

Welsh Affairs Committee

Oral evidence: [Brexit: Agriculture, Trade and the repatriation of powers, HC 402](#)

Thursday 7 June 2018, Cardiff

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Members present: David T. C. Davies (Chair); Tonia Antoniazzi; Ben Lake; Anna McMorris; Liz Saville Roberts.

Questions 543 - 590

Witnesses

I: Lesley Griffiths AM, Cabinet Secretary for Energy, Planning and Rural Affairs, Welsh Government, and Tim Render, Director, Environment and Rural Affairs, Welsh Government.

Examination of witnesses

Witnesses: Lesley Griffiths and Tim Render.

Q543 **Chair:** Minister, thank you very much indeed for coming along to give evidence to us this afternoon. I know your time is a bit limited, so I am going to try to dive straight in, but I will also perhaps try to jolly the questions along a bit, because we did get very into a debate in the last session.

Obviously, the Welsh Government have been clear that, post-Brexit, agricultural policy should be entirely within the devolved sphere, the remit of the Welsh Government. Why is this important and has there ever been any real disagreement about the level to which agricultural policies will be devolved?

Lesley Griffiths: I think there has been disagreement. You can see what happened over the EU Withdrawal Bill, so I think there has been a level of disagreement, but obviously we have moved on from that, fortunately. Why is it important? Agriculture has been wholly devolved for nearly 20 years, so there have been diversifications of policies. Our landscape in Wales is very different to that of England or certainly some parts of England. We have a real focus on culture and communities in relation to our agriculture sector; the Welsh language is incredibly important.

I think there are big differences, but I suppose the bottom line is the EU referendum, which I do not think—and I do not think anybody else would think—was a referendum of devolution; there should be no clawing back. Certainly, in my discussions with my ministerial counterparts, with DEFRA and obviously with the devolved Administrations, I do not think that has been an issue at all. I think that has always been recognised.

Q544 **Chair:** Broadly speaking, Wales will end up with more powers than it had previously as a result of Brexit. That is a fair comment, isn't it, even though not all of them will come straight to Cardiff? Broadly speaking, I suppose anyone who supports devolution would see some advantage to this, even if it might not necessarily have been the outcome they desired.

Lesley Griffiths: Certainly, you try to look at opportunities and challenges. I think as time has gone on it has become a little easier to look at the opportunities. As somebody who is a passionate Remainer, you just see the challenges, but I have just come straight here from a joint meeting with the Secretary of State for Wales with all our stakeholders. We have a ministerial Brexit stakeholder forum that we set up straight after the EU referendum vote two years ago now. Again, it is important that people were not working in silos, so we have everybody around the table: agriculture, forestry, fisheries and environment bodies. It is the first time we have met jointly with the Secretary of State for Wales, and I think it is important to show that the two Governments can work together in the best interests of the people of Wales. That is what I am looking for.



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Q545 **Chair:** Can I ask you then: any room for some of the organisations involved in leisure in the countryside to go on that?

Lesley Griffiths: In leisure in the countryside?

Chair: Leisure. I mean organisations like the Countryside Alliance perhaps.

Lesley Griffiths: We tried to ensure that all parts of my portfolio were around that table. It is a very big group. I cannot remember whether that specific organisation was asked to come or whether they are covered in another way, but I certainly do not particularly want it to be any bigger than it is, because it is a very large group. But I do think everybody's interests are covered around the table.

Q546 **Anna McMorris:** Welcome, Minister.

Lesley Griffiths: Thank you.

Anna McMorris: It is very good to be here in Cardiff. Now you have come to an agreement with the UK Government on how the Withdrawal Bill will apply those powers, does this agreement mean that, in your view, you are confident now that agricultural policy will be set by the Welsh Government in future?

Lesley Griffiths: Yes, absolutely. I have to say, from day one—I came into this portfolio the month before the referendum vote—I made it very clear we would have a Wales agricultural policy. I never ever allowed anybody to discuss British agricultural policy. Obviously, the fight—which I think was a completely unnecessary fight—on the EU Withdrawal Bill made things slightly more difficult, but again, speak as you find. In our quadrilateral meetings between DEFRA and Scotland and Northern Ireland, we never went off that. We always said that we would have our own agricultural Bill, for the reason that I said in my opening answer to the Chair.

Q547 **Liz Saville Roberts:** We do understand from the frameworks on the 24 powers, among which is a number of agricultural powers, they will remain as they are for a certain period, then they will be frozen for a certain period. How long do you think it is acceptable for this to be permitted in Wales, where effectively those powers are being held back from us?

