# WRITTEN STATEMENT

# BY

# THE WELSH GOVERNMENT

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| **TITLE** | **Sustainable Farming Scheme (SFS) – Update on partnership working** |
| **DATE** | **20 September 2024** |
| **BY** | **Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs, Huw Irranca-Davies** |
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I would like to update Members on progress with the design of the Sustainable Farming Scheme through working in partnership with stakeholders.

During the summer recess, officials and I have been working with the Ministerial roundtable, the Carbon Sequestration Panel and through the Official’s Group to review the design of the Scheme. The groups have met a total of 19 times to date within a short space of time. The groups’ focus so far has been on actively reviewing all of the Universal Actions and key Scheme Rules, taking into account feedback received from the latest consultation. The Carbon Sequestration Panel is exploring evidence on additional and alternative Actions to sequester carbon as part of the Universal Layer and will be reporting their findings to the Ministerial Roundtable.

This work is founded on the structure for the Scheme as was set out in the consultation. This structure should support the resilience of all farmers in Wales through an integrated whole farm approach and Universal Baseline Payment, based on the completion of a set of Universal Actions. Those wishing to progress further with additional economic, environmental and social actions will have an opportunity to do so by choosing extra Optional and Collaborative Actions (and receive additional financial support). Once the Universal Actions and Scheme Rules have been refined, we will undertake further modelling work and a revised Integrated Impact Assessment, before Ministers make any final decisions next year.

The Groups will continue to support the process including the development of other elements such as the payment methodology, Optional and Collaborative Actions, and the controls framework.

With the support of the Roundtable, we have already published the response to the consultation and the revised position on payment for Sites of Special Scientific Interest (SSSI) areas within the Universal Baseline Payment. The development of the SSSI proposal is a good example of how we are working effectively as a group to develop a revised position.

I do not plan to give a running commentary on the progress of the work, but I expect to return to the Senedd later this year with a more detailed update. I would like to thank all stakeholders for their time in contributing to the process over the Summer, and into the coming months.