

Pwyllgor Amaethyddiaeth a Datblygu Gwledig ARD 14-01(p1)

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Nid yw'r cyfieithiad Cymraeg ar gael ar hyn o bryd.

Cynllun Adferiad Gwledig

The Rural Recovery Plan is attached, detailing the measures endorsed by the Rural Partnership on 24 July. The subsequent financial package was announced by Ministers on 26 July. Budgets for individual measures are set out in the body of the Plan.

**RURAL
RECOVERY
PLAN**

RURAL RECOVERY PLAN

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INTRODUCTION

Background

The first case of Foot and Mouth Disease (FMD) occurred in Wales on 27 February, 2001. Since then there have been over 100 confirmed cases including those in South Powys and Monmouthshire in June and July. The effect on businesses and farming in Wales has been substantial. In all, some 320,000 animals have been destroyed. Tourism and a wide range of rural businesses, including some in urban areas, have seen their business seriously disrupted. For many people, whether on their farms or tourism businesses or elsewhere in our rural communities, the disruptions still continue.

Many organizations have responded positively and quickly to provide help to rural communities in this crisis. A range of advice and other measures including financial aid has been made available to farmers and other rural businesses from the start of the outbreak by the National Assembly, local authorities, Assembly Sponsored Public Bodies and voluntary bodies.

The National Assembly for Wales working with its partner organizations in the Wales Rural Partnership set up a Task and Finish Group to assess the economic impact of FMD and make recommendations about actions necessary to re-launch the rural economy when the disease abated. The Group was chaired jointly by the Deputy First Minister and Minister for Economic Development at the Assembly, Mike German, AM, and Carwyn Jones, AM, Minister for Rural Affairs. Its membership was drawn from the membership of the Rural Partnership strengthened for this task by the addition of others from the agri-food sector, the social sector and local authorities particularly hard hit by the disease. A list of the members of the Group and its terms of reference are at appendix B.

The Task and Finish Group was supported in its work by a Joint Secretariat comprising officials from the Welsh Local Government Association, the Wales Council for Voluntary Action, the Welsh Development Agency and the National Assembly with the addition of Powys and the Isle of Anglesey County Councils and Cytun. The Joint Secretariat met weekly during the height of the crisis and consulted widely among its own members and other bodies. It invited proposals from all the member organizations and a range of other interested bodies about the measures necessary to aid economic recovery. A list of those bodies that submitted proposals is at appendix D.

The Recovery Plan

The objective of the Group was to put in hand immediate measures that would help farm, tourism and other businesses cope with the crisis and to consider medium term proposals which would help rural communities and businesses

of all kinds to recover. The recovery plan sets out measures aimed to achieve these ends.

Structure of the Plan

The measures are presented in section 2 of this plan on a thematic basis rather than by organization. Measures are divided into themes such as business support, marketing and tourism. They are set out in four sections: immediate measures to help businesses survive the crisis now, on an all Wales and a local basis; and medium term measures to stimulate economic recovery, again on an all Wales and local basis. Budgets and lead agencies to implement the measures are also shown.

Budget

The Assembly has allocated additional resources totalling £60 million to fund the recovery plan. This includes the substantial measures introduced to help business since the start of the outbreak and is separate from any spending by local authorities and others in response to need in their areas. In addition, a number of agencies have been able to re-prioritise spending from existing allocations to respond to Foot and Mouth. The measures in the recovery plan have a total value of £65 million. A financial table summarising the funding is at section 3.

Key Measures

Taking account of the proposals submitted to the Task and Finish Group, the key measures set out in the recovery plan address the need to provide financial help to business, the need for measures to stimulate recovery and the need for action to alleviate rural stress. The following measures are therefore included:

- additional funding to aid rural business recovery by means of a further Special Grant Report for local authorities
- action in the agri-food sector including additional marketing to recapture lost markets at home and abroad
- additional business support
- grants for enterprise development
- support for tourism business marketing and development
- support for farm business development and diversification including forestry
- a fund for major integrated tourism, leisure and environmental projects
- a fund for major integrated rural community regeneration projects
- funds for the relief of personal hardship, the provision of advice and support and community health workers to tackle rural stress
- action on rural skills and training

Longer Term Issues

In addition, the crisis has given rise to consideration of a number of other fundamental questions about the future of farming and the state of rural Wales. Many of these are long term issues and as such cannot be addressed in this report by the Task and Finish Group of the Rural Partnership. But they are issues to be picked up by the National Assembly and other bodies including the Rural Partnership in their longer term consideration of agricultural practices and food supply chain development and in developing rural policy.

Farming Futures

Foot and Mouth Disease has underlined fundamental issues about how agriculture can adapt and become more prosperous and sustainable. The Farming Futures Group has been reconvened by Carwyn Jones, AM, Minister for Rural Affairs, to take these issues forward. The disease has brought home the interdependent nature of the rural economy, but a most severe impact has been felt in agriculture itself. Not only have so many animals been compulsorily slaughtered in Wales, but the export markets for the livestock industry have been closed, and the inevitable restrictions on livestock movements have meant that the whole livestock sector has been unable to operate normally. The practical side effects in terms of the pressure on fodder supplies will be felt for a long time, and while export markets remain closed, the impact on the commercial viability of the sheep sector in particular will be severe.