Lesley Griffiths: I do not think there will be much of a period of time when that will happen. It is up to us to get out there and get on the front foot and make sure that we are ready to go with our agricultural policies. I have said publicly that we will be publishing our Green Paper at the beginning of July. I want to do so ahead of the Royal Welsh Show and the Summer Show, so we have that engagement. I do not expect them to be held for long at all.

Liz Saville Roberts: It is our understanding that they are going to be kept as they are for two years and then up to five years, so there could be seven years in all, which is longer than one of the terms of the



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Assembly.

Q548 **Anna McMorris:** Just to add to that question, wouldn't you agree—and I had a very interesting discussion with Alun Cairns and the Brexit team in Government yesterday—Minister, that the five years and two years is the minimum amount necessary in order to enable those future frameworks and legislation to be developed?

Lesley Griffiths: Yes. We have had so many deep dives around frameworks. If you want to get into the technical stuff around frameworks, Tim is your man.

Anna McMorris: I think we are coming to that as well in a bit.

Lesley Griffiths: But we have had the deep dives and agriculture was held up as the shining example around deep dives, so yes, I would agree with that.

Q549 **Anna McMorris:** I know that what was fed back to us yesterday, and I know from conversations with colleagues here, that it was quite a thought process but that now it is about working together in order to ensure that the devolution process works.

Lesley Griffiths: Yes. As I said in my opening remarks, I think there has been a significant level of disagreement and it was very fraught, but there has been compromise on both sides. I think if you look at where we started from and where we are now, you do not get from there to there without that level of compromise.

Q550 **Liz Saville Roberts:** Do you predict any areas where there might be disagreements in relation to the powers being held back? If there are disagreements, what do you think is the best way to resolve such disputes?

Lesley Griffiths: I think it would be foolish to say that there will not be disagreements about lots of aspects of Brexit going forward. That is why we have said there has to be a completely new structure in place to look at disputes. You will have heard the First Minister say there should be a Council of Ministers, for instance. We have said there should be a JMC group for trade, for instance. Those discussions are ongoing by certainly the First Minister at JMC Plenary and Mark Drakeford at JMC (EU) to make sure that we get those structures in place. Again, I think we have seen the UK Government move much more toward, I think probably from the very beginning, how the Welsh Government have suggested it happens.

Q551 **Liz Saville Roberts:** Seeing as effectively you have handed these powers back now to Westminster, would you be content if Westminster were to propose something along the lines of a laying of a statement if there is disagreement? Would that be sufficient?

Lesley Griffiths: I do not think we have handed the power back.

Q552 **Liz Saville Roberts:** Would you be content with the laying of a statement being a means of resolving disputes?



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Lesley Griffiths: No, I think there needs to be much more of a formal structure in place in the way I have said. A Council of Ministers I think would be the main one that we would want.

Q553 **Anna McMorris:** Would you agree then that there should be a better structure, rather than a JMC, for deciding the future arrangements? I think that was something that was also brought up with the Secretary of State and Ministers in the UK Government yesterday, looking at a UK Council of Ministers.

Lesley Griffiths: I think there has to be a much more formal structure than we have had. I think discussions need to be ongoing. I think some Departments in Whitehall are better at those discussions. DEFRA, in fairness, is very good, because we have had the fisheries councils that have gone on on an annual basis. We have had that structure that perhaps other Departments have not had, so I have found it much easier to engage with DEFRA, for instance, than I have with BEIS or DCLG. My portfolio obviously covers other Departments, so I think the DEFRA model works much better. But I go back: I think we need a much more formal structure than we have at the minute.

Q554 **Tonia Antoniazzi:** Michael Gove had this vision for future agricultural policy for England. When will we be seeing the Welsh Government's vision for agricultural policy in Wales?

Lesley Griffiths: I mentioned that I will be launching a Green Paper out for consultation at the beginning of July. I wanted to do it ahead of the Summer Show, for obvious reasons. That Green Paper has been put together following extensive consultation with stakeholders. I mentioned the Brexit ministerial roundtable that started back in the beginning of July 2016. I think it is very important that we have a long consultation. It is obviously over the summer and I know many people are very busy at that time of year, so we have extended it to 16 weeks, to go into October, because I think it is, again, very important.

It will cover all aspects of land management. Again, having had all those stakeholders around the table, I am grateful to them because it has enabled us to bring forward a paper that I think covers the future use of land, for instance. We want to hear people's views on funding. Funding is a big issue. You will not be surprised to hear at the previous meeting with the Secretary of State it is of grave concern. That is when the paper will come forward.

