

Dyddiad: Dydd Mercher 24 Hydref 2001
Amser: 2.00pm - 5.15pm
Lleoliad: Ystafell Bwyllgora, Adeilad y Cynulliad Cenedlaethol

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

CONSIDERATION OF DRAFT BUDGET

Purpose

1. To provide the Committee with an opportunity to consider the Cabinet's proposals for the draft budget for Agriculture and Rural Development.

Recommendation

2. That the Committee accepts the proposed budget for the Agriculture and Rural Development MEG.

Background

3. The Assembly took note of the draft budget presented by the Minister for Finance and the Communities on 9 October (details of the proposals for Agriculture and Rural Development are at Annex A). In accordance with Standing Order 19 (as revised) the next step is for me to take your views on the proposals and convey them to the Minister for Finance and the Communities. These views will be given full consideration before the final budget proposals are presented to the Assembly later this month.

4. The Committee made clear that it supported the key *betterwales* priority – to promote a sustainable future for Welsh agriculture and forestry within a modern rural economy. In addition the committee identified the following as priorities for the budget:

5. Funding for Tir Gofal should be increased significantly in order to allow many more farms to benefit. This would contribute directly to the *betterwales* target of increasing the proportion of agricultural land covered by an agri-environmental agreement, or which is registered as organic, or is being converted to organic status.

6. The measures to assist new entrants to farming discussed by the committee earlier in the year should be adequately funded.

7. The Cabinet's proposals, do, in part, provide for these priorities. In particular they ensure that full provision is made for the implementation of the rural aspects of the Objective 1 programme and Rural Development Plan, in accordance with decisions that the Assembly made last year. This will result in the provision for Tir Gofal increasing by £3m per annum.

8. For new entrants for farming, although there is no direct budget provision, there are measures included in the recently announced Rural Recovery Plan, which will benefit young farmers. Furthermore, within the Farming Connect initiative, £250,000 will be available as support for "young farmers" projects that will include business & IT skills training.

9. In addition to this, any young farmer who applies for the Capital Grant schemes included in Farming Connect will be eligible to a further 10% grant payment. Partnerships or farming groups that include young farmers will also benefit from the extra 10%.

10. I should also refer to the significant additional funding which has been secured for **Welsh Ewe Genotyping**, part of the National Scrapie Plan; **Fisheries Projects**, including an Objective One project in line with the Assembly's "Nautilus Study" and the Review of Salmon and Freshwater Fisheries, which, the Committee considered in May; **a new Communications Strategy**, to which I attach a very high priority as there is an urgent need for us to get our message across to farmers and key partners; and for certain financial liabilities relating to **plant health issues**, where responsibility has now passed to the Assembly.

Compliance

11. The funds indicated will be allocated under existing schemes or programmes where the Assembly already has functions. These have been delegated to the Minister for Rural Affairs and, where appropriate, to staff. There are no issues of regularity or propriety.

Financial Implications

12. The proposals in this paper reflect the draft budget presented to the Assembly by the Minister for Finance and the Communities.

Contact Point

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Annex A

	2001-02 Original Plan	2002- 2003 Original Baseline	2002- 2003 Proposed Changes	2002- 2003 New Plans	2003- 2004 Original Baseline	2003- 2004 Proposed Changed	2003- 2004 Indicative Plans	2004- 2005 Original Baseline	2004- 2005 Proposed Changes	2004- 2005 Indicative Plans (1)
AGRICULTURE AND RURAL DEVELOPMENT										
Hill livestock compensatory allowances	32,929	31,704	0	31,704	30,479	0	30,479	30,479	0	30,479

HLCAs (non-assigned budget)	32,929	31,704	0	31,704	30,479	0	30,479	30,479	0	30,479
Market Support Schemes (AME)	147,455	145,927	0	145,927	146,721	0	146,721	146,721	0	146,721
Market Support Schemes (AME) (4)	147,455	145,927	0	145,927	146,721	0	146,721	146,721	0	146,721
Forestation Schemes EC	174	189	0	189	204	0	204	204	0	204
Other Agri-environment schemes EC	3,710	3,710	0	3,710	3,710	0	3,710	3,710	0	3,710
Organic Conversion Scheme EC	1,250	1,130	0	1,130	1,175	0	1,175	1,175	0	1,175
Less Recoveries	-1	-1	0	-1	-1	0	-1	-1	0	-1
Agri-environmental schemes (EC element) (AME) (4)	5,133	5,028	0	5,028	5,088	0	5,088	5,088	0	5,088
Rural development programme	1,365	1,365	0	1,365	1,365	0	1,365	1,365	0	1,365
Rural development programme	1,365	1,365	0	1,365	1,365	0	1,365	1,365	0	1,365
Forestation Schemes UK	230	247	0	247	261	0	261	261	0	261
Other Agri-environment schemes UK	6,281	6,262	0	6,262	6,250	0	6,250	6,250	0	6,250
Organic Conversion Scheme:UK	1,673	1,686	0	1,686	1,761	0	1,761	1,761	0	1,761
Capital Grant Schemes EC & UK	396	396	0	396	396	0	396	396	0	396
Residual Payments	1	1	0	1	1	0	1	1	0	1
Agri-environment schemes (UK element) - Capital	8,581	8,592	0	8,592	8,669	0	8,669	8,669	0	8,669
Tir Gofal	10,880	13,900	0	13,900	16,900	0	16,900	16,900	0	16,900
Tir Gofal	10,880	13,900	0	13,900	16,900	0	16,900	16,900	0	16,900
Processing and Marketing Grant EC & UK	2,922	1,922	0	1,922	2,048	0	2,048	2,048	0	2,048

