposals as a result of the consultation. We are listening and we will consider all responses. We encourage everyone to reply with their views by 7 March.

If pressed on consultation:

- This is a genuine consultation and no decisions will be taken on any element of the proposal, including how we achieve the requirement for habitat and trees, until we have conducted a full analysis of the consultation responses. As I've said, I fully expect to make some changes to the proposals as a result of the consultation. We are listening and we will consider all responses.
- There is no need to suspend the SFS consultation which closes 7 March. It is a genuine consultation, designed to gather views from farmers and others on what works well in the Scheme and what might need changing before its introduction.

Meeting with farmers representatives – 26 February

- The First Minister and Minister for Rural Affairs would like to thank the farmers for their time yesterday morning (26 Feb). It was an opportunity for the First Minister and Minister to hear directly from the farmers about their concerns but also about their suggestions for change in a range of areas. There was a commitment to continue talking and listening.

Meeting with the Unions

- I meet with the farming unions regularly and I wanted to have a meeting as soon as possible after our Sustainable Farming Scheme roadshows and theirs had been completed.
- I'd like to thank them for joining me on Monday, it was good to hear the feedback they had from their events. We will consider this in addition to the feedback we've noted from our events.
- Many of the issues discussed were common with those we heard from the 3,200 farmers who've attended the Welsh Government events.
- I reiterated to them this is a genuine consultation. It is still open, and I would continue to urge people to take part and give us their views. We will consider every response.
- Once the consultation is over I will receive a detailed analysis of all of the responses which I will carefully consider, and as I've said before I would expect to make changes to the scheme as a result, because I want a scheme which works for Welsh farmers, supporting them to produce food and wider benefits.
- It is vitally important people take part in the consultation. Please do find time to respond as your views matter.

Sustainable Farming Scheme Key Brief

Introduction and Roadshow

- The Sustainable Farming Scheme aims to secure food production systems, keep farmers farming the land, safeguard the environment, and address the urgent call of the climate and nature emergency.
- The Sustainable Farming Scheme has been designed to best contribute to the four Sustainable Land Management objectives included in the Agriculture (Wales) Act – passed unanimously by the Senedd. These recognise the positive benefits which come from generations of farming traditions in Wales and the need to respond to some immediate challenges such as climate change.
- We know farmers are anxious about change. This is why officials ran a series of farmer roadshows around Wales raising awareness of the consultation and speaking to farmers from all sectors and all areas.

Notes; Redacted – not in scope for relating to misinformation, public messaging strategy, or reputational risk

- I have met with representatives from the Farming Unions to gain direct feedback on the consultation events which they have been holding with their members.

If asked about the Nature Friendly Farming Story on BBC Wales where it was reported some farmers said they felt unable to speak about the scheme

I was disappointed to hear that. We have worked with Nature Friendly Farmers. The scheme has been designed to meet the needs of Welsh farmers and it is important we hear from all farmers in Wales, which is why we held the Roadshows and continue to promote the consultation.

Communications – have we had the communications right on the Sustainable Farming Scheme?

- The SFS has been designed to support what our farmers can do best, sustainable farming and producing high quality food in harmony with the environment.
- The climate and nature emergencies threaten the sustainability of agriculture and present the most serious risk to food security both globally and locally.
- We must respond to this if we are to ensure we have a sustainable and resilient agriculture sector for generations to come.
- Farmers and stakeholder organisations have always been part of the SFS design process. They were crucial in the co-design phases with over 1600 contributions in response to our proposals from 2022.

- This co-design informed the recent consultation where we listened to their concern and made significant changes. For example, moving from a 5 year contract to an annual approach to ensure tenants with less certainty of tenure could be included. Also, no Actions now need to be completed in advance of joining the scheme.
- I agree that engagement and communication is crucial. We've held 10 Roadshows (30 presentation sessions) across Wales, speaking to over 3,200 farmers. We met face to face with the Farming Unions and other stakeholders regularly,
- I am always keen to listen, and that consultation is meaningful. I expect to be making changes to the Scheme as a consequence of the feedback.
- Communications is key and we will continue to engage with our farmers. We want as many of them to feed their views into the consultation and we've been very clear on that.