Q555 **Tonia Antoniazzi:** What do you think of the proposals set out in the UK Government's consultation on future agricultural policy, the England one?

Lesley Griffiths: The England one? That is for England. I cannot say I have read it word for word, but I certainly read it when it first came out. There are big differences. I mentioned about the landscape; I mentioned about our culture; I mentioned about our communities. Our paper, which you will have to wait a little while to see, will be much more focused on



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those aspects. We have not gone through it line by line. I am sure officials are going through it line by line, but that is for England.

Q556 Tonia Antoniazzi: You do not think that there are areas where a similar approach would work in Wales or areas that you think it would be unsuitable? You spoke about landscape: we have a different landscape, communities, Welsh language, but are there things that do hold true that could be useful in Wales?

Lesley Griffiths: Yes, absolutely. I am not going to say just because it is for England only there is nothing in there. When we get to the end of this road and we have four agricultural policies for England, Wales, Scotland and Northern Ireland, they probably will not wildly diversify. They will be different, but they will be not wildly different. If you think of Uplands, for instance, you think probably the Lake District might be comparable, but there are areas that are not comparable to Wales at all. That is why it is so important that we do what is right for Wales. This is probably a once in a lifetime opportunity to make sure we get it right. I am not saying everything from the EU is perfect. Certainly, around fisheries, I have heard a lot of concerns around EU legislation. It is our opportunity to get it right, but we can only do that if we work together.

Q557 Ben Lake: Cabinet Secretary, thank you for appearing before the Committee. The UK Government have announced that they will guarantee agricultural payments through to 2022, but they have not been that clear about how this money will be allocated afterwards and how it will be distributed across the UK in particular. Have you any thoughts so far or any opinions as to how these payments should be distributed across the UK?

Lesley Griffiths: You make a very important point, Ben, around funding, because we have had that assurance. However, we have not had clarity around funding, which is of concern. At our quadrilateral meetings, we have invited the Chief Secretary to the Treasury to come and talk to us. Unfortunately, we have invited her about four times now and she has not come. I am hopeful she will be at the next one in London on 5 July, because it is important we do get some clarity around it.

It was interesting at the last meeting. Alun Cairns said—because we have had fears around Barnettisation and we have made it very clear that that is not acceptable—he thought it was a red herring, so I think he effectively ruled it out, which is encouraging because we have significant funding coming into Wales. We obviously do not want it to be Barnettised. We were told ahead of the referendum we would not lose a penny. That is absolutely where I come from in relation to the support that we have had for our agricultural sector and other sectors.

We are wanting that clarity. Both the First Minister and myself have said publicly that any funding that comes back from the UK Government will be ring-fenced for agricultural support, which I think reassured the



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sector. Until we get a bit more clarity, and those discussions are obviously ongoing, it is—

Q558 **Ben Lake:** I suppose as well, not just in terms of the level of funding, when George Eustice was before the Committee he made the distinction between—or perhaps I made a distinction—the overall size of the cake and then how that cake is distributed. I know there has not been much clarity, but has there been any discussion yet as to how—whether it is through the quadrilateral, whether it is through a new structure altogether—post-2022 the Welsh Government will have a place not just in deciding the size of the cake but also how it is distributed?

Lesley Griffiths: Funding is a standing item on our quadrilateral meetings. There have been early discussions, but I would not say particularly intensive.

Q559 **Chair:** Just to clarify one thing on Ben's cake analogy, presumably that cake is going to be made up of structural funds, or what would previously be structural, and agricultural funds and there are some other ones there as well. When that money comes over—non-Barnettised, we hope, and I fully agree with you—who is going to be responsible for making sure that agricultural payments and structural payments stay at the same level? Presumably, it would be the Welsh Government.

Lesley Griffiths: Absolutely.

Q560 **Chair:** What if one part of that cake was a bit smaller than expected; for example, if structural funding was cut? Would you still be able to guarantee that agricultural funding would carry on at the same level?

Lesley Griffiths: As I say, the First Minister and I have both said that will be the case. Obviously, post-2021 it will be for a new Welsh Government to decide that, but certainly that is the commitment that we have given for this term.

Q561 **Chair:** You would be happy to commit in principle, assuming funding comes over after 2021 or 2022, that the Welsh Government would continue to fund agriculture and support it?

Lesley Griffiths: As I say, that is a matter for the next Government.

Q562 **Chair:** Could you give any indications as to what the percentage breakdowns between pillars 1 and 2 might be?

Lesley Griffiths: Not at the moment.

