Rebecca Evans AC / AM
Y Dirprwy Weinidog Ffermio a Bwyd
Deputy Minister for Farming and Food



Eich cyf/Your ref P-04-685 Ein cyf/Our ref RE/00162/16

William Powell AM
Assembly Member for Mid & West Wales
Chair - Petitions Committee
Ty Hywel
Cardiff Bay
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March 2016

Dear William,

Thank you for your letter on behalf of the Petitions Committee seeking my views on the issues raised in the petition submitted by Farmers for Regional Payments.

I will respond in the order the issues are set out in your letter as follows;

Reconsider the decision to implement a flat-rate model for payments of the Basic Payment Scheme

Council Regulation 1307/2013 required reform of the way in which subsidies were provided in Wales and the move from historical entitlements to area-based payments and the overall reduction in the budget for the Common Agricultural Policy meant that change was inevitable. As the Welsh Government has recognised throughout, whatever shape that reform took in Wales, some farmers would experience a reduction in subsidies whilst others would experience an increase.

The Welsh Government were required to exercise a judgement as to how to implement the reform and, whilst it is true that our original preference was to apply the basic payments scheme on a regional basis, ultimately our judgement was that this was simply not possible in practice due to a legal challenge in December 2013.

Bae Caerdydd • Cardiff Bay Caerdydd • Cardiff CF99 1NA

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

The only way a fair regional based payment could be adopted in Wales would be to undertake a mapping exercise for the whole of Wales and, as stated in my letter to Assembly Members on 22 June 2015, this would be both costly and time-consuming. We could also only be clear about the value of such work when we had a better idea of the European Commission's intentions for the next round of CAP reform. All this, of course, assumes that the UK remains a member of the European Union.

Lost Payments of up to €100,000 per farm, per year from now until 2019

This indicates a total reduction in subsidy of €500,000 over five years. I do not recognise this figure and I have seen no evidence to support it.

Productive farms will be worst affected by flat-rate payments

This implies that the productivity of a farm is dependent upon its geographical area or scale. I do not accept this: the productivity of a farm will depend on a wide range of factors, including the nature of its land, its location and the way in which it is managed.

Disadvantage to productive farmers in Wales compared with equivalent farmers in England

Such a comparison is misleading because it looks at only one part of the picture. For example, it fails to take into account additional support available via the Rural Development Programme. Additionally, devolution by its nature will result in a wide range of differing policies between England and Wales.

Rebecca Evans AC / AM

Y Dirprwy Weinidog Ffermio a Bwyd Deputy Minister for Farming and Food