Farmers who have had livestock compulsorily culled are being paid full market value compensation by MAFF. Some £58 million has already been paid out to farmers in Wales. In addition, the Livestock Welfare Disposal Scheme has been made available to ease the situation where farmers have been unable to move stock.

Farmers, like those in tourism and other non-farming businesses, are not able to claim compensation for consequential losses, unless they were insured against foot and mouth disease. A derogation from the normal rules (EC No 1458/2001) has been agreed with the European Commission to protect livestock subsidy payments of those farmers affected by FMD. Further temporary changes to the rules are under consideration.

European Structural Funds and the Rural Development Plan

The Single Programming Documents under the European Structural Funds Programme 2000-2006 and the Rural Development Plan were developed and approved by the European Commission before the outbreak of Foot and Mouth. In particular the designation of Objective 1 and Objective 2 areas was made on the basis of data available before the outbreak. The Welsh European Funding Office is discussing with the Commission the possibility of flexibility in relation to completing spend on projects under the Objective 5b programme of

the 1994-1999 round of structural funds which have been delayed as a result of the disease.

The 2000-2006 Structural Funds programme will be subject to a mid-term review in 2003. Work on this will begin in the Autumn of 2002. An evidence based case will have to be made as part of this review to show the impact of Foot and Mouth if there is to be any change to the programmes as a result of the disease.

The measures set out in this plan will also target help to those areas most affected by the disease particularly outside the Objective 1 area, through measures such as the Farm Business Development Plans, Farm Business Options Reviews and Capital Grants and a new grant scheme for enterprise and new businesses in non-assisted areas.

Farming Connect

It is vital that those who have had animals culled should have good advice and information on which to take decisions for the future. Information has been issued on a range of technical farming and farm business issues from restocking grass to the Farming Connect Farm Businesses Options Reviews which were introduced in June. These reviews have been accelerated to help farmers cope with the impact of FMD and the rest of Farming Connect will be rolled out from September as farm access becomes freer again, offering farm business advice, technical support and capital grants.

Exports

The loss of export markets has had a major impact on the agricultural industry. Welsh farming needs to regain markets within UK and abroad. This is a big challenge. Approximately 40% of Welsh sheep meat production is exported each year. If this output has to be absorbed onto the domestic market, it is anticipated prices will slump this autumn even lower than levels achieved in recent years.

Lifting of the export ban on meat exports by the EC is therefore vital and this means that completing the eradication of FMD must remain the top priority. It is important that farmers and others maintain bio-security measures, and keep their guard up, and recognise the need for continuing restrictions. The latest outbreaks have been a warning to all. Lifting the ban will need the agreement not just of Commission but of a majority of member states in the Standing Veterinary Committee and they are bound to take a cautious approach. The realistic aim is to ensure that general lamb exports restart by Autumn 2002. The Assembly will continue to pursue this matter strenuously with the Department for Environment, Food and Rural Affairs.

Marketing Welsh Meat

It is therefore inevitable that Welsh farming will have to weather this autumn without export markets. The industry cannot do so without special help not

least as light lambs which are generally exported fall outside normal supermarket buying specifications. Consequently, the recovery plan includes important support for the agri-food sector. The Assembly allocated an additional £1m to the WDA in March and additional proposals are included in the recovery plan to include both short and medium term measures to help the industry including marketing. The WDA will also work with partners at the Meat and Livestock Commission and Welsh Lamb and Beef Promotions Ltd to help rebuild our markets for top quality Welsh lamb and Welsh beef as soon as possible both at home and abroad to re-establish the success the industry was having before the disease struck.

Marketing, however, will not in the very short term, solve the problem. It will be necessary to introduce measures to take products off the market. This could only be done by means of a GB wide scheme given state aid rules and the National Assembly will continue to pursue these issues with the UK Government.

Tourism

The tourism industry has been seriously affected as a consequence of FMD with considerable losses recorded in numbers of overseas and home visitors. Rural businesses in Wales reliant on incomes from tourism have been badly affected. The Wales Tourist Board from the beginning of the outbreak has striven to promote Wales as a tourist destination and keep up visitor numbers. The closure of footpaths by local authorities was an unavoidable necessity in order to control the spread of the disease. Government and Assembly issued guidelines in conjunction with the farming unions, the WLGA and other bodies to relax access restrictions and re-open footpaths as soon as possible particularly in non-affected areas. A copy of the Guidelines is at appendix E. As a consequence, the Wales Tourist Board (WTB) have included measures within the Rural Recovery Plan to activate immediate marketing campaigns along with revised medium and long term strategies to address the difficulties in this sector.

The rationale behind the suggested marketing proposals is to enable activities and resources to encourage the industry to market itself out of the crisis. This will be achieved by the industry working in partnership with the WTB and other marketing partners. The marketing initiative, complimented by development proposals, will also focus on those parts of the industry most affected by the crisis.