Q563 **Chair:** I think it is probably a fair statement to say that the big idea in the English Agricultural Bill is more payments for environmental benefits. Is that something you think would be reflected as well in Wales?

Lesley Griffiths: Certainly, we have said it is public goods for public services and we are looking at that. We are also looking at economic activities. What we are saying is no land manager or farmer shouldn't be



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able to access money from both sides but, as I say, it is very early days and obviously we will be going out to consultation.

Q564 Liz Saville Roberts: Has there been any discussion generally, and also specifically in relation to agriculture, of the shared prosperity fund and what this will mean?

Lesley Griffiths: No, I do not think we have—

Tim Render: There have been some official-level discussions, both with BEIS, DCLG and the Treasury, but I do not think it has yet been worked through in that link between the shared prosperity fund, structural fund replacement and how that links across to what is currently done with the rural development programme. I think we recognise the need, but it is not quite mature enough, in a sense of the clarity, to be able to do the detail.

Q565 Liz Saville Roberts: As a ballpark figure, by when do you think there should be more meat on the bones of this?

Lesley Griffiths: Do you have anything on that officially?

Tim Render: Obviously, some of the meat on the bones comes with consultation on food and farming environment policy in July. The Welsh Government have already published our ideas or consulting on ideas on the prosperity fund, the future of structural funds. We are developing that policy thinking with the Welsh Government. It is still an ongoing discussion with the UK Government, especially on the funding piece, which is, in a sense, the big determinant of where you go on that. We do not have clarity on how long that is going to take or when it is going to land. Clearly, there is a UK Government spending review planned for next year, which will have quite a big impact on these things.

Q566 Chair: Can I just put one more question out? Is it possible to have any clear idea as to how to organise future payments before we know what the outcome of the Brexit deal is? Because if we have some kind of business as usual arrangement, then obviously one would expect the future subsidy arrangement to be similar to what it is now, whereas if there is no agreement, then some sectors will face bigger challenges than others. Some, in fact, would potentially do quite well out of it—I would suggest beef and dairy might—whereas others, obviously lamb, could clearly do rather badly. Would you agree it is going to be important to tailor a future payment system to iron out any difficulties?

Lesley Griffiths: I would agree with that. Obviously, they are long-term businesses, aren't they, agricultural? I think they are very concerned about the lack of clarity. Working with them, we do need to look at how those payments are brought forward, yes.

Chair: Excellent, thanks. We are jumping around a bit on the questions, Minister.

Lesley Griffiths: That is fine.



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Chair: I would like to pick one that we have not already covered, because you have very cleverly covered a lot of the questions that we had.

Lesley Griffiths: It is because I have been in that meeting.

Q567 **Ben Lake:** On the level of funding, something that was mentioned, although again not definitively and explicitly, in a previous evidence session with UK Ministers was that—and I am sorry to go back to the cake analogy; there have been a lot of cake analogies with Brexit—

Lesley Griffiths: I like cake.

Ben Lake: —the overall size of the cake might be decided in terms of the Comprehensive Spending Review. One concern with that, if it were to transpire to be the case, is that it is usually decided on a three-year basis rather than seven or even longer. Do you have any thoughts as to any future agricultural policy and payment scheme? Is there any kind of length of time that you are starting to look at in terms of how long the funding programme should last?

Lesley Griffiths: Because we now have some assurances and next year will be the last year that the payments will be paid in the current form, we have the assurance until 2022, I think the next one probably would be 2025 going into 2030, but again, they are very early discussions around funding. My main concern is that we get some clarity, because we do not have that. One of the reasons for having that joint meeting today was so the Secretary of State for Wales could hear the concerns around non-devolved matters: trade, workforce and funding.

I think it is important that he understands the stakeholders' concerns. I am not saying he does not engage, of course he does, but this is a particular group of people who work very closely with us formulating our policy and there are things that obviously they want to discuss that are reserved matters. They do not have that avenue, if you like, but funding has to be top. I do hope that the Chief Secretary to the Treasury comes to the next meeting, because that will hopefully provide some sort of clarity.

Q568 **Anna McMorris:** I wanted to talk about trade as well. The UK Government are apparently seeking trade deals at the moment, although I am not sure how much of that work they are actually doing, but this might include agreements on policy alignment. What discussions have you had with UK Government Ministers on trade and what do you see as the impediments or helpful measures going forward that could help with trade to and from Wales?