If pressed on whether we should pause the consultation

- We are continuing with the consultation as it is important we receive views from farmers, those involved in the agricultural industry and wider public, on the scheme before a final decision is made

Scheme Design

- We have developed a Scheme which is designed to support all farmers in Wales through a Universal Baseline Payment, based on the completion of a set of Universal Actions. These Actions will be familiar to farmers in Wales, whether beef, dairy, arable, upland, lowland, extensive or intensive. They are actions many of them take on a day to day basis.
- The Scheme has been designed to support those farming the land, active farmers.
- We propose to remove restrictions such as entitlements. This makes it easy for existing farmers and those new to the industry, such as young farmers, to be able to enter the scheme and gain support.
- The Scheme is designed to recognise and support these Actions through advice and a financial payment, therefore improving the resilience and efficiency of farms in Wales.
- Many farmers are already undertaking some of the Universal Actions such as benchmarking and soil testing. We are proposing to recognise this, where possible, and not ask farmers to duplicate work and complete a new set of actions for us.
- We will also be introducing Actions which allows those who want to go further to do so through Optional and Collaborative Actions which will complement the Universal Scheme through additional payments. These will be progressively introduced from 2025.

Climate Change and Trees

- Food production is vital, but the climate emergency is the main risk to food production over the long term, and our natural ecosystems are the best defence we have in the adaptation and mitigation of climate change. We cannot keep having separate conversations about food versus the environment – they are dependent on each other.
- We have to start taking steps now to reduce the impacts of climate change over the coming decades. We want our future generations to be producing top quality food in Wales, but they will be farming in very different conditions to today.
- The Scheme has been designed to help farmers respond to these challenges and help us to meet our commitments to the people of Wales.
- We know that the 10% tree cover requirement has been the most controversial element of the proposals. But trees are only one part of the proposals designed to sequester more carbon, and we recognise the importance of maintaining carbon stocks in soils and grassland.
- We want to see trees built into the farming system and we continue to explore where additional tree planting can be an asset to the farm such as shelterbelts against increasingly erratic weather, so that it is not a choice of trees or producing food. We will provide financial support for those who may need to plant additional trees, and recognise that this can come with restrictions. We continue to review these consequences, such as changes in land value to see what can be done to remove or mitigate them.
- Farmers have told us where they think tree planting is not appropriate, for example on tenanted land where the landlord has retained responsibility for them. We have listened to this and have now removed these areas in our proposals.
- The 10% tree cover requirement will not be introduced until 2030, so those who may need to consider further action have time to do so. We will not apply any retrospective penalty on SFS payments if farmers have not met the requirement by 2030.
- The target is based on advice from the Climate Change Committee who have stated annual tree-planting rates need to be at least 4,500 hectares/year in Wales by 2030.

"Farmers, supported by Government schemes such as the Sustainable Farming Scheme, have a vital role in helping to share the load to reach the target, avoiding widespread land use change."

