

Alun Davies AC / AM  
Y Gweinidog Cyfoeth Naturiol a Bwyd  
Minister for Natural Resources and Food



Llywodraeth Cymru  
Welsh Government

Eich cyf/Your ref  
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### **HIGH NATURE VALUE FARMING – AN URGENT CALL FOR ACTION**

Thank you for your letter of 3 June 2013 on behalf of the Nature Value Farming Coalition in which you request me to take action to save High Nature Value farming.

The forthcoming reform of the Common Agriculture Policy (CAP) for 2014 to 2020 recognises that farming needs to be environmentally sustainable and the proposals for CAP reform include support for 'greening' payments to farmers - that means that 30% of the payments they receive, under Pillar 1 of CAP, should be contingent on undertaking activities that are 'green'. The Welsh Government supports this policy proposal.

At present, how we are able to compensate farmers through Rural Development schemes is legislated through the Rural Development regulations, which, as currently drafted, only allow us to pay for income foregone and costs incurred, including a proportion of transaction costs. However, I am exploring whether there are ways in which Welsh Government could attract additional funding for eco-system services, providing this is in-line with subsequent European regulations following the outcome of CAP reform for the next programming period.

The Welsh Government is already taking a targeted approach to spending on Rural Development programmes through the Glastir Advanced scheme, which identifies the most high value areas to deliver positive outcomes for habitats, species and eco-system services, such as water quality and soil carbon; as well as management to enhance historic and landscape features. I know that RSPB and other environmental organisations have been very supportive and co-operative in developing this approach and I would like to thank you for that help.

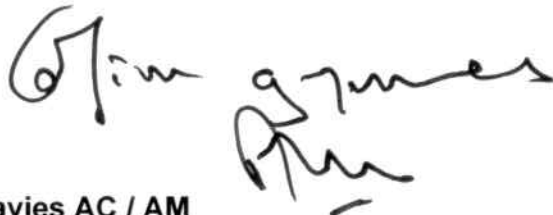
I agree that wherever possible, we should build on previous successful funding streams and the Welsh Government would support bids for funding that can further deliver toward the outcomes I have outlined above.

The draft Rural Development regulations place much emphasis on knowledge transfer, along with support for innovation and co-operation, and I am exploring ways of using these measures to benefit environmentally-friendly farming, bio-diversity and landscape, as well as the improved delivery of eco-system services, more efficient supply chains, the process and marketing of products and knowledge sharing to deliver positive environmental and socio-economic outcomes through out Wales' rural environment.

High Nature Value identification and associated monitoring is a regulatory requirement of our Axis 2 schemes and we have included these actions as key outputs of our Glastir Monitoring and Evaluation programme. Our contractors have established a High Nature Value working group in order to assist in the identification of High Nature Value in Wales. In line with the overall theme adopted within the Monitoring and Evaluation programme, natural capital and ecosystem services are a central consideration. Following identification of Wales' High Nature Value, our contractors will develop and initiate a robust Monitoring and Evaluation protocol, allowing reporting of the extent and quality of High Nature Value in Wales.

I made it clear in Plenary on the 4<sup>th</sup> June that we simply cannot carry on the way we are and that we must concentrate on the habitats of greatest importance, as they are simply too important for us to put to one side, and I have agreed to hold a positive debate on how we manage our land to avoid the crisis of biodiversity that we are potentially facing.

I consider that the higher level elements of the Glastir scheme, combined with the robust monitoring and evaluation programme that is already in place, are the most appropriate and effective vehicles to deliver these environmental enhancements and I have asked officials to consider how we ensure that the budget allocated and the accessibility to these parts of the scheme under the next RDP are sufficient to ensure that the benefits of High Nature Value farming are continued.

A handwritten signature in black ink, appearing to read 'Alun Davies', with a stylized flourish underneath.

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