Lesley Griffiths: Me personally with Ministers, obviously at the quadrilateral we discuss trade, but that is quite broad. We have just had some good discussions now with Alun Cairns around trade for him to take back. Officials have in-depth discussions, so I will come over to Tim in a bit. I suppose the things that concern the sectors, mostly we work best



with our closest neighbours, that goes without saying, and what they want is unfettered access to the single market. That is clearly the top priority. They are very concerned about tariffs. There is no point in having this wonderful Welsh food and drink if there is no market, so they are very concerned about markets. They are very concerned about free trade agreements, obviously the current ones and also any new ones. Personally, at a ministerial level I have not had a great deal of discussion around trade, but other Cabinet Secretary colleagues have and officials have.

The big concern is tariffs and not having a level playing field. Another concern is that we have very high standards, environmental standards, animal health and welfare standards. I do not want our Welsh food and drink producers, our agricultural sector, to be competing with countries with much lower standards than ours. I hope that answers your question. I think there are many concerns around trade that need to be looked at in much more detail than they are.

Q569 Anna McMorris: It is interesting, because we have heard quite a bit of evidence on this, and hearing from those farmers involved how important that access to the single market and perhaps membership of the single market is for those future trade deals. What is your position on that and how do you see those negotiations? We have the Withdrawal Bill coming back to Parliament next week. It is a very pertinent time for us as MPs in Parliament. How do you see that panning out?

Lesley Griffiths: You will be aware that the Welsh Government's position is that we should remain in the single market, we should remain in the customs union. That is the level and the base that we come from. Again, I go back to the last meeting: there is apparently planning going on now for a no-deal scenario. There has to be legislation in place, I understand that, but you could see there were a few sharp intakes of breath around the table from stakeholders around a new deal. We do not want Wales to be worse off and that is our grave concern.

Q570 Chair: Can I throw in a quick one on animal welfare issues? Would it be the position of the Welsh Government that they would continue to support live exports?

Lesley Griffiths: This is something that we are looking at at the current time and I will be making a statement on that.

Q571 Liz Saville Roberts: I am frankly delighted to hear the statement of Welsh Government, but how does that sit with the policy of your own party in Westminster, which is not making the same unequivocal statements?

Lesley Griffiths: Obviously, I am here to represent the Welsh Government, not my party in the UK.

Liz Saville Roberts: But this is your party.



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Lesley Griffiths: That is the Welsh Government's view and we are in power here.

Chair: Liz, we have completely gone skew-whiff with the questions. That I say as a compliment to the Minister for answering so many questions. Shall we go to 10 or 11 and then come and answer anything that needs—

Q572 **Liz Saville Roberts:** I will have to declare an interest here. This is to do with fisheries policies, but my daughter is half-owner of a fishing vessel; they fish for lobsters and seafood.

Moving into the future, the common fisheries policy is to be renegotiated and the quotas associated with quota species—my daughter and her partner fish for non-quota species—is also to be renegotiated. I understand one of the knock-on effects of the 24 competencies being held back is it is no longer in the power of Welsh Government to veto sales of quotas, which is something that the Scottish Government have said that they will do in the future. Is there any way that you have a means of controlling the future quotas that will be allocated to Wales to make sure that they can remain in Wales as best we can?

Lesley Griffiths: We are very concerned about the announcement that came out from the UK Government. We will have a Welsh fisheries policy. Quotas are obviously something that we do at Council in December at the current time, which obviously we will not be doing. We are not as forward on our fisheries policy as our agricultural and land management policies, but we will be going out to consultation in due course. These are all issues that we certainly need to look at. I have to say, I do have a great deal of sympathy with the fisheries industry around quotas.

Q573 **Tonia Antoniazzi:** The UK Government plan to pursue an ambitious trade policy post-Brexit. Are there countries that you think Welsh agriculture could benefit from with a new free trade agreement?

Lesley Griffiths: Obviously, we have just had one with Japan. I have to say, they seemed quite excited about that this morning. They tell me more of what they are concerned with, rather than what they are looking for. There are new markets out there and we certainly need to be open to those; for instance, America. I came into post two years ago, as I say, and we were trying to get our lamb back into America. We were nearly there when there was a change in Administration, shall I say, and unfortunately we have not been able to pursue that. As I say, what they tell me is they are more concerned about keeping that access to the EU.

I have just had three days in Spain. In fact, you are very lucky I am here, because when I got to the airport in Bilbao last night, they cancelled my flight and offered me one on Saturday.

Chair: You might have been tempted.

