

CYNGOR SIR POWYS COUNTY COUNCIL

**County Council
12th July 2018**

REPORT AUTHOR: County Councillor Aled Davies, Portfolio Holder for Finance, Countryside and Transport

SUBJECT: Question from County Councillor William Powell

It is widely accepted that a No Deal Brexit presents an existential threat to the future of Welsh livestock farming

- **90% of all Welsh meat exports are currently exported into the EU Single Market**
- **EU Farm Payments currently represent 80% of total farm incomes in Wales**
- **There is currently no clarity in terms of agricultural support regimes post 2022**

In this context, and since Powys is more exposed to turbulence within the livestock sector than any other Welsh local authority area, what is Powys County Council currently doing to build resilience and develop capacity, in order to safeguard the future of our local economy?

Response

The UK Government has pledged to continue to commit the same cash total in funds for farm support for the duration of this Parliament (until 2022).

This includes all EU and Exchequer funding provided for farm support under both Pillar I and Pillar II. In each UK administration, the UK Government funding under this commitment will reflect the EU's contribution towards farm support. It will clearly be for each administration to decide whether to continue to commit the same element of its existing block grant.

This pledge delivers a greater level of security and certainty for farmers and landowners than anywhere else in the EU - where funding is guaranteed only to 2020.

We need to be focused on opportunities outside the EU. Farmers will be free to grow, sell and produce more while protecting our environment, underpinned by the greatest possible tariff-free and barrier-free trade with our European neighbours and the rest of the world.

Powys County Council under the leadership of Cllr Rosemarie Harris is working closely with the UK and Welsh Government to grow the Powys economy and is

determined to create the environment where all rural business can thrive and increase their resilience to challenges in the market place. Delivering the Growth Deal will be a key element in our Vision.

The UK Government is also proactive in supporting the Welsh rural economy. The Secretary of State for Wales, Rt Hon Alun Cairns MP recently (7th June) hosted a joint Agricultural and environmental roundtable with the Welsh Government Minister, Lesley Griffiths. This meeting was to discuss issues relating to EU exit in Wales, to hear how stakeholders in Wales are preparing for exit and to understand more about stakeholders' key issues. It is clear that the two governments are working together on these important issues.