

Senedd Cymru
Y Pwyllgor Newid Hinsawdd, Amgylchedd a
Materion Gwledig
Gwaith gwaddol
CCERA(5) LW 07
Ymateb gan Undeb Cenedlaethol Amaethwyr
Cymru

Welsh Parliament
Climate Change, Environment and Rural Affairs
Committee
Legacy work
CCERA(5) LW 07
Evidence from National Farmers' Union (NFU
Cymru)

Dear Committee

Legacy Report of the Climate Change, Environment and Rural Affairs Committee

NFU Cymru is the voice of Welsh farming, championing, and representing farmers throughout Wales and across all agricultural sectors. Our vision is for a productive, profitable, and progressive Welsh agricultural industry, capitalising on global opportunities, contributing to the national economy, and supporting thriving rural communities.

We are grateful to the committee for the engagement and interaction we have had with it and its membership over the course of the fifth Senedd, and we welcome the opportunity to provide the committee with our input into its legacy report.

The Welsh Government's refreshed TB eradication programme

1. Turning first to consider the Committee's report on the Welsh Government's refreshed TB eradication programme. NFU Cymru welcomes the interest that the Committee has taken in this subject area, it represents one of the most pressing and concerning issues facing our members across Wales on a day-to-day basis.
2. TB in cattle casts a long shadow over Wales beef and dairy farmers, and we remain deeply concerned about the failure of successive Welsh Governments to devise and implement a comprehensive TB eradication strategy for Wales. A TB outbreak impacts on all aspects of everyday farm management, including the marketing of animals (such as the selling of store cattle, breeding animals and calves). In turn these impacts on farm management practices gives rise to cost implications (extra feed, bedding, housing and grazing etc), whilst the loss of adult productive cattle as a result adversely impacts on the productivity of the farm. It should not be forgotten either that incidents of TB very often lead to significant financial and emotional strain on farming families.
3. NFU Cymru continues to advocate an approach which sees the disease tackled in the round, including cattle measures, biosecurity and addressing wildlife disease reservoirs, however the approach of successive Welsh Governments has seen the issue of diseased wildlife go almost entirely

unaddressed, and in the last year we saw over 10,000 cattle slaughtered as a result of bovine TB. This high number of cattle slaughtered is a stark reminder that there is still much work to do if we are going to eradicate this disease from the Welsh herd.

4. We therefore welcome the Committee's recommendations 1 and 2, and the fact that the Welsh Government has set itself targets for an officially TB free Wales as well as regional milestones. Whilst the number of cattle slaughtered has shown some modest decline, we are deeply sceptical as to whether the Welsh Government will attain these targets and milestones when its approach remains almost entirely predicated on cattle and bio-security based measures, with the wildlife disease reservoir left almost entirely unaddressed.
5. Whilst we support the recommendations and the Welsh Government's ambition, the reluctance of successive Welsh Government's to meaningfully address wildlife disease reservoirs, does in our view mean that these targets are unlikely to be met. The next Welsh Government must adopt a TB strategy which includes the removal of diseased wildlife.
6. With regard to recommendation 6, NFU Cymru recognises that bringing new animals into the herd has the potential to introduce a variety of health problems, and so knowing as much about the history of the cattle you intend to buy, including their disease status and previous vaccinations is important.
7. In principle NFU Cymru supports proposals that give potential purchasers of animals as much information as possible about the animals they are considering purchasing. It is important that any system adopted strikes the balance between providing the necessary information required without becoming overly complicated or potentially misinterpreted. On the whole we want it to be as simple as possible for farmers to make informed purchasing decisions, and to safeguard against the introduction of disease to a herd through bought-in livestock. NFU Cymru is happy to continue to work with Government and industry partners such as auction markets to design a system that provides relevant information for buyers.
8. For our members operating in high disease incidence areas, measures to remove the reservoir of infection in wildlife are especially important in the context of informed purchasing. Removing diseased wildlife gives these herds the best chance of becoming TB free and improving their status. The feeling in high incidence areas of Wales is that until the reservoir of infection in the wildlife population is tackled then farmers have limited opportunity to improve their "TB rating".
9. Finally, on recommendation 10, NFU Cymru is of the view that the compensation paid for cattle compulsorily slaughtered as part of TB control measures should accurately reflect the market value of those animals, and the best way of achieving this is to continue to compensate on the basis of individual valuations. This is because the value of animals varies enormously according to factors such as breed, age, sex, bloodline and pedigree, seasonality, and organic status. Any revision of current compensation

arrangements could well see compensation payments failing to reflect the market value of the animals in question.