Lesley Griffiths: I was. I just spent three days in Catalonia in the Basque country. It was good to hear that particularly the Basque country are so keen to continue their ties with Wales and build on collaboration



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and co-operation. I only just mentioned that very briefly to some of the stakeholders who were there this morning and that is what they want to continue with the EU. They are very concerned about a free trade agreement with New Zealand, for instance, and they are quite apprehensive about South America. It is about making sure that we are around the table from the beginning in relation to trade policies and that the UK Government are transparent and open with us around that. But there are opportunities, I think.

Q574 Ben Lake: That follows on nicely, Cabinet Secretary, to the next question, in particular about the potential dangers and the markets that you mentioned, New Zealand and South America, and I suppose also Australia if you consider that. One of the things that several individual farmers and also individual stakeholders in meat processing have pointed to is shelf life and, of course, New Zealand lamb in particular has a considerably longer shelf life. Are there any proposals or measures that could be pursued to try to help the industry enhance the shelf life of Welsh red meat?

Lesley Griffiths: Yes is the short answer. Certainly, I think we need to look at our research and development and learn from other countries. You are right about New Zealand: 90 days, which is a lot longer than ours. When I was in Catalonia at the beginning of the week, the Government are doing a big piece of research on shelf life. I have asked for officials to discuss what we can learn from them. Seafood is another area where we are really concerned. It has a very short shelf life and if there is a back-up in the ports, for instance, we do not know what is going to happen at the ports. There are lots of concerns, not just about shelf life, but about licences and the form filling-in and how long things are going to be in the ports for. If we are going to get the industry ready, I think that is an area that we have to put some significant work into.

Q575 Ben Lake: Just to slightly elaborate a little bit more on trade deals and opening new markets or developing new markets, one thing I think the Welsh Government should be commended on is the new branding now of Welsh produce, particularly food and drink. It is a particular success, I would argue, not that I often compliment the Welsh Government—

Lesley Griffiths: That is very kind, Ben.

Ben Lake: —but that is certainly something that is undoubtedly a success. Given that there are, I believe, some Welsh Government offices or at least a presence in British embassies overseas, and perhaps the Welsh Government also have some offices of their own, have there been any discussions or do you think that it might be worth having some discussions with either the Foreign Office or the Department for International Trade to see whether we can further enhance this precedent so that when the UK Government are exploring better trade deals with China, for example, the Welsh food and drink brand is very much at the forefront?



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Lesley Griffiths: Yes. The Welsh food and drink brand is incredibly strong. It is a pleasure to go anywhere: as I say, I have just been out with food and drink now to Catalonia and the Basque country, and the way they are treated and our produce is just well known. We have to have that presence. We have offices in a variety of countries, but we also have a presence, as you say, in embassies. I was out in Dubai last year at Gulfood, which is the biggest food trade exhibition, for want of another word. We probably had two dozen companies out there. It happened again this year. I did not go out this year, but again, we support our companies to go on these trade missions.

You have Anuga in Cologne, you have SIAL in Paris, and we make sure we have a presence, but it is also important to have the market here. For instance, on St David's Day, we were in about four places, including—what is that lovely market?—Borough Market in London, so we had a presence there. Just yesterday in Bilbao, in the airport there was this massive shop selling Basque food and drink. Why aren't we doing that in Cardiff Airport? That is something that I want to pursue with colleagues here. I think it is important that we showcase not just to Wales but to the UK market.

Q576 **Ben Lake:** At the moment, in the way that the Welsh Government are able to either set up their own offices or to co-locate with some of the British embassies and consulates, is there anything that you would like us as MPs at Westminster to try to lobby the UK Government for to improve the way they co-operate with you? Are there any impediments in your way in selling Welsh food and drink?

Lesley Griffiths: I do not think there are. I suppose one thing you could do is I am very keen that we do not lose that Welsh identity post-Brexit. I think it is important, so I am having discussions now about food labelling. Protected food names are really important to the companies that have them, and we have a few in the pipeline. I have to say, since the referendum vote we have more or less doubled the number of companies: Caerphilly cheese, Carmarthen ham. What those companies tell me is it is really important that we keep that PFN.

Those discussions are going on with UK Government, if you could lobby about that, because there are other countries outside of Europe that have protected food names, so it is not just European countries that have that. I do not think it will be a big issue, but I do not want us to lose that very special branding. As you say, it is a really big success story. We have the food and drink action plan that was launched back in 2014 to grow the food and drink industry sector in Wales by 30% by 2020, and we are nearly there.

Q577 **Chair:** Did you say that is twice as many companies since Brexit that are looking to protect their names?

Lesley Griffiths: Yes, they were in the pipeline. When I came into the portfolio there were seven or eight and I think there are 15 now.



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Q578 **Chair:** Could I describe that as a Brexit brand boost?

