

The Rt Hon Liam Fox MP  
Department for International Trade  
King Charles Street  
Whitehall  
London  
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29 March 2017

Dear The Rt Hon Liam Fox MP

### **The future of land management in Wales**

During the week that the UK Government triggers Article 50, I am pleased to enclose a copy of our Committee report on the future of land management in Wales. During the course of our inquiry, stakeholders told us of the need for clarity around future levels of funding and the extent of the devolved and reserved powers in relation to agriculture following our exit from the European Union.

In our report, we call for the UK Government to commit to spending present levels of funding on agriculture in Wales and for future agricultural funding not to be subject to Barnett formula calculation. We also call for any move from direct payments to a new system of funding to be phased in over a period covering both the current and next (2021–27) CAP cycles. We also argue that, in future, it may be necessary and desirable to have UK-wide regulatory frameworks, such as for animal health and welfare standards, but these must be agreed by all UK governments – not imposed from the centre.



Crucially, Wales should be no worse off as a result of the vote to leave.

I would be grateful if you could respond to me on the recommendations listed in Annexe A.

I have also written to The Rt Hon Andrea Leadsom MP, Secretary of State for Environment, Food and Rural Affairs, and The Rt Hon David Davis MP, Secretary of State for Exiting the European Union, for their responses to our recommendations.

I thank you in advance for your response.

Yours sincerely

A handwritten signature in black ink, appearing to read 'M Reckless', is centered on the page.

Mark Reckless AM

Chair of the Climate Change, Environment and Rural Affairs Committee of the National Assembly for Wales

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## Annexe A

- Recommendation 1. The UK Government should seek tariff and quota-free access to the EU Single Market for Welsh agricultural and food products.
- Recommendation 2. The Welsh Government should have an equal voice at the negotiating table during the talks on access to the Single Market. The UK Government can only take forward a UK-agreed position during negotiations, not a UK-led position.
- Recommendation 3. The UK Government must safeguard the interests of Welsh lamb producers and, at the earliest opportunity, provide clarity on its negotiating strategy with regards to the future New Zealand lamb quota for the UK.
- Recommendation 4. The Welsh Government must work with relevant UK Government Departments to significantly increase its trade efforts internationally to develop new, and strengthen existing, export markets for Welsh lamb.
- Recommendation 6. The Welsh Government should seek urgent bilateral talks with the UK Government to develop a common understanding of the legal and constitutional position in respect of devolved and reserved powers following the exit of the UK from the EU.
- Recommendation 7. The UK Government should give a commitment that future UK regulatory and policy frameworks for agriculture and rural development will be developed in partnership and there will be parity of esteem between the UK Government and devolved administrations.
- Recommendation 8. The UK and Welsh Governments should strengthen joint working mechanisms, such as developing a ‘UK Council of Ministers’ as suggested by the Welsh Government. There must be an appropriate adjudication mechanism to resolve disputes.



- Recommendation 9. The UK Government must commit to maintain funding for agriculture at levels presently secured under CAP until at least 2020/21. Thereafter, the most important benchmark will be the next cycle of CAP, from 2021–2027. Such funding for agriculture should not be subject to the Barnett formula.
- Recommendation 11. The UK Government should work with the Welsh Government to ensure Wales’ labour needs are fully reflected in negotiations on withdrawing from the EU.
- Recommendation 12. The Welsh and UK Governments should begin work immediately to assess the skills shortages Welsh businesses may face as a result of a possible reduction in migrant labour.
- Recommendation 14. The Welsh and UK Governments must ensure that consideration of transitional arrangements is a central part of the role of the proposed ‘UK Council of Ministers’
- Recommendation 15. The Welsh and UK Governments should ensure a transition period for future funding arrangements equivalent to the duration of the remainder of the current and the next CAP funding cycles.
- Recommendation 26. In its negotiations with the UK Government, the Welsh Government must emphasise the extent to which support for agriculture and rural development underpins the viability of rural communities, and the culture and language of Wales, and therefore reinforces the need for the continuation of current levels of support.