10. Our view is therefore very much that 'reasonable' compensation for animals is the market value of those animals, based on an individual valuation. Departing from the current arrangements for compensation runs the risk of overvaluing poor-quality animals whilst undervaluing good quality animals. Such a move would then put government policy at odds with the committee's recommendation that compensation paid to farmers should be 'reasonable'
11. We do not consider the current system to be perfect, for example the upper limit which Welsh Government introduced on the value of an individual animal means that farmers may not receive the full market value of a particularly high value animal, but we certainly believe that current arrangements are fairer and more equitable than a tabular valuation system.
12. We very much hope that the next Welsh Parliament will, through its committee structure, institute an inquiry into bovine tuberculosis, early in the next term.

Rethinking food in Wales: Public Procurement of Food/Food Branding and Processing

13. We welcome the opportunity to be able to offer some generalised comments and observations on the Welsh food sector.
14. NFU Cymru is keen to see the size of Wales' food and drink sector continue to grow, and it has been pleasing to see the sector expand and exceed the targets set for it, to realise a turnover of almost £7.5bn in 2020. We remain ambitious to continue to grow the size of the sector, consolidating its position as one of the key planks of the Welsh economy and supporting as many jobs as possible.
15. Covid-19 has reaffirmed the importance of safe, sustainable, short supply chains and the need to improve the conditions in which the supply chain trades and the balance of power within the supply chain.
16. We would like the next Welsh Government to bring the Welsh food sector together from farm to fork in one comprehensive plan with ambitious targets set for sustainable growth. A plan to ensure we build and grow our reach into the public procurement sector, UK markets, the EU and beyond.
17. As we explore opportunities to sell into new markets, we want to work together with the UK Government and the next Welsh Government to secure the best possible access to these markets, trading on the strength and credentials of the Welsh brand.
18. With the UK market likely to be subject to greater trade liberalisation over the next few years we need to exert pressure on the UK Government to ensure clear food labelling including country of origin labelling to allow customers to make an informed purchase and to safeguard the integrity of the Welsh brand.

Possible future work areas for the Committee

19. Although we recognise that the Committee is looking at its legacy, NFU Cymru would like to take this opportunity to briefly suggest future work areas that the committee may wish to look at.

The Wales RDP

20. The pillar transfer decision and the Welsh Government's approach to implementing and rolling out the RDP 2014-2020 has been a source of deep frustration for NFU Cymru's membership. Amongst the shortcomings of the current scheme are a reluctance to innovate by scheme designers, a bureaucratic application process and sporadic application windows (and the allocation of inadequate funding to those windows). This is of course coupled with the publication of a damning Wales Audit Office report in June 2020, which found that funds had been allocated through direct applications without competition, and without ensuring value for money.
21. NFU Cymru believes that overall, the Welsh Government's delivery of the RDP has fallen far short of its original ambition for transformational change of the sector.
22. We are now anxious to ensure that funds available under the EU legacy RDP scheme are deployed swiftly so that they reach farmers on the ground, and that schemes are easily accessible to all farmers, with frequent application windows and adequate funding available against each application window. We expect Welsh Government to spend in full the EU 2014-2020 Rural Development Programme of £835m before the end of the 2023 cut-off for drawing down funds.
23. We believe that there is a vital role to be played by a future Committee of the Welsh Parliament in overseeing and monitoring new domestic arrangements for RDP schemes, including their governance, delivery, implementation, and the deployment of resources under them.
24. Given the indications from Welsh Government that future agricultural support in Wales will, to a large extent be based on actions akin to RDP type measures, we believe that it vitally important that there is proper oversight of current and future measures. Lessons must also be learnt from the past, and changes instituted, otherwise we will risk seeing rural Wales failed by government policy.

Future funding for agriculture

25. The UK Government's Spending Review of late 2020 revealed a £95million black hole in terms of agricultural support, something which is a cause for considerable alarm amongst Wales' farmers.
26. In the lead up to the EU Referendum and thereafter, we have been consistently told that funding for Welsh farming would be maintained and protected following our departure from the EU. We were told Welsh farming would not receive a penny less in funding as we move out of the CAP.

27. We do not consider the shortfall we are witnessing in terms of agricultural support to be consistent with assurances that have been made to maintain and protect agricultural budgets post Brexit. We believe that there is a role for the committee in ensuring that Wales receives its rightful allocation of funding.

Future Agricultural Policy in Wales

28. As we know, it is the stated intention of the current Welsh Government to introduce an Agriculture Wales Bill to the Senedd in summer 2022. This will be the first time that primary legislation, relating exclusively or largely to agriculture will be passed by the Welsh Parliament and we will be looking to work closely with the relevant subject committees of the next Senedd as part of the process of scrutinising that legislation.

I very much hope that you will find my comments useful in developing the Committee's legacy report and would also ask that account is also taken of the possible future work areas which we have identified.