Carbon sequestration- Soils

- We know agriculture and food production rely on natural processes and so will always cause some degree of greenhouse gas emissions, but land is also a store of carbon in soils, peatland, trees, and hedgerows. The sector also offer a range of potential opportunities to sequester and store further carbon through forestry, soil, and peatlands.
- My monitoring and analysis programme, ERAMMP reviewed all the management options available to farmers to increase soil carbon and concluded that increasing soil carbon has the potential to off-set between 5 – 10% of total agricultural emissions.
- The ERAMMP soil carbon report and the ERAMMP evidence pack alongside other evidence has informed the development of the Sustainable Farm Scheme.
- Direct comparison between carbon storage of different habitats is complex and depends on many factors, although it is acknowledged soil can store significant amounts of carbon.
- The amount of carbon stored in soil can be variable and depends the type of soil and also how the land has been used and managed. There is a difference between habitats in which carbon is stored (such as in soils, oceans) which can act as a “sink” and activities that sequester and store carbon such as tree planting.
- To tackle climate change we need to manage land in ways that preserve existing carbon stores **and, crucially, we need to sequester carbon** to mitigate the effects of rising levels carbon dioxide in our atmosphere while we continue efforts to reduce emissions. This is why the Climate Change Committee include recommendations for tree planting rates to sequester carbon to help Wales reach Net Zero..

Consultation and Payment

- The SFS consultation closes 7 March.
- It is a genuine consultation. We will listen to what farmers have to say about what works well in the scheme and what might need changing. I know officials are already considering changes, for example around the inclusion of stone walls and changes to the Continuous Personal Development (CPD) online training. This has come from listening to the views of farmers at the roadshows.
- I realise farmers are frustrated that we have not published the payment rates, but we can only do this once the scheme has been finalised. The consultation sets out how we intend to incorporate the costs and time of farmers to complete the Universal Actions in determining the payment rate.

- I am also committed to recognise the wider benefits which come from farming, such as our language, culture the landscape and natural environment through a social value payment (on top of costs incurred/income foregone). Determining how to do this is not easy as it is not common practice, but we will continue to work with our Farming Unions and other stakeholders to find the appropriate mechanisms to achieve this.
- In the meantime, the Stability Payment farmers will be able to receive during the Transition Period (2025-2029) will ensure the level of support from the Universal scheme is greater than should they choose to remain in BPS.
- The Scheme has been redesigned so that none of the Universal Actions need to be completed before entering the scheme. Farmers will have time to consider if this voluntary scheme is the right thing for them once we have finalised the scheme details and published the payment rates. This will be later this year, in the summer.
- This current consultation is the result of two previous consultations, two phases of co-design and a Scheme Outline published in 2022. We have refined these proposals thanks to the input of farmers.

Economic Analysis

- The economic assessment is an important piece of work which helped inform our consultation and was discussed with stakeholders in advance of publication. It is not an assessment of the current consultation. .
- It has helped to identify the potential risks of the scheme, such as a potential drop in agricultural output which we are addressing. For example the assessment assumed grazing restrictions on woodland and habitat, which we now propose to remove.
- Full details of our proposals are in the consultation and we would urge people to take part and give us their views.
- The Economic Analysis will be updated together with the Impact Assessment, and both will be presented along with other evidence for Welsh Ministers to consider when making a final decision on the scheme
- They will also be published.

Administrative time and paperwork

- The proposals are based on Universal Actions which will be familiar to farmers, with many farmers already doing them. The Scheme is designed to reward them for this existing practice and time and to support those who may not be doing it at the moment.

- The delivery model is based on the experience of what works well, so founded on SAF and other RPWonline mechanisms. We have also retained the framework of a calendar scheme year and an application period of March – 15 May.
- No Universal Action needs to be completed before joining the Scheme, which differs significantly from the previous proposals from 2022, which constrained entry because of a considerable administrative burden.
- Farms only now need to apply through SAF and a simplified HBR process.
- The time taken to complete the Universal Actions will be included in the payment methodology.
- The administrative requirements of the Scheme are being designed to focus on information which is important to the farm business, to take evidence based actions, and the Welsh Government to validate the payment.
- Where appropriate, records will be retained on farm and not requested. Some of the Actions can be confirmed through the SAF process or via RPW online later in the year, with no additional paperwork.
- The farm time and administrative requirements of the Scheme will form part of the advice I receive when considering the Schemes introduction.
- We will also ensure the protection of the farm data recognising its importance and value.

