## Pwyllgor Amaethyddiaeth a Datblygu Gwledig ARD 07-00(p4)

**Dyddiad:** 17 Mai 2000

**Amser:** 9.00am i 12.30pm

**Lleoliad:** Ystafell Bwyllgora, Adeilad y Cynulliad Cenedlaethol

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

## RURAL DEVELOPMENT PLAN PROGRESS REPORT

- 1. The Rural Development Plan for Wales was submitted to the European Commission on 22 December 1999 and declared technically "receivable" on 27 January 2000. Following an appraisal by the Commission services a response containing detailed questions was received on 23 March. The Assembly's comments on these questions were sent to the Commission on 12 April, and a first bilateral meeting between Assembly and Commission officials was held in Brussels on 5 May.
- 2. This meeting, which was constructive and helpful, confirmed our initial impression that many of the Commission's questions were detailed and technical, and capable of resolution through the submission of revised text. The process of providing these revisions has already begun and we are in close touch with Commission desk officers to ensure that the new material we are providing is acceptable.
- 3. The one substantive policy issue on which discussion is proceeding concerns the Assembly's proposals for Element 1 of Tir Mynydd, the new scheme for Less Favoured Area (LFA) payments. The Commission is unconvinced that the proposals represent a sufficient step towards the requirements for LFA schemes to be based on area payments rather than be headage-related. This is a UK-wide problem and was the subject of a separate meeting between all UK Agriculture Departments and the Commission immediately after the Welsh bilateral. There is no doubt that we will have to move significantly in the direction of an area-based scheme, although we will be attempting to ensure that the redistributive effects of such a move are cushioned in the early years of implementation. An oral update on progress will be given at the meeting.
- 4. In addition to these points we are also responding to more detailed comments. Our overall aim remains to reach agreement with the Commission on a mutually acceptable text by the end of this month, so that the revised Plan can be considered by the EU STAR Committee in late June, with a view to formal adoption in mid-July, allowing us to publicise the final version of the Plan at the Royal Welsh Show. It must be stressed that this is an extremely ambitious timetable and that failure to reach early agreement on any of the issues summarised above will inevitably delay formal approval until the Autumn.

## Recommendation

5. The Committee is asked to note the progress made in negotiating the Plan with the Commission.

## **Contact Point**

Mike Dunn, Head of Agriculture Policy Division (ext. 3533).