

WRITTEN STATEMENT BY THE WELSH ASSEMBLY GOVERNMENT

Title: Response to the Glastir Independent Review Group report

Date: 22 March 2011

By: Elin Jones, Minister for Rural Affairs

On 23 November 2010 I announced the setting up of an independent group, made up of farmers from across all of Wales, and chaired by Rees Roberts, to review the All-Wales Element of the Glastir scheme, the new arrangements for farm-based sustainable land management in Wales that is to become operational in 2012. The purpose of the review was to capture practical learning from the first round of applications to join the scheme and to make recommendations to enhance the attractiveness of actions under the All-Wales Element to the farming community. As I made clear at the time, the underpinning principles and stated environmental outcomes sought from the scheme were not under review.

Rees Roberts formally presented the independent group's report on 16 March and a copy is attached.

I am grateful for the time and extensive effort made by the group in considering the wide range of complexities associated with the All-Wales Element and for providing a comprehensive report that seeks to balance onfarm implementation issues with the delivery of measurable environmental outcomes, consistent with the European Commission requirements. I would like to thank the individual review group members and their chair Rees Roberts for this work and I very much welcome their report.

I have always been clear that the success of Glastir, ultimately, will be measured by the scale of individual farmer participation and the report provides a sound basis for introducing change to further refine the scheme. My decisions today should be viewed as part of an on-going process to regularly review the relevance of land management support via the Wales

Rural Development Plan, as has been the case with previous schemes such as Tir Gofal, Tir Cynnal and Tir Mynydd.

The group has made a total of 69 recommendations and my response to the individual recommendations is also attached.

I am happy to accept the majority of the recommendations contained with the report as I believe they will widen the appeal of the All-Wales Element, particularly for those farmers whose extended Tir Gofal and Tir Cynnal schemes run through to the end on 2013. In particular providing a reduced entry threshold at a minimum of 14 points per hectare, at a payment rate at £14 per hectare (or £16.80 within the Less Favoured Area) will be of specific benefit to more intensive farm businesses; this lower threshold will be introduced immediately and allow entry to the Agricultural Carbon Reduction and Efficiency Scheme (ACRES) but not to the Targeted Element of Glastir. Officials have been instructed to work up a mechanism for continued support for certified organic producers, given my acceptance to the recommendation to remove the Glastir points reduction that was to apply to the organic sector. I can readily accept the recommendation to revisit the costing basis for the All-Wales Element payment rates to reflect changes in fixed costs and market prices that have occurred since the scheme's launch. Also, I am prepared to accept the need for providing greater flexibility within some of the All-Wales Element actions, without compromising environmental outcomes, through introducing additional options relating to 2 metre requirements on hedging.

Some of the changes, made as a result of the recommendations I have accepted, will be implemented immediately and will be available to the current applicants. These applicants will have an opportunity in the early part of next year to review their All-Wales Element contracts to take into account further changes to the scheme resulting from the review. Contracts for these applicants will commence as planned on 1 January 2012. The first application reviews, between farmers and my officials at the three Rural Affairs Divisional offices in Wales, will take place from July 2011 onwards. In the meantime some of these applicants will also be considered for and the Agricultural Carbon Reduction and Efficiency Scheme (ACRES) under Glastir and also for entry, in 2013, to the Targeted Element of Glastir.

Other changes proposed by the review that I can accept in principle will require further development and work by officials before a final decision can be made. Officials have been instructed to start this work immediately as I have made clear that further changes will need to be incorporated into the preparation for the next application round for the All-Wales Element that will open on 1 December 2011 and close on 29 February 2012. A comprehensive support package including on-farm training and one-to-one surgeries that will inform farmers about these further changes will be rolled-out this summer.