A **Marketing Replacement Fund** is to be introduced to provide an innovative and effective way of directly supporting individual businesses that have been negatively affected whilst ensuring any financial support goes directly to promoting Wales and the individual businesses out of the current crisis.

This is coupled to an **Advantage Scheme** marketing initiative which has proved successful in terms of industry take up and consumer response to marketing features. An **Area Marketing Fightback Fund** will be established

to encourage innovation and effective campaigns from the Marketing Areas and Regions. Preference will be given to those areas most seriously affected.

There is a clear need for a targeted initiative that seeks to launch rural holidays and products. The **Rural Marketing Initiative** envisages co-operative ventures with National Parks and other organizations to focus on farm holidays, country pursuits and other rural activities. A **Rural Development Fund** will be established to develop activity based holidays, such as horse riding in the Beacons, water sports in mid Wales, walking and climbing and assist all types of related accommodation in the affected areas. Business plans could be supported with grant support available for specific investment needs. This would be a mixture of capital grants and revenue support (e.g. training, consultancy).

Recognising the significance of tourism to the rural economy and indeed to the economy of Wales as a whole, as well as to environmental and other issues, the Plan contains significant new measures to help the tourism sector.

Help to Business

The Assembly recognised the need to provide immediate help to rural businesses affected by Foot and Mouth. A package of measures was introduced including additional advice and business support and a business rates relief package introduced through a **Special Grant Report** of £12m administered by local authorities. The Assembly negotiated with banks and others such as the Inland Revenue and HM Customs and Excise for a flexible and sympathetic approach to interest and tax payments. The Small Firms Loans Guarantee scheme operated by the Department of Trade and Industry was extended to help more firms in response to the crisis. Details of the assistance made available to business are set out in appendix A. This has remained a crucial area of help needed by the businesses community in response to the disease and an additional package of measures is included in the recovery plan to provide further assistance. A further **Special Grant Report** of £9m will be made available to the local authorities to provide additional assistance to businesses.

Business Support and Infrastructure

Additional business support will be provided focusing on access to markets and finance, promotion of technology transfer and innovation, specialist business advice, use of ICT and support for rural skills development. Rural businesses are to be given increased priority in these areas. Additionally, the WDA have given priority to a **Diagnostic and Support Scheme** for rural businesses impacted by FMD.

Support will also be available through property development grants and the **CADEG Scheme** for business infrastructure as well as direct build. An enhanced property programme will be introduced and targeted at those areas worst affected by FMD.

Community Regeneration

Additional funding provided in the Rural Recovery Plan will enable the Welsh Development Agency to establish a **Community Regeneration Scheme** across Wales with specific focus on communities that have been severely impacted by FMD. The Agency will be able support community based regeneration projects in some 10-20 locations. The immediate task is to work with local groups and key partners including local authorities, voluntary organizations and community groups and others to develop community regeneration proposals. In future years capital and revenue funding will be made available to address social and environmental as well as economic regeneration including town improvement/environmental improvement grants and other sectoral support.

Rural Stress

The disease has also increased the stress and distress under which farmers and others in our rural communities have lived for the last several months. In addition to its business and farming advice helplines the Assembly acted quickly to extend the CALL helpline on rural stress to cover the whole of Wales and introduced additional measures to cope with the emotional and personal impact of the disease. Further measures are included in the plan to help cope with rural stress.

The crisis has also put great extra stress on people and organizations that have been and still are “picking up the pieces” whether in a formal volunteering situation spending more hours on a telephone helpline, or totally informally as a good neighbour. This element of volunteering – the social glue – and its value is vital to the sustainable recovery of rural Wales.

On 23 March 2001 the Minister for Rural Affairs announced the setting up of a **Rural Hardship Fund** to match fund public donations given for the relief of personal distress and hardship. Charitable bodies such as the ARC Addington Fund and the Royal Agricultural Benevolent Institution have already spent over £1m in Wales helping people whose livelihoods have been affected by Foot and Mouth and have received a further £1m in match funding from the Assembly. The scheme was initially open to applications to 20 July and charities have up until 31 December 2001 to spend the funds. Consideration is being given to extending the fund. Details of the fund are at appendix F.

Partnership

Lead agencies have been identified for the implementation of these measures which will be delivered at the local level by a number of bodies working together. Key partners will include local authorities, other public bodies such as National Parks, the Environment Agency, voluntary bodies and the communities themselves.

This report represents the outcome of a great deal of hard work by many people working together against a tight timetable in a wide range of different sectors of the Welsh economy. The needs of farming, the food industry, tourism, other businesses and the rural community as whole have been taken into account. The issue of rural stress and the emotional impact of the disease on people in rural communities whether they have lost their animals or seen their businesses take a severe knock have been addressed as part of a wide ranging response to the impact of the disease. If there is any silver lining to the crisis it has been the experience of different agencies working together to find a way forward.

The proposals are a measure of what they consider to be essential, practical and affordable to help the economy of rural Wales recover from the effects of the disease. Some of the measures set out in this plan are already available, others will be introduced with immediate effect and the new schemes will be worked up in detail by the lead agencies. As they are put into effect by the various agencies identified the outcome will be to take the economy of Wales forward in a positive and fruitful way for the future.

