

Tŷ Cambria Cambria House 29 Newport Road Cardiff CF24 OTP

Agriculture (Wales) White Paper Land Management Reform Division Welsh Government Cathays Park Cardiff CF10 3NQ

Dear Sir/Madam

25th March 2021

Consultation on Agriculture (Wales) Bill White Paper

We welcome the opportunity to respond to the above consultation. The statutory purpose of Natural Resources Wales (NRW) is set out under the Environment (Wales) Act 2016. In the exercise of its functions under the Environment (Wales) Act 2016, NRW must pursue sustainable management of natural resources in relation to all of its work in Wales, and apply the principles of sustainable management of natural resources in so far as that is consistent with the proper exercise of its functions. NRW's duty (in common with the other public bodies covered by the Well-Being of Future Generation (Wales) Act 2015) is to carry out sustainable development. This means, in general terms, looking after air, land, water, wildlife, plants, and soil to improve Wales' well-being, and provide a better future for everyone. NRW is also an advisor to the Welsh Government on the natural heritage and resources of Wales and its coastal waters.

Our detailed response to your consultation questions is included in the supporting consultation form. There are several key principles that we would also like to draw to your attention.

We endorse the overall approach described in the consultation which sets out the rationale for the future of food, farming and land-based businesses in Wales and is consistent with our statutory remit. The Bill represents a pivotal opportunity to underpin the achievement of the vision that Wales is setting for the Sustainable Management of our Natural Resources for future generations. This is the chance to provide the foundation for Wales' food and fibre production reflecting the ambition to be known for Sustainable Brand Values and mindful of our global responsibilities. It is critical that the Bill provides a clear vision and framework for a cohesive programme of legislative, regulatory and secondary reforms to achieve that vision.

In our State of Natural Resources Report 2020 we describe the transformative changes required in our energy, transport and food production systems to drive sustainable land management, nature recovery and a low carbon economy. Such change is a long-term

process and it is imperative for a framework that supports thriving trade, productive and resilient land-based businesses. There is more work to do on describing this transformation and how novel and innovative investment can be encouraged alongside public finance. The achievement of Wales' vision for its natural resources and those who manage the land is dependent on a clear, cohesive funding framework and the mobilisation of inward investment which supports our principles (for example as described in Future Wales: The National Plan 2040).

We welcome the proposals on National Minimum Standards which build on the current system of cross compliance and civil sanctions. The achievement of a level playing field is welcomed with standards that apply to all land managers and keepers of agricultural livestock (not just those who run an agricultural business). However, we urge you to address shortfalls in the current cross compliance approach both in definition of offences but also their scope, when consolidating them as National Minimum Standards (NMS).

We also welcome the focus on compliance and enforcement of the NMS and the proposal to introduce appropriate civil sanctions to support proportionate and effective enforcement. We wish to stress that these approaches will require significant new resource, if they are to deliver the anticipated beneficial outcomes. Without this resource, there is a risk, through underenforcement, of undermining the credibility of regulation, to the detriment of existing and future compliance.

We would advocate a collaborative approach with relevant sectors where NRW have a clear co-production role in gap-analysis and standards development. Farms will not meet standards via regulation alone and neither will the Sustainable Management of Natural Resources vision be realised without co-production of the whole supporting framework, namely:

- Voluntary actions;
- Advice, guidance, knowledge, skills and experience development;
- Investment;
- Innovation; and,
- Regulation.

We welcome engagement with Welsh Government regarding our support for scheme design and delivery.

Any change programme must be underpinned by evidence to support the case for change and to track the progress being made towards the vision. We are supportive of the proposals on evidence gathering, sharing and more integrated data use. Allowing farmers to access data held about their land is vital to support better business knowledge and independent planning. An additional reason for the case for change would be the statutory reporting requirement of the State of Natural Resources. SoNaRR tracks Wales' progress in meeting the vision for land, sea, air and water at the heart of which, arguably, is sustainable farming and land-based businesses. We would advocate further measures for co-design, co-management and sharing of outputs from the Environment, Rural Affairs Monitoring and Modelling Programme (ERAMMP), Living Wales Project and on-farm evidence collection. This would provide a more integrated system of monitoring, regulating compliance, analysis and mapping of trends to better inform policy development and regulatory decision-making.

The timetable to deliver a Sustainable Farming Scheme is extremely ambitious. The sunset clause requires that all legislative, regulatory and secondary reforms be in place by 2024 and there is more work to do to explain the transitional arrangements and funding framework. This is necessary if land-based businesses are to have some security to invest in the right things during this period. With this is mind NRW would welcome discussions with Welsh Government to strengthen our collaboration on this ambitious change programme as a regulator but also to offer our expertise to co-produce scheme design, standards and innovative funding frameworks.

The consultation document does not set out the future direction of the interaction of the Sustainable Farming Scheme with other support frameworks such as the domestic Rural Development Programme, new structural funds/challenge funds, the Welsh Government Economic Action Plan and Future Wales. A level of clarity of what is funded where and from which budget, is needed to foster confidence in the proposed approach.

We trust that our advice will be useful to you. If you have any queries in relation to our detailed response, please contact Robert.Vaughan@cyfoethnaturiolcymru.gov.uk. We look forward to working with yourselves and other stakeholders in developing the Agriculture (Wales) Bill further.

Yours sincerely

Ceri Davies

Executive Director for Evidence, Policy & Permitting

Tel: 03000 65 4248 / 07818 008865

Direct e-mail: ceri.davies@cyfoethnaturiolcymru.gov.uk

Address: Tŷ Cambria, 29 Heol Casnewydd, Caerdydd, CF24 0TP / Cambria House, 29

Newport Road, Cardiff, CF24 0TP

Croesewir gohebiaeth yn y Gymraeg a'r Saesneg Correspondence welcomed in Welsh and English