

## **Agriculture and Rural Development Committee**

### **REPORT TO PLENARY UNDER STANDING ORDER 9.9: JUNE 1999 TO MAY 2003**

#### **INTRODUCTION**

1. The Agriculture and Rural Development Committee is one of the Assembly's seven subject Committees. This report is made under Standing Order 9.9, which requires subject committees to report to the Assembly from time to time on their progress in fulfilling their work programme. It summarises the Committee's work since its first meeting in June 1999 to May 2003.

#### **MEMBERSHIP**

2. In June 1999, when the Committee first met, it was chaired by Ieuan Wyn Jones. The other members were Mick Bates, Glyn Davies, Janet Davies, Richard Edwards, Christine Gwyther (Minister), Carwyn Jones, Karen Sinclair and Rhodri Glyn Thomas.

3. Since then there have been significant changes to the Committee's membership. These are attached at Annex 1.

4. The Committee is currently chaired by Glyn Davies. The other Members are Christine Chapman, Cynog Dafis, Jocelyn Davies, Ron Davies, Delyth Evans, Mike German (Minister), John Griffiths, Peter Rogers and Rhodri Glyn Thomas.

#### **REMIT**

5. The Committee's current remit mirrors the agricultural and rural development portfolio of the Minister for Rural Development and Wales Abroad, Mike German. This includes all aspects of agriculture and fisheries development and promotion of food production, forestry and development of the rural economy.

6. Initially the Committee's remit included responsibility for countryside and conservation issues, the National Parks and the Countryside Council for Wales. It also had lead responsibility for the promotion and oversight of the Assembly's sustainable development scheme. These responsibilities were transferred to the newly created Environment Planning and Transport Committee in 2000.

7. Details of meetings held are attached at Annex 2.

8. The responsibilities of subject committees are set out in Standing Order 9.7. The remainder of this report details significant aspects of Committee work under each of these headings.

## **WORK AND ACHIEVEMENTS TO DATE**

### **Policy Development (SO 9.7 (i))**

9. Since 1999, the Committee has contributed to the development of policy by conducting inquiries and publishing reports in a number of areas: the ban on the sale of beef on the bone; diversifying the rural economy; ICT in rural Wales; the future of organic farming; the future of agri-environment schemes and the impact of a ban on hunting with dogs.

### **Committee Policy Reviews**

#### **Beef on the bone**

10. In May 1999 a plenary resolution called for the Committee to undertake an inquiry into the ban on the sale of beef on the bone<sup>1</sup>. Subsequently, the Committee invited written submissions and held a series of public evidence sessions. An interim report containing the Committee's assessment of the arguments for and against lifting the ban was published in July 1999. Following publication of the interim report, the Committee considered further statements from the Chief Medical Officers for England, Wales and Scotland. In December 1999 the final report was published, recommending lifting the ban on retail sales whilst maintaining the ban on use in manufacturing. The Committee's inquiry was the first undertaken by the Assembly and established a precedent of thorough, well-researched and open inquiry for other Committees to follow. Its breadth and depth ensured that Members were better placed to judge the issue and that public debate was similarly better informed

#### **Diversifying the rural economy**

11. In September 1999, the Committee began an inquiry into policies to promote economic diversification on rural Wales<sup>2</sup>. The Committee consulted widely and held public meetings involving around 130 organisations and individuals with an interest in the rural economy. As a result, key themes were identified around which further written and oral evidence was invited<sup>3</sup>. The evidence gathering process took place from May 2000 to March 2001 and the final report was published in June 2001.

12. The report contained over 60 recommendations designed to strengthen and broaden the rural economic base in Wales. In May 2002, the Committee considered a written response from the entire Cabinet to the recommendations in the report. As the key agency responsible for economic

<sup>1</sup> On 25 May 1999 the Assembly resolved that: 'the Assembly, supports the earliest possible lifting of the current ban on beef on the bone and, in order to enable it to come to a considered decision, request that the Committee for Agriculture and Rural Development conducts an urgent inquiry into the matter, consulting as appropriate with other subject committees, with a remit to report with recommendations to Assembly Members as soon as is reasonably practical.'

<sup>2</sup> Terms of reference for the review: '*To review the policies and programmes which would support greater economic diversity in rural areas of Wales. To consider proposals to create: a broader representation of economic activities; a greater choice of economic opportunities, particularly for young people; more sustainable family farms.*'

<sup>3</sup> Land use planning; education and training; business support and advice services; access to capital; marketing and increasing added value; community development.

development, the Welsh Development Agency was invited to address the Committee in March 2003 to discuss how it had responded to the Committee's recommendations.