BPS

- From the June Survey we estimate around 24,500 farms in Wales.
- 16,197 valid BPS 2023 from farm businesses were received.
- In order to claim BPS farm businesses must have a minimum of 5 hectares of eligible land and hold BPS Entitlements.
- Claims for BPS are received on the annual Single Application Form (SAF), of which 16,517 were received in 2023. Not all those that submit a SAF claim BPS and not all farms submit a SAF.

Further background information

- Of the 24,500 farms estimate in the June Survey around 60% account for around 5% of the agricultural output.
- Analysis linking RPW and June Survey data shows that there are four main groups of farms that do not claim BPS:
 - Micro farms (Standard Output of under €25,000)
 - Specialist horticulture farms
 - Specialist poultry farms
 - Specialist pig farms

- The numbers of specialist horticulture, poultry and pig farms are limited (a few hundred), However, they tend to have relatively large agricultural output.
- Responses from Farm Business Survey, which excludes micro farms and the specialists, shows only a handful of non-claimants in any particular year. These tend to be claiming generally but for some reason miss a year.

UK Farm Support Schemes

- **DEFRA position**
- In Wales we have listened to farmers and maintained direct payments, providing them with the stability they asked for whilst we develop our future approach.
- In England, the UK Government has cut the Basic Payment Scheme and has underspent on replacement schemes by hundreds of millions of pounds, as a consequence of a low take up of the options.
- In Wales, the 2024 Basic Payment Scheme was at 100% of 2023 levels, at £238m, compared with cuts of up to 55% to payments in England.

Background

Redacted – not in scope for relating to misinformation, public messaging strategy, or reputational risk

- **Scotland**

I believe they are still proposing to have 4 tiers with an increasing emphasis on climate change and wider outcomes from agriculture.

Their tiers 1 and 2 are expected to be closest but not replicate the direct aid currently provided.

Officials are meeting with colleagues from Scottish Government in the next couple of weeks to understand more of their model and to share our approach.

Protests across Europe

- The farmer protests across the EU are generally a response to EU policies and regulations combined with the impact of free trade agreements. Since leaving the EU, we have remained focussed on preparing our Sustainable Farming Scheme, our long-term domestic approach to support the resilience

of our agricultural industry in Wales. In this period we have demonstrated our continued commitment to the sector, during a very challenging time.

- As part of the consultation, we have held open events across Wales, to meet and discuss the proposals directly with farmers.

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Farmer Mental Health and Wellbeing

- The Welsh Government supports a number of important activities to aid mental health in rural communities. This includes the Wales Farm Support Group which brings together farming charities, to share knowledge and expertise providing a strong coordinated position on mental health support for the agriculture industry in Wales. I meet with the Group often, most recently at the Winter Fair in Builth Wells.
- The work of the farming charities is more important now than ever, in these uncertain times, it is vital that people can access the support they need.
- I have invested £45,000 to develop Farmwell Wales, an information hub on personal and business resilience for farmers and their families. The online resource has supported over 9,000 users since it was launched in March 2020.
- The Welsh Government published consultations on the new Mental Health and Wellbeing, and Suicide and Self Harm Prevention Strategies for Wales on 20 February. The consultations will close on 11 June 2024. Officials from agriculture and health are working together to ensure any new strategies will endeavour to support rural and farming communities.
- The DPJ Foundation has been awarded a Bereavement Support Grant of £52,135 for the three-year period between 2021-24, to improve the provision of bereavement support to the agricultural community.