National Assembly for Wales
Welsh Local Government Association
Welsh Development Agency
Wales Council for Voluntary Action

Rural Partnership Joint Secretariat July 2001

BUSINESS SURVIVAL - ALL WALES

BUDGET £

Matters for Immediate Action

Themes	Budget (£ 000's) 2001-02	Lead Body
BUSINESS SUPPORT		
LA Special Grant Report		
<ul style="list-style-type: none"> Funding provided by the National Assembly to assist Local Authorities implement business rate relief and other business support measures to counter the economic effect of FMD 	12,000	Local Authorities
Rural Business Recovery Fund		
<ul style="list-style-type: none"> A further Special Grant Report will be made to Local Authorities to provide direct and indirect support to businesses directly or indirectly affected by FMD. This will be concentrated on the predominantly rural areas most affected by the disease. 	9,000	Local Authorities
Farming Connect		
<ul style="list-style-type: none"> Additional support for a range of schemes incorporating training, information, advisory services, access to grants for improvement/diversification/processing and a technology transfer system linked to a network of demonstration farms and groups. It will enable the agricultural industry in Wales to improve business viability, access new markets for their products and adopt environmental and welfare friendly techniques. Farm Business Options Reviews, Farm Business Development Plans and Capital Grants will be targeted on the areas hardest hit by the disease and additional resources will be provided for non-Objective 1 areas under the Rural Development Plan 	500	Welsh Development Agency
Forest Enterprise		
<ul style="list-style-type: none"> Additional support for a range of schemes in the timber sector and forest tourism 	100	Forest Enterprise

BUSINESS SURVIVAL - ALL WALES continued**Themes****Budget (£ 000's) 2001-02****Lead Body****TOURISM**

The National Assembly will provide the WTb with additional resources for marketing and development schemes to counteract the effect of FMD on investment and promotion by tourism businesses. They will include:

Marketing

- Marketing Replacement Fund - to allow businesses to re-claim marketing expenditure directly affected by FMD
- Advantage Scheme – to enable local businesses to buy into well established publications at reduced rates through the WTb
- Area Marketing Fightback - to encourage marketing campaigns . Areas worst affected by FMD would be priority targets
- Rural Marketing - a co-operative initiative to relaunch rural holdings and products

Wales Tourist Board

Wales Tourist Board

Wales Tourist Board
& Local Authorities

Wales Tourist Board

3,350

Development

- Rural Business Development Fund – to provide capital and revenue support for activity based holidays and all other types of related accommodation in the affected areas

Wales Tourist Board

2,000

BUSINESS SURVIVAL - ALL WALES continued**Themes****Budget (£ 000's) 2001-02****Lead Body****AGRI-FOOD****Marketing**

- Marketing is a key factor in the recovery and development of Welsh food markets. Support for action to recapture markets at home and abroad, find new markets, develop new products, and to work with retailers to formulate new ways of branding. The recapture of the red meat markets and identification of markets for light lambs within the UK are priorities

3,200

Welsh Development Agency

Farm Diversification

- Additional resources for the WDA to promote farm diversification as part of the Farming Connect package of measures

100

Welsh Development Agency

RURAL SKILLS AND TRAINING**ELWa**

- ELWa have re-prioritised their programmes to focus on those areas hardest hit by FMD

1,500

ELWa

BUSINESS SURVIVAL - ALL WALES continued

Themes	Budget (£ 000's) 2001-02	Lead Body
RURAL STRESS		
<ul style="list-style-type: none"> At the beginning of the crisis, the CALL helpline was extended to provide an all-Wales service and to be available for longer hours in response to demand. Additional funds will be made available to support further initiatives to provide advice and support to alleviate rural stress Additional funding to increase the Rural Hardship Fund to £2 million to match fund public donations 	150	Voluntary bodies
<ul style="list-style-type: none"> Additional funding to increase the Rural Hardship Fund to £2 million to match fund public donations 	2,000	National Assembly through Countryside Agency & voluntary bodies
COMMUNITY REGENERATION		
Community Regeneration Scheme		
<ul style="list-style-type: none"> Building on the success of the Market Town and Small Towns & Villages Enterprise Initiatives the National Assembly will establish a fund to support projects across Wales to facilitate community based rural regeneration initiatives. The fund will be managed by the WDA who will work up proposals to operate a scheme. Projects may be based around rural market towns or operate over scattered communities. It is proposed that they should be driven by locally based consortia including local authorities and the National Parks where appropriate, other local bodies including the voluntary and private sectors. The programme will build upon the WDA Community Regeneration Toolkit and will make links where appropriate with other initiatives such as the Environment Development Fund managed by the National Parks. Pump priming funding will be provided to get the initiative on the ground in the current financial year 	500	Welsh Development Agency
Promotion & Marketing, Communications, Shows and Events		
<ul style="list-style-type: none"> A fund will be set up to support communications, shows and other events to replace shows that have been cancelled as a result of Foot & Mouth. These will provide valuable local marketing, trading opportunities and a boost to morale 	500	National Assembly, Welsh Development Agency & Young Farmers Clubs