Lesley Griffiths: No, but it is incredibly important for the companies and I want to keep that, because people know our Welsh beef and our Welsh lamb.

Q579 **Chair:** On the issue of trade deals, at the moment obviously the UK Government are responsible for striking trade deals. Presumably, the Welsh Government would like some input into that. What is the level of input that you would like to have over it?

Lesley Griffiths: You are right, it is a reserved matter, but we have made it very clear we need to be around the table because of the impact on Wales. I do not think there is a push-back against that. I personally do not meet with DIT Ministers, but I know Cabinet Secretary colleagues do. I think it is important, otherwise we would not be over there.

Q580 **Chair:** Would you go as far as to say that the devolved nations should have a power of veto over any future trade deals?

Lesley Griffiths: That would be nice.

Q581 **Chair:** If that were to happen, because I have heard it said, wouldn't that also mean that if for some reason the UK decided to re-join the European Union, then a devolved region would also basically have the power to block that from happening, since that would obviously involve a major trade deal?

Lesley Griffiths: I have not thought that way along the line. As I say, I absolutely recognise the UK Government are responsible for trade.

Q582 **Chair:** If the Committee will forgive me, because we are now getting through it, I want to leap back to one other question. If there are particularly strong areas on which the UK and Welsh Governments agree on aspects of agricultural policy, if there is likely to be broad agreement over, for example, pesticide use, GM crops, are there areas like that?

Lesley Griffiths: We have our position on GM crops. It is not something I have discussed with the UK Government. Pesticide use, is that one of the deep dives?

Q583 **Chair:** The use of glyphosate or neonicotinoids, for example.

Lesley Griffiths: Yes. Is that part of the deep dive?

Tim Render: Those are things that are being worked on. Obviously, the decision making on those approvals will come to devolved Ministers in the post-Brexit world. The process for getting to the technical advice is something that we are working through with all the UK Administrations to do that. Those are things where the responsibility for the decision making will be devolved, but where those joint framework structures will allow you to have those discussions, to say, "Do we want to take a common approach or are we, on some of these, going to take different views?" I think on things like genetically modified organisms, you already have



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different policy views in different Administrations, but a lot of that will flow from that framework structure for that, to give you that ability to have those discussions between all four Administrations to either come to a common position or to understand why you are diverging and manage disputes if that divergence causes really significant difficulties for one of the parties.

Q584 Anna McMorris: I wondered if you would go into a little bit more detail about frameworks. I also wanted to ask: the UK Government are putting environmental principles into law, we know that, but without strong enough enforcement agencies—in Wales, obviously NRW—to enforce it. Where is this going to leave us? Could you comment on what your conversations have been with UK Government Ministers on this and whether you are pushing for strong enforcement agencies, stronger than we have now, to enforce that?

Lesley Griffiths: In relation to frameworks, you heard Tim say we have had these series of what we call deep dives. I am not sure I quite like that phrase, but I think they have been very useful. This has been at an official level and I think you have done about 22 or 23 now, something like that.

Tim Render: We have covered 23 topics. In terms of numbers of meetings, most of those have been multiple meetings lasting multiple days, yes.

Lesley Griffiths: Twenty-three different subjects of those 24. Most of them fall in my portfolio, that is the thing. On agriculture specifically, I think it has been concluded that if we could have that common approach, it probably would be desirable. We do not want legislation for legislation's sake, but we do need to explore all those 24 areas and which will require legislation and which will not. Those are the discussions that are going on at the moment.

In relation to the environmental principles, we are in a very different position in Wales. We have the Future Generations Act and we have the Environment Act, which goes through the heart of everything. I do not need to tell you, Anna, sustainability goes right through the heart of Government, which they do not have in England. I think that point was missed in the early discussions, but I think we are getting there now. Again, it is about lack of understanding about devolution. I am not saying it is there at a ministerial level, but it is certainly there at an official level.

We have heard DEFRA have just had 1,300 new officials come in in the last few months. They are probably not going to understand devolution in a way we would want them to, which is obviously of concern. They did acknowledge there will be governance gaps. I think again they are out to consultation, but because we are in a much different position to start with, we are on a stronger footing. The paper that came out for England made that very clear. Certainly, the first time we saw a draft it said "UK" and we said, "No, it is England only". I think that is an issue. DEFRA



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needs to recognise when it is talking for England and when it is talking for the UK.