Young Farmers and New Entrants

- Farming is very important to Wales and our economy and we want a successful future for Welsh farming.
- We continue to support young and new entrants to the agricultural industry through programmes such as Farming Connect and Start to Farm.
- We have had a seven-year conversation with farmers to design future farming support and we are committed to continuing to working with farmers to develop the Sustainable Farming Scheme. We propose to remove restrictions

such as entitlements. This makes it easy for existing farmers and those new to the industry, such as young farmers, to be able to enter the scheme

Bovine TB

- I have seen the devastation a TB breakdown brings to farming families and businesses. The on-farm slaughter of TB reactors, although sometimes unavoidable, can be particularly distressing to witness.
- In many cases on-farm slaughter is unavoidable if cattle cannot be transported to an abattoir for animal welfare reasons, or if they are unfit for human consumption.
- As I announced in my [November Statement](#), and reiterated in plenary discussions, I want the bovine TB Technical Advisory Group (TAG), once established, to consider the policy of on-farm slaughter as a priority. Applications for appointment to the TAG are currently being considered.
- The mental health of those involved in the agricultural industry is of great concern to me. I would strongly encourage anyone suffering with stress or other mental health issues to speak to an expert in this field.
- The Welsh Government works with industry led and third sector organisations such as Farm Community Network (FCN), Tir Dewi, and the DPJ Foundation as well as the FCN run FarmWell information Hub. These organisations provide excellent services to help support keepers who contact them.
- Our Programme for Government makes clear we will not cull badgers. Studies have shown cattle-to-cattle transmission rates are greater than badger-to-cattle. There are ways farmers can limit the introduction of TB into their herds through good biosecurity. This includes measures such as limiting badger contact and reducing the risk of buying in infected cattle. It is important for farmers to discuss such measures with their vet.
- Government cannot eradicate TB alone. Partnership working with our farmers and vets is crucial to reach our shared goal of a TB-free Wales.
- In March 2023 I launched a new 5-year Delivery Plan which sets out policy direction going forward under the steer of our Chief Veterinary Officer.
- On 14th November 2023, I made an oral statement about the TB Eradication Programme.
- Renewed Programme Governance will be central to taking TB eradication forward and recruitment to a new Programme Board and Technical Advisory Group are currently underway. Initial selections for membership of the Technical Advisory Group (TAG) have been made, these are subject to the normal confirmation processes.

- A key aspect of the programme going forward is the review of farmer support and engagement and in particular the future of Cymorth TB.
- The Welsh-Government funded Pembrokeshire Project commenced in 2023. It is working in collaboration with industry to empower vets and farmers to make informed decisions and show leadership in TB control.
- While overall across Wales we are seeing progress in tackling bovine TB, with new herd incidents decreasing over the long-term, we fully recognise the TB situation varies across different parts of Wales, which is why we are taking a targeted approach. Every individual TB breakdown is distressing and has a huge impact on the farmer concerned, which cannot be underestimated.
- On 1 February 2024, Pre-Movement Testing of cattle or other bovine animals located in the Low TB Area (LTBA) of Wales was re-introduced. This change was made in response to an increase in the local spread of TB in the LTBA, some of which was due to legal localised movements of untested cattle.
- I am very aware of the distressing impact of bovine TB on the health and well-being of our farmers and their families. This is why we are absolutely determined to eradicate bovine TB in Wales as set out in our Delivery Plan.

Agricultural Pollution

- The majority of farmers in Wales truly value our environment and want to protect it.
- They recognise regulations are needed to protect the environment from poor practice, which is causing considerable damage to the reputation of the sector. They also understand that other sectors are heavily regulated in comparison.
- The regulations we have introduced are based on good practice recommendations and mirror farm assurance requirements, which have been implemented by farms for decades.
- We will shortly be reviewing the Control of Agricultural Pollution Regulations.
- As part of that review, we will consider the challenges which have been raised by the sector. The protection and recovery of the environment and the reputation and long-term sustainability of the sector must be at the forefront of any policy decisions going forward.
- We would urge anyone who is unclear what the Regulations will mean for them to get in touch with one of the many sources of support available. Advice, guidance and support is available from our website, from Farming Connect or the dedicated technical helpline.