BUSINESS SURVIVAL - LOCAL

BUDGET £

Matters for Immediate Action

Themes	Budget (£ 000's) 2001-02	Lead Body
BUSINESS SUPPORT		
Farm Business Options Reviews		
<ul style="list-style-type: none"> Farm Business Options Reviews are operated through Farming Connect and targeted at farm businesses directly affected by FMD. The aims are to re-establish businesses and evaluate relevant alternative strategies 	1,000	Welsh Development Agency
Capital Grants		
<ul style="list-style-type: none"> Capital grants will be available to help farm businesses develop and diversify in response to FMD. Will be targeted at areas hardest hit by the disease and areas outside the Objective 1 area 	500	Welsh Development Agency
Support for Rural Businesses		
<ul style="list-style-type: none"> Funding to encourage new and existing businesses in Wales to become and remain competitive with a range of business advice and support. Rural businesses will be given priority especially those hit by FMD within infected areas 	500	Welsh Development Agency
RURAL STRESS		
<ul style="list-style-type: none"> Additional funds will be provided to provide four community mental health workers in the most badly hit areas, one in Anglesey, two in Powys and one in Monmouthshire 	100	Community Mental Health Teams

RECOVERY MEASURES - WALES WIDE

BUDGET £

Action for Mid Term Recovery

Themes	Budget (£ 000's) 2002-03	Budget (£ 000's) 2003-04	Lead Body
AGRI-FOOD			
<ul style="list-style-type: none"> A comprehensive and wide reaching food marketing programme to be implemented by the WDA. The thrust will be to secure extended markets for light lambs in the UK through structured in-store promotions with major multiples. Effective branding for Welsh produce will continue to be developed for international markets. Measures are also included to increase product quality through stabiliser projects supplemented by a livestock management and marketing programme and to promote local food supply chain developments such as farmers markets 	1,000	1,000	Welsh Development Agency
ENVIRONMENT			
Forestry & Woodland Management			
<ul style="list-style-type: none"> A series of measures introduced by the Forestry bodies to promote sustainable development of woodland in line with proposals for the Wales Woodland Strategy. These will include Treetop Trails, Wildlife Interpretation, Forest Open Days and the development of cycleways. Sustainable farming practices will be encouraged, timber certification from sustainable woodland is to be introduced and a capital grant programme to add value to timber products will be implemented. A high profile marketing campaign is to be launched featuring of the woodland estate in Wales 	400	800	Forestry Commission
	200	200	Forest Enterprise

RECOVERY MEASURES - WALES WIDE continued Themes

	Budget (£ 000's) 2002-03	Budget (£ 000's) 2003-04	Lead Body
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Renewable Energy – Farm Woodland & Biomass

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|--|-----|-----|--------------------------|
| <ul style="list-style-type: none"> Additional funding for development of a renewable energy programme for Wales, targeted at the managed utilisation of the existing woodland resource & biomass production and added-value timber processing. Opportunities will be explored to establish primary and regional heat generation plants and forge links with other key sectoral developments | 200 | 300 | Welsh Development Agency |
|--|-----|-----|--------------------------|

INTEGRATED TOURISM, LEISURE & ENVIRONMENTAL PROJECTS

The National Assembly will establish a fund to promote integrated tourism, leisure and environmental projects. The aim will be to support projects, which :

- Increase opportunities for leisure and tourism in woodland, angling, walking and other activities, for instance, through creating and promoting;
 - New national trails
 - Opportunities for recreational fishing
 - Improved access by means of walking trails, footpaths, waterways and cycleways and environmental improvements and maintenance which support these
 - Improved local accommodation & catering
- Encourage wildlife in ways which tourists can appreciate;
- Conserve and celebrate the area's archaeological, historical and cultural heritage;
- Help local people including farming, tourism and other local businesses gain a slice of income from tourism, through improved accommodation, catering facilities and activity facilities, and other links to communities.

The Wales Tourist Board and the Countryside Council for Wales will jointly convene a Task and Finish Group including local authorities, National Parks, voluntary sector bodies and others to work up proposals to develop exemplar integrated countryside and tourism development projects. The Forestry Commission, CADW and the Environment Agency will have important roles in providing expert advice. In-depth involvement of local people and industry interests must be the key-note if projects are to be successful

2,000	3,000	Wales Tourist Board & Countryside Council for Wales
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RECOVERY MEASURES - WALES WIDE continued
Themes

	Budget (£ 000's) 2002-03	Budget (£ 000's) 2003-04	Lead Body
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BUSINESS SUPPORT
Farming Connect

- Additional funding to develop Farming Connect on an all-Wales basis and increase the proportion of funding for Farming Connect outside the Objective 1 area. Additional resources will also be targeted at the worst hit areas. Will provide training, information, advisory services, access to grants for improvement, diversification, processing and technology transfer linked to a network of demonstration farms and groups to help farmers develop and diversify their businesses, improve business viability, access new markets for their products and adopt environmental and welfare friendly farming, Farm Business Development Plans and access to Capital Grants

2,000	2,500	Welsh Development Agency
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Farm Diversification

- Additional resources for the WDA to promote farm diversification as part of the Farming Connect package of measures

200	200	Welsh Development Agency
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Enterprise Support

- Additional funds to support enterprise and business development by SMEs. Eligible expenditure being considered for the scheme includes investment, training, new start-ups and R&D. A Task and Finish group is currently considering the issue and a new scheme is scheduled to commence in April 2002

2,000	3,000	To be agreed
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Infrastructure

- Additional funding for the provision of business premises including direct build, property development grants and the CADEG scheme.