### **ICT in rural Wales**

13. In July 2001 the Committee began an inquiry into information and communications technology provision in rural Wales focussing, in particular, on the steps required to boost the demand and supply of ICT in rural areas<sup>4</sup>. Written submissions and oral presentations were received from a wide range of interested parties. In addition, the Welsh Assembly Government's Research and Development Evaluation Unit conducted a literature review of 'what works' in ICT schemes in rural areas. The Committee's report was published in May 2002 and included 12 recommendations which, taken together and set alongside existing measures, would help address many of the ICT issues facing rural Wales.

### **Future of organic farming in Wales**

14. In April 2002 the Committee undertook an inquiry into the future of organic farming in Wales<sup>5</sup>. The Committee consulted widely and received a number of written and oral submissions. To further inform the inquiry, Members visited the Trawscoed research farm of the Institute of Grassland and Environmental Research (IGER) and Rachel and Gareth Rowlands, the founders of *Rachel's Dairy*, Britain's first certified organic dairy. Advice and guidance was also received from the Organic Centre Wales, based at the University of Wales, Aberystwyth. The final report was published in October 2002 and included a series of recommendations based on continued public support for the sector to assist its development in line with market potential. The Committee's key recommendation, to introduce a scheme of ongoing maintenance payments for organic farmers, was adopted by the Welsh Assembly Government. A written response from the Welsh Assembly Government to all of the Committee's recommendations was received in March 2003.

### **Future of agri-environment schemes**

15. Its work on organic farming, which recommended integration of support for organic farming into a suite of agri-environment schemes<sup>6</sup>, combined with the increasing environmental focus of the Common Agricultural Policy, led the Committee to undertake an inquiry into the future of agri-environment

<sup>4</sup> With reference to individual case studies and experience in Wales and elsewhere, to identify additional actions required to ensure that the economy and communities of rural Wales benefit fully from Information Age developments. The study will pay particular attention to the nature of ICT services required in rural Wales and the steps necessary to stimulate their demand and supply

<sup>5</sup> Terms of reference for the review: *'To assess the prospects of organic farming in Wales, the appropriateness and achievability of current Welsh Assembly Government targets and consequent implications for policy and resource allocation within the budget for agriculture and rural development.'*

<sup>6</sup> The Committee report *Future of organic farming in Wales* recommended *'the delivery of ongoing maintenance payments for organic production and the integration of support for organic farming into a suite of agri-environment schemes, should be seen as a priority for the Welsh Assembly Government when considering funding and the use of resources arising from modulation.'*

schemes in Wales<sup>7</sup> in July 2002. The Committee's report, agreed in March 2003, laid down a set of principles against which it hopes all future agri-environment schemes in Wales will be assessed.

### **Hunting with dogs**

16. In December 2000 a plenary resolution called for the Committee to consider the specific impact on Wales of a ban on hunting with dogs<sup>8</sup>. The Committee invited written submissions on the matter, drawing attention to any factors of particular relevance to Wales. Although the original Hunting Bill did not become law before the 2001 General Election, the Committee agreed that the responses it received should feed into the design and parliamentary scrutiny of any future legislation. In June 2002, the Committee agreed a factual report describing the nature of hunting in Wales and factors of particular relevance to it<sup>9</sup>.

### **CAP subsidy payments**

17. In response to concerns about delays in the payment of CAP subsidies, the Committee undertook a short inquiry in the first part of 2003.

### **Joint Working**

18. In addition to the Committee's inquiries, it has also contributed to key policy developments taken forward by the Minister:

### **Farming for the Future**

19. In July 1999 the consultation document *Farming for the Future* was launched jointly by the Committee and the then Agriculture and Rural Development Secretary. The joint launch of such a significant document, which asked fundamental questions about the future of agriculture, set a precedent for cross-party working in the new Assembly. Subsequently, in November 2001, the Minister published a strategy document of the same name outlining a vision for the long-term direction of agriculture in Wales. The Committee has regularly scrutinised the implementation of the fifty action points contained within the document.

### **Agri-Food Partnership**

20. The Committee has contributed to the development of a more market-led industry by monitoring the work of the Agri-Food Partnership. Through industry-led sectoral action plans, the Partnership encourages more effective links between producers and the market place adding value to primary products. The Committee has monitored the progress of these plans through quarterly meetings with the Chairs of the strategy groups concerned.

<sup>7</sup> Terms of reference for the review: 'To consider the effectiveness of Tir Gofal in delivering its objectives and to make recommendations for the future shape and funding of agri-environment schemes in Wales.'

<sup>8</sup> On 19 December 2000 the Assembly resolved that 'The National assembly notes that the Hunting Bill is of particular relevance to Wales, and refers the Bill to the Agriculture and Rural Development Committee for consideration of its bearing on Wales, and Requests the Minister for Rural Affairs to report on the application of the proposed legislation in Wales.'