Farm Adaptation	1,552	1,836	0	1,836	2,100	0	2,100	2,100	0	2,100
Processing & Marketing grants - Match-Funding	3,594	3,524	0	3,524	3,456	0	3,456	3,456	0	3,456
Farm Adaptation - Match-Funding NEW BEL	3,465	3,398	0	3,398	3,332	0	3,332	3,332	0	3,332
Market Development	350	350	0	350	350	0	350	350	0	350
PILOT Grants (LEADER)	50	50	0	50	50	0	50	50	0	50
Brucellosis Eradication - other	6	6	0	6	6	0	6	6	0	6
Milk Testing Payments and Receipts	81	81	0	81	81	0	81	81	0	81
TB Slaughter Payments & Receipts	1,419	1,619	0	1,619	1,819	0	1,819	1,819	0	1,819
Misc Animal support services	2	2	0	2	2	0	2	2	0	2
Welsh Ewe Genotyping	0	0	750	750		1,000	1,000		1,000	1,000
Surveys and Food & Environment Protection Monitoring	558	558	100	658	558	100	658	558	100	658
Committees, enquiries etc	38	38	15	53	38	15	53	38	15	53
Publicity	200	200	500	700	200	500	700	200	500	700
Communications Strategy	0	0	0	0		0	0		0	0
Payments to Assessors	6	6	0	6	6	0	6	6	0	6
ADAS Payments and Receipts	1,859	1,859	0	1,859	1,859	0	1,859	1,859	0	1,859
Pwllperian costs and Receipts	39	39	0	39	39	0	39	39	0	39
Pwllperian Depreciation and Cost of Capital (DEL)	73	73	0	73	73	0	73	73	0	73
Payments: Central Scientific Lab.	283	283	0	283	283	0	283	283	0	283
RECEIPTS: Wildlife investigation scheme	-42	-42	0	-42	-42	0	-42	-42	0	-42

Farm Diversification Grants: Marketing etc	3	3	0	3	3	0	3	3	0	3
Payments - Environment Agency	0	0	800	800		800	800		800	800
Fisheries Schemes - Match- Funding	570	563	0	563	557	0	557	557	0	557
Fisheries harbour grants	11	11	0	11	11	0	11	11	0	11
Regeneration and other Local Services BCAs	11	11	0	11	11	0	11	11	0	11
Cattle Herd Registration	600	600	0	600	600	0	600	600	0	600
Support for small Abattoirs	600	1,500	-900	600	1,500	-900	600	1,500	-900	600
School Milk	1,200	500	900	1,400	500	900	1,400	500	900	1,400
Health and Welfare Checks	150	150	0	150	150	0	150	150	0	150
Leader +	1,000	1,000	0	1,000	1,000	0	1,000	1,000	0	1,000
Sheep Compensation	600	600	0	600	600	0	600	600	0	600
Other Agriculture Services	21,200	20,740	2,165	22,905	21,190	2,415	23,605	21,190	2,415	23,605
Plant Health "services"	0	0	252	252	0	232	232	0	232	232
Specialist Advice on Pesticide and Plant Health	0	0	25	25		25	25		25	25
Plant Health Services	0	0	277	277	0	257	257	0	257	257
DEL TOTAL	74,955	76,301	2,442	78,743	78,603	2,672	81,275	78,603	2,672	81,275
AME TOTAL	152,588	150,955	0	150,955	151,809	0	151,809	151,809	0	151,809
AGRICULTURE & RURAL DEVELOPMENT - TOTAL	227,543	227,256	2,442	229,698	230,412	2,672	233,084	230,412	2,672	233,084