1,000	1,000	Welsh Development Agency
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RECOVERY MEASURES - WALES WIDE continued Themes

	Budget (£ 000's) 2002-03	Budget (£ 000's) 2003-04	Lead Body
RURAL STRESS			
<ul style="list-style-type: none"> Additional funds to support development of initiatives to provide advice and support to alleviate rural stress 	150	150	Voluntary Bodies
COMMUNITY REGENERATION			
Community Regeneration Scheme			
<ul style="list-style-type: none"> Continuation of the fund to support projects across Wales to facilitate community based rural regeneration initiatives. Projects may be based around a market town or operate over scattered communities. They will be driven by locally based consortia and will build upon the WDA Community Regeneration Toolkit and make links where appropriate with other initiatives such as the Environment Development Fund. The funds will be managed by the WDA 	1,500	3,000	Welsh Development Agency
Promotion & Marketing Shows and Events			
<ul style="list-style-type: none"> Continuation of the fund to support shows and other events to replace shows that have been cancelled as a result of FMD. These will provide valuable local marketing, trading opportunities and a boost to morale 	400	400	Welsh Development Agency & Young Farmers Clubs

RECOVERY MEASURES - LOCAL

BUDGET £

Action for Mid Term Recovery

Themes	Budget (£ 000's) 2002-03	Budget (£ 000's) 2003-04	Lead Body
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BUSINESS SUPPORT

Support for Rural Businesses

- Funding to encourage new and existing businesses in Wales to become and remain competitive with a range of business advice and support. Rural businesses will be given priority especially those hit by FMD within infected areas

500

500

WDA

RURAL STRESS

- Continuation of funding to support four community mental health workers in the most badly hit areas, one in Anglesey, two in Powys and one in Monmouthshire

200

200

Community
Mental Health
Teams

3. FINANCIAL TABLE

MEASURES	2001-02	2002-03	2003-04	TOTALS	LEAD AGENCY	£000s
BUSINESS SUPPORT						
General						
Special Grant Report	12000	0	0	12000	Local Authorities	
Special Grant Report	9000	0	0	9000	Local Authorities	
Business Services	500	500	500	1500	Welsh Development Agency	
Infrastructure	0	1000	1000	2000	Welsh Development Agency	
Enterprise Support	0	2000	3000	5000	to be agreed	
Tourism						
Marketing	3350	see below	see below	3350	Wales Tourist Board	
Development	2000	see below	see below	2000	Wales Tourist Board	
Rural Skills & Training						
ELWa	1500	0	0	1500	ELWa	
Farm Businesses						
Agri-Food	3200	1000	1000	5200	Welsh Development Agency	
Farming Business Development Plans	500	500	500	1500	National Assembly & Welsh Development Agency	
Farm Business Options Reviews	1000	0	0	1000	National Assembly & Welsh Development Agency	
Capital Grants	500	1500	2000	4000	National Assembly & Welsh Development Agency	
Farm Diversification	100	200	200	500	Welsh Development Agency	
Farm Woodland & Biomass	0	200	300	500	National Assembly & Welsh Development Agency	
Timber Industry & Forest Tourism	100	200	200	500	Forestry Enterprise	
Forestry Sector	0	400	800	1200	Forestry Commission	
TOURISM & ENVIRONMENT						
Integrated Tourism, Leisure & Environmental Projects	0	2000	3000	5000	Wales Tourist Board & Countryside Council for Wales	
COMMUNITY REGENERATION FUND						
Community Regeneration Scheme	500	1500	3000	5000	Welsh Development Agency	
Communications, Shows & Events	500	400	400	1300	National Assembly, Welsh Development Agency & Young Farmers Clubs	
RURAL STRESS						
Rural Hardship Fund	2000	0	0	2000	National Assembly & Countryside Agency	
Advice & Support & Helplines	150	150	150	450	Voluntary Sector	
Community Mental Health Workers	100	200	200	500	NHS & Voluntary Sector	
TOTALS	37000	11750	16250	65000		
NB. £60m new money. The total includes £5m reprioritised by agencies in response to FMD: ELWa £1.5m; WDA £2m; NAWAD £1.5m						