- Welsh Government remains committed, through the Co-operation Agreement with Plaid Cymru, to working with the farming community in the deployment of the regulations to improve water and air quality, taking an approach targeted at those activities known to cause pollution.
- In line with this commitment and following concerns raised by the sector, I introduced a time-limited Enhanced Nutrient Management (ENM) approach. This will enable farms, where appropriate, to continue to apply a higher amount of livestock manure to their land until January 2025.
- This change demonstrates I am listening to the concerns of the sector and willing to act where it is appropriate to do so.

Net Zero Wales - Agriculture

- Welsh agriculture is at the heart of many of our rural communities. Our high standards in food and farming are key to our response to the climate emergency and our plans for enhancing biodiversity.
- Our future generations will be farming in much more challenging conditions, and we must act today to adapt and mitigate for this.
- This is why the Welsh Government published its Net Zero Wales Plan to set out the pathway to net zero by 2050. It describes how the actions of many will put us on the path to net zero and a greener, stronger, fairer Wales.
- We are continuing to work on the policies and proposals laid out in Net Zero Wales as we finalise our work on Carbon Budget 2 and are continuing to explore future policies for agriculture as we look ahead to the targets set out in Carbon Budget 3.
- We know agriculture and food production rely on natural processes and so will always cause some degree of greenhouse gas emissions, but land is also a store of carbon in soils, peatland, trees, and hedgerows. The sector also offer a range of potential opportunities to sequester and store further carbon through forestry, soil, and peatlands.
- Our current agricultural emissions are largely dominated by enteric fermentation (largely from cattle and sheep) and manure management, with fertilisers and fuel for agricultural machinery also contributing to the sector's carbon footprint.
- Agriculture in Wales will have to adapt and use all available low emission technologies throughout the whole sector (such as minimising inputs, maximising efficiencies and outputs, precision farming and optimal slurry and manure usage and storage) to address these emissions.
- Transitioning to net zero in agriculture is a technical, cultural and societal challenge and the sector will need significant support to ensure it is equipped with the skills and knowledge to enable a just and timely transition within the rural community.

- The Welsh Government will work with and support farmers and land managers through this transition and I welcome the excellent work already being done by farmers to decarbonise their farms.
- The challenge of climate change requires everyone to work together across geographic and sectoral boundaries, and collaboration is essential if we are going to be successful.

Agriculture Inventory

Background

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Food System and Food Security

- The agri-food system operates across the UK with common supply chains which include significant import / export elements.
- This is a common global system and production tends to be specialised by location.
- For this reason, Welsh agriculture is strong in lamb, beef and dairy. Fruit and vegetables are less widely produced but are produced in other parts of the UK or imported where the climate, soil and topographical conditions are more favourable.
- Fruit and veg supply sources are diverse which is a strength in the supply chain.
- Any region or country which is highly dependent on its own local production is at risk of severe shortages if hit by flooding, drought or other disaster.
- It is sensible to rely on diverse sources and trying to balance local supply and demand brings its own risk.
- The Welsh Government engages in regular dialogue with organisations and businesses throughout the agri-food industry.
- The information gathered at these meetings is kept under review and is used to provide an up-to-date assessment of issues relating to food security, both immediate and long-term, and to identify possible mitigation measures.
- The Welsh Government is working with the UK Government to produce the next food security report which considers UK Food Supply Sources and supply chain resilience.

- The Welsh Government has comprehensive business support programmes in place. These provide advice and assistance. We will use them to support businesses through this difficult period.

Defensive lines to take

- There is no indigenous Welsh 'food system' as such. The industry is fully integrated across the UK and further afield.
- Around 98% of all food, drink and grocery sales in Wales are from large supermarket retailers who exert a strong influence in supply chains.

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Welsh lamb

- Approximately 5% of lamb from Wales is consumed in Wales, approximately 60% is consumed in the rest of the UK, and 35% is exported overseas. Key markets outside the UK for Welsh Lamb were, Belgium, France, Germany, Hong Kong, Italy, Ireland and Netherlands.

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