Q585 Anna McMorris: Yes, but I suppose the difficulty comes because the Withdrawal Bill covers the UK, it is UK-wide. When you are looking at, for want of a better word, policing this, looking at this in the future, it is about how you keep devolution, that devolved aspect, and keep retaining your ability to legislate in the future, but while also working together cross-country, across the four nations, to make sure that the UK Government know they are also acting as an English Government as well as a UK Government. I suppose it is those two differences.

It is interesting to hear your comments this morning, but is there anything else you want to add about that conflict between the English way of looking at it and a UK Government approach?

Lesley Griffiths: I do not think there is anything I want to add.

Tim Render: I think one dimension particularly in the environment space is that we also have to recognise there are some international obligations and commitments that the UK enters into, but which are delivered by the four countries of the UK collectively. The duty on devolved Administrations is to co-operate and deliver those international obligations, so there is that international layer as well as then the directly devolved layers. That is again one of those areas where the frameworks help you get that balance right.

Q586 Anna McMorris: But without that enforcement at the end of it, how do you ensure that that happens?

Tim Render: In terms of those international cases, there is a duty on the devolved Administrations.

Q587 Anna McMorris: I understand that is not for you, that is for UK Government.

Lesley Griffiths: We were discussing this morning: I suppose we have examples of bodies that advise England and Wales; for instance, Ofwat, UKCCC. That is a good example about how you can advise Ministers on a two-country or four-country level. That is probably the way forward.

Q588 Liz Saville Roberts: In some ways there is a connection between what we have just discussed. One of my purely practical concerns is I am very much aware that DEFRA has been operating on a purely England-only basis so that you will have those long-established connections with those organisations. People know each other and that is powerful. Alongside that, one of the questions across the Committee that we are concerned about is the fact that there are red meat levies collected for a large percentage, frankly, of Welsh livestock slaughtered in England, which then remain with AHDB. I think there have been hopes that this was going to be addressed, but it just does not seem to have happened. This situation obviously does not serve Hybu Cig Cymru well because it would



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result in more funding for them and we need that money to market our produce.

Lesley Griffiths: We do.

Liz Saville Roberts: What can we do to make sure this comes back?

Lesley Griffiths: You are absolutely right, this has dragged on for far too long. I remember when I came into post two years ago, this was like, "I am going to get this sorted out". We did make a bit of progress, but we seem to have fallen back. I have just had a response back from George Eustice, because I wrote again asking what is happening. It is lost levy. We need that money now to invest, to make sure the sector is ready for post-Brexit. Officials came up with an idea that perhaps we could do it on ear tags. That has not got very far, unfortunately. I am now discussing whether it should be in legislation, so should we have it as part of the Agricultural Bill, for instance, if you can lobby about that? George Eustice himself recognises that this needs to be sorted out, but if you could lobby, I think that would be very helpful.

Q589 **Liz Saville Roberts:** Could you tell us what would be the advantage of having this additional sum? What could we do with that money?

Lesley Griffiths: That money would go to Hybu Cig Cymru. It would be for them to decide what to do. Last year I gave them £1.5 million additional funding to get out there and look for new markets. I suppose that is one area, but that would be for the board to decide.

Q590 **Ben Lake:** Just sticking on the red meat sector, often when Brexit is discussed and the consequences for labour and agriculture, the focus is usually on seasonal workers, whether they are picking fruit or working. However, there is also an issue potentially when it comes to visa arrangements post-Brexit for EU citizens currently working in the red meat sector and also the meat sector's ability to continue to recruit that labour. I was just wondering, at the moment does the Home Office consult with the Welsh Government or is there any dialogue where you can feed in some of these concerns? Because obviously in Wales the red meat sector perhaps has a greater prevalence for the industry than it might do in certain parts of England.

Lesley Griffiths: Yes, those discussions are ongoing. I know certainly the First Minister has discussed them with the Prime Minister. You are right, when you talk about EU nationals working here, it tends to be about farm labour or seasonal work, but if you think about our vets, for instance, 100% of our vets who work in the Food Standards Agency are EU graduates—100%. It is just mind-blowing. You also have abattoirs and meat processing plants. I visited one and 80% of their workforce are EU nationals. I personally would not want to work there. How do you make those jobs attractive to the local population? They rely on EU nationals.



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You are right, it is not just your seasonal workers, it goes much wider than that. Those discussions are taking place. Again, I think we nearly always discuss workforce at our quadrilaterals, because that is an issue that does not just affect the Welsh agricultural sector, it affects all of us, so those discussions are ongoing there as well.

Chair: Thank you very much indeed, Minister. Thank you for your time today, and to you, Mr Render. Can I also, through you, thank the officials of the Welsh Government who have welcomed us here today and been very hospitable? Thank you to all those who have turned up.