APPENDICES

A. Immediate action taken in response to FMD

Financial

- **Special Grant Report for Local Authorities £12 million** – to enable local authorities to provide business rate relief and other support to businesses - NAW & Local Authorities
- **Banks** - offering loan breaks or extensions
- **DSS** - financial help for loss of employment as a result of FMD
- **Inland Revenue and HM Customs and Excise** - these Government Departments agreed to take a flexible and sympathetic approach to tax and VAT debts for businesses hit by FMD
- **New Deal** - entry criteria for some programmes relaxed to allow immediate entry for those losing their jobs as a result of FMD.
- **ELWa** - training grants. Financial support for re-training employees made redundant as a result of FMD - Benefits Agency
- **Small Business Services** - Small Firms Loan Guarantee Fund was extended to provide additional help for small businesses. The Small Firms Loan Guarantee Fund guarantees loans from banks and other financial institutions for small firms that have viable business proposals - DTI
- **Business Connect** - Business Diagnostic Reports and advice
- **WTB** Advantage scheme - resale of advertising space at greatly reduced rates
- **Citizens Advice Bureau** - A service providing financial advice on money, benefits, family and legal matters to those suffering hardship - £12k to a partnership with Ynys Mon and £2k to Powys and Monmouthshire.

Farming

- **WDA** - Farm Business Options Reviews - Farming Connect
- **Intervention Board** - Welfare Disposal Scheme
- **DEFRA** - Compensation for livestock culled due to FMD
- **NAW** - Protection of farm incomes through application of '*force majeure*' in subsidy programmes

Personal

- **NAW** - All Wales Rural Stress Helpline
- **NAW** - FMD Website
- **RABI** - grants available to relieve financial hardship of business and domestic costs arising out of FMD for farmers and others in agriculture
- **ARC Addington Fund** - grants from ARC Addington for those directly dependent on agriculture to relieve situations of financial hardship arising out of and attributable to FMD
- **Helplines** – National Assembly, NFU and other voluntary Helplines
- **Operation Phoenix** in Anglesey. Marshalling of assistance by Local Authority to local businesses

- **Rural Stress**- specialist call centres set up in Powys
- **CALL** – specialist rural stress line funded by National Assembly to expand service to cover whole of Wales
- **Financial support for loss of employment** - Jobseekers allowance
- **Business Advice and Support** - extended hours of business for consultation through Business Connect, NAW offices, local authorities, farming unions and a wide range of other organizations.

Membership of FMD Task and Finish Group and Terms of Reference

The proposed terms of reference for the group are:

- to advise the government of the National Assembly on the issues for the rural economy arising from foot & mouth
- to advise on the steps necessary to help the rural economy
- to produce a plan to relaunch the rural recovery when the disease abates

Agri-food sector

National Farmers Union
Farmers Union of Wales
Country Land & Business Association
Welsh Lamb & Beef Promotions Ltd
Meat & Livestock Commission

Rural Economic

Welsh Development Agency
Wales Tourist Board
Confederation of British Industry
Federation of Small Businesses
Mid Wales Regional Economic Forum
North Wales Regional Economic Forum
Local Authority Economic Development Officers
Welsh Local Government Association
National Parks
Countryside Council for Wales

Social Sector

Cytun
Benefits Agency

Other

ELWa
LEADER

Membership of the Rural Partnership

Campaign for the Protection of Rural Wales
Careers Service Association of Wales
Confederation of British Industry
Council of Welsh TEC's
Country Land & Business Association
Countryside Council for Wales
Environment Agency
Farmers' Union of Wales
Federation of Small Businesses
Fforwm
Forestry Commission
Institute of Rural Health
Mid Wales Partnership
National Farmers Union Cymru Wales
National Parks Authorities
North Wales Economic Forum
South East Wales Economic Forum
South West Wales Economic Forum
Wales Council for Voluntary Action
Wales Enterprise
Wales LEADER Network
Welsh Local Government Association
Wales Rural Forum
Wales Tourist Board
Wales Wildlife & Countryside Link
Welsh Development Agency
NAW

Joint Secretariat

Welsh Development Agency
Welsh Local Government Association
WCVA
NAW

List of bodies from whom proposals received

Benefits Agency
Countryside Council for Wales
Country Land and Business Association
Cytun
ELWa
Farming Futures Group
Federation of Small Businesses
Forestry Commission
Forestry Enterprise
Institute of Rural Health
Meat & Livestock Commission
National Association of Citizens Advice Bureaux
National Assembly for Wales
National Association of Cyclists
National Federation Women's Institutes - Wales
National Parks
NFU Cymru Wales
Royal Society for the Protection of Birds
Royal Society for the Prevention of Cruelty to Animals
Wales Food Alliance
Wales Rural Forum
Wales Council for Voluntary Action
Welsh Development Agency
Welsh Development Agency Agri-Food Directorate
Welsh Local Government Association
Wales Tourist Board
World Wildlife Fund

F. National Assembly Guidelines on access to the countryside

In line with current veterinary advice, the restrictions on the public use of rights of way and access to the countryside can be lifted, except near to infected premises:-

a. Within Infected Areas

Public access should be prohibited to infected premises and other agricultural/open land within three kilometres of those premises (protection zones).

Restore access to all other paths, buildings and open land while publicising and seeking the co-operation of users in following the Public Code issued with the Assembly guidance of 5th April 2001.