<sup>9</sup> Hunting with Dogs in Wales, June 2002

### **Rural Development Plan**

21. The Committee played a significant role in the evolution of the Plan, which provides a framework for the development of agriculture and the rural economy in Wales, through regular discussion before its approval by the European Commission in October 2000. Since then, the Committee has monitored the implementation and effectiveness of the measures included in the Plan<sup>10</sup>.

### **Common Agricultural Policy Mid -Term Review**

22. The mid-term review of the CAP is the most significant factor currently shaping the future of agricultural policy in Europe. The Committee has regularly discussed the development of review proposals and sought to influence the Minister's position when negotiating with his counterparts in the UK and Europe.

### **Review of Expenditure and Administration (SO 9.7 (ii))**

23. The balance between the Committee's policy development and scrutiny functions has altered since it began its work in 1999. Explicit Ministerial and legislative scrutiny now takes up a greater proportion of the Committee's time.

### **Minister's Report**

24. The Committee regularly scrutinised the Minister via a regular report to the Committee. Having initially been a relatively brief item of business at every other meeting, around an hour of every meeting is now dedicated to scrutiny of the Minister's report. With the Minister's agreement, the Committee has developed a system to allow Members to require specific items to be covered, so allowing scrutiny of long-term and topical issues of importance.

### **Foot and Mouth**

25. The most significant influence on the Committee's work in 2001 was the foot and mouth outbreak. The issue dominated the Committee's work from the start of the year until the summer. Additional meetings were held during the Easter and summer recess and, at the height of the crisis, the subject took up the bulk of the Committee's fortnightly meetings. In this way, the Committee acted as an important public forum to scrutinise the handling of the crisis in Wales and to help disseminate information on emerging developments. When the disease had been brought under control the Committee resolved to conduct a detailed scrutiny of the actions taken by Assembly Ministers and officials during the outbreak. Two meetings of the Committee were devoted to this exercise and, as well as scrutinising the actions of the Minister for Rural Affairs, the Committee also invited other Cabinet Ministers with relevant functions to give evidence. As a result, the Committee was able to report on the disease control, environmental and economic aspects of the outbreak in Wales far more quickly than any equivalent body or inquiry in England<sup>11</sup>.

<sup>10</sup> e.g. Farming Connect, Tir Mynydd, Tir Gofal and the support available to the organic sector

<sup>11</sup> Report of the Committee investigation into the handling of foot & mouth in Wales: April 2002

### **Review of Assembly Sponsored Public Bodies (ASPBs) (SO 9.7 (iii))**

26. Following the transfer of responsibility for the Countryside Council for Wales and the Welsh National Parks to the Environment, Planning and Transport Committee in March 2000, the Committee's remit no longer includes any major ASPBs. Nevertheless, it continues to take an interest in their activities and those of other ASPBs which have a specific bearing on the Committee's work, in particular the Welsh Development Agency and Wales Tourist Board. These bodies are regularly invited to contribute to Committee inquiries and to account for the delivery of subsequent recommendations.

### **Legislation (SO 9.8 (i))**

27. The Committee has influenced the development of much legislation by becoming involved at an early stage to shape emerging policy. But, it has also made a conscious attempt to carry out its responsibility to scrutinise specific statutory instruments (SIs). The Committee regularly receives a list of forthcoming instruments from which it chooses those to be considered in detail. In May 2002 it agreed an informal protocol for handling SIs in Committee and, since then, has selected 17 SIs for detailed consideration.

28. Details of SIs considered in Committee are attached at Annex 3.

### **Budget (SO 9.8 (ii))**

29. The Committee has carried out its requirement to contribute to the budget process each year by identifying priority areas for expenditure.

### **Complaints (SO 9.8 (iii))**

30. In 2000 the Committee considered 8 complaints made to the Welsh Administration Ombudsman referred to it under SO 21. In view of the demand this placed on Committee time, in December Members agreed that discussion would only take place in Committee if Members gave notice of particular issues they wished to raise. No complaints have since been referred to the Committee.

### **Public Appointments (SO 9.8 (iv))**

31. The Committee's public appointment nominees have been involved in numerous appointments<sup>12</sup> to public bodies since its establishment.

### **Matters referred by the Assembly (SO 9.8 (v))**

32. In May 1999, the Assembly resolved that the Committee should conduct an inquiry into the ban on beef on the bone (see para 10). In December 2000 a plenary session of the assembly referred the then Hunting Bill to the Committee for consideration of its bearing upon Wales (see para 16).

<sup>12</sup> 2000-2001 – Sustainable Development Commission, Food from Britain and the Sea Fish Industry Authority and; 2001-2002 – Panel Appeals for farmers, Food from Britain, Sea Fish Industry Authority and Sea Fish Committees.

**Forward programme**

33. The number and portfolio of subject committees after the May 2003 Assembly elections will depend on the First Minister's allocation of subject responsibilities to members of the Assembly Cabinet. The work programmes and priorities of incoming committees will be a matter for them to determine.

**Agriculture & Rural Development Committee****Membership changes**

<b>Name</b>	<b>Political party</b>	<b>Date joined</b>	<b>Date left</b>
Mick Bates	Liberal Democrat	May 1999	June 2002
Christine Chapman	Labour	July 2002	-
Cynog Dafis	Plaid Cymru	March 2002	-
Janet Davies	Plaid Cymru	May 1999	October 2000
Jocelyn Davies	Plaid Cymru	November 2000	-
Glyn Davies	Conservative	May 1999	March 2000
		November 2000	-
Ron Davies	Labour	November 2001	-
Delyth Evans	Labour	May 2000	-
Michael German	Liberal Democrat	June 2002	-
John Griffiths	Labour	November 2000	-
Christine Gwyther	Labour	May 1999	July 2000
Carwyn Jones	Labour	May 1999	June 2002
Elin Jones	Plaid Cymru	March 2000	March 2002
Ieuan Wyn Jones	Plaid Cymru	May 1999	March 2000
Huw Lewis	Labour	November 2000	November 2001
Alun Michael	Labour	March 2000	May 2000
Peter Rogers	Conservative	June 1999	-
Janet Ryder	Plaid Cymru	October 2000	March 2002
Karen Sinclair	Labour	May 1999	November 2000
Rhodri Glyn Thomas	Plaid Cymru	May 1999	November 2000
		March 2002	-



**Agriculture and Rural Development Committee****Committee meetings**

<b>Year</b>	<b>No. of meetings held</b>	<b>Internal site</b>	<b>External site</b>
1999	17 <sup>(a)</sup>	18	-
2000	18	18	-
2001	18 <sup>(b)</sup>	18	-
2002	17	16	1 <sup>(c)</sup>
2003	7 <sup>(d)</sup>		

(a) In addition, three informal evidence sessions were held in Carmarthen, Llandudno and Llandrindod Wells to inform the Committee's diversification review.

(b) Including one joint meeting with Environment, Planning and Transport Committee.

(c) Held at the Royal Welsh Showground, Builth Wells.

(d) to April 2003

## **Statutory Instruments considered in ARD Committee**

### **Formally referred under SO 22.6**

The following SIs were formally referred to the Committee and considered at its 24 October 2001 meeting:

- *The Cereal Seeds (Amendment) (Wales) Regulations 2001;*
- *The Beet Seeds (Amendment) (Wales) Regulations 2001;*
- *The Fodder Plant Seeds (Amendment) (Wales) Regulations 2001;*
- *The Oil & Fibre Seeds (Amendment) (Wales) Regulations 2001;*
- *The Vegetable Seeds (Amendment) (Wales) Regulations 2001;*
- *The Seed Potatoes (Amendment) (Wales) Regulations 2001.*

The Committee recommended the Regulations proceed without amendment.

### **Other SIs considered in Committee**

In 2002:

- *The Environmental Impact Assessment (Uncultivated Land & Semi-natural Areas) (Wales) Regulations 2002;*
- *The Welfare of Farmed Animals (Wales) Amendment Regulations 2002;*
- *The Prohibition of Fishing with Multiple Trawls Order 2002;*
- *The Undersized Edible Crabs (Wales) Order 2002;*
- *The Organic Products Regulations;*
- *The prohibition of Keeping or Release of Live Fish (Specified Species) (Amendment) (Wales) Order 2002;*
- *The Genetically Modified Organisms (Deliberate Release) (Wales) Regulations 2002.*

The Committee recommended various amendments to the *Welfare of Farmed Animals (Wales) Amendment Regulations 2002*. The other SIs were recommended for approval without amendment.

By April 2003, the Committee had considered:

- *The Tir Gofal (Amendment) Regulations 2003;*
- *Action Programme for Nitrate Vulnerable Zones (Wales) Regulations 2003;*
- *The Pesticides (Maximum Residue Levels in Crops, Food and Feedingstuffs) (England and Wales) Regulations 2003;*
- *The Undersized Lobster (Wales) Order 2003;*
- *The Welfare of Farmed Animals (Wales) (Amendment) Order 2003;*
- *The Protection of Animals (Anaesthetics) (Amendment) (Wales) Order;*
- *The Pig Welfare Code.*
- *The South Wales Sea Fisheries District (Variation) Order;*
- *The South Wales Sea Fisheries Committee (Levies) Regulations;*

The following SIs have been identified by the Committee for future consideration.

- *The Review of Welfare of Animals in transit;*
- *The Welfare of Animals (Slaughter) Regulations.*