Via the Public Code, ask walkers and visitors not to take dogs, even on a lead, where there is livestock present.

If a new outbreak were to occur, then your Council would need to act swiftly to prohibit access within the three kilometre protection zone.

b. Outside Infected Areas

Restore public access to all paths and rights of way.

In order to protect the disease free status of the area, publicise and seek the co-operation of walkers/visitors in following the precautions in the Public Code.

In these areas, the public should always keep dogs on a lead on land where livestock are present.

There is one important exception to this. In view of the recent confirmed cases of foot and mouth in South East Powys, the Chief Veterinary Officer for Wales has advised that the approach set out in the Assembly guidance of 5th April 2001 should continue to apply there.

G. Rural Hardship Fund

SCHEME TO PROVIDE MATCHED FUNDING TO VOLUNTARY ORGANIZATIONS FOR THE RELIEF OF HARDSHIP ASSOCIATED WITH FOOT AND MOUTH DISEASE IN WALES

APPLICATION FORM

Conditions

- ♦ This scheme covers Wales only
- ♦ The purpose of this scheme is to match funds donated by individuals to voluntary organizations for the relief of hardship arising from the current outbreak of foot and mouth disease. The scheme is not intended to match funds raised from corporate or commercial donations or from the public sector, nor may the funds be used for any other purpose. Eligible uses of the fund include the relief of hardship by individuals and families, advice, counselling and other support. For the purposes of this scheme funds will be channeled through the relevant national voluntary bodies or, in those counties most severely affected by the outbreak (at this stage particularly the counties of Anglesey and Powys), to registered regional or county-based organizations.
- ♦ A minimum of £5,000 in public donations is needed to be eligible for match funding.
- ♦ Organizations with a network of offices or branches across the country, e.g. National Association of Citizens' Advice Bureau, the Rural Stress Information Network or the ARC-Addington Fund, should make a single bid, which should include any funds donated to their local offices. It will be for the national body to make arrangements to disburse the funds to their local offices.
- ♦ The scheme initially covers donations made between 1 March and 30 June 2001. All applications for match funding must be received by 20 July 2001 and the funds must be used for the purpose for which they were intended by no later than 31 December 2001.
- ♦ The scheme is for the immediate relief of hardship as a result of the present outbreak of foot and mouth disease. All funds approved through this scheme must be used for the purpose specified. In seeking match funding, organizations are asked to set out briefly how they will use the funding. In the event that the funds are not used as proposed or within the agreed time scale, the National Assembly for Wales may require all or part of the match funding to be repaid.
- ♦ The Countryside Agency and the National Assembly for Wales reserve the right to ask for written evidence of the amount donated by the public and to inspect relevant documents and accounts as a safeguard against the risk of fraud or other impropriety.

- ♦ A report on the use to which the match funding has been put will be required within three months of the work being completed and by 31 March 2002 at the latest

APPLICATION DETAILS

Contact name/telephone number for queries about this application:

Name of organization

Address

Is this organization a registered charity Yes/No?

Charity registration number

Have any other applications been made by this organization for funding under this scheme. Yes/No

If yes, on what date was the application made?

What period did it cover?

Statement of matched funding

I confirm that the sum of £ has been raised by public donation for the relief of hardship associated with foot and mouth disease between (date) and (date)

(In the case of an application made on behalf of a number of organizations/local offices, please attach a breakdown of the total donations per body/office.)

Statement of purpose

Please explain the purpose for which the public donations and match funding will be used. The terms of the scheme restrict it to the relief of hardship associated with foot and mouth disease. Activities for which other sources of funds are available (e.g. compensation for the loss of livestock) or for restocking or for general business purposes are not eligible for match funding under this scheme.

Please provide an estimate of the cost of this work

Please indicate the time scale over which this work will take place.

Reporting requirements

I confirm that within three months of the completion of the work for which this money is earmarked that a report and financial statement will be provided to the Countryside Agency to confirm the work undertaken and the cost.

Payment details

The cheque should be made payable to:

The payment should be sent to:

Acceptance of conditions

On behalf of (name of organization)

I make a application to the fund for a sum of £ to be used for the purposes set out above. In making this application the organization agrees to be bound by the conditions attached to the scheme. **I confirm that no other public sector funding has been or will be received towards the cost of this work.**

Signature

Name (Block capitals)

Job title

(Applications must be signed by the Chief Executive/Director, the Treasurer, Senior Finance Officer or a Trustee)

Please return the completed application form to:

FMD Match Funding Scheme (Wales)
The Countryside Agency
Dacre House
19, Dacre Street
London SW1H 0DH

(a copy of the application form should be sent to Rural Policy Division, The National Assembly for Wales, New Crown Building, Cathays Park, Cardiff CF10 3NQ.)

Once accepted, a cheque for the sum requested will be issued from the fund direct to the organization making the application. No formal offer letter will be issued. **In signing this form the applicant will be deemed to have accepted the conditions attached to the scheme.**

Queries should be made to Helen Thomson at the Countryside Agency at the above address, telephone 020 7340 2918 or by email to:
helen.thomson@countryside.gov.uk