



Eich cyf/Your ref
Ein cyf/Our ref

Kevin Roberts

18 July 2012

Independent review into the resilience of farming in Wales

Thank you for your letter of 15 July.

I am grateful to you for all the work you have undertaken so far, and for the clarity of your interim recommendations. You have clearly already gathered a great deal of evidence in support of your initial findings, and also had a close eye to 'deliverability' in framing your proposals for the way forward. This is much appreciated.

I am happy to accept all of your interim recommendations and have instructed my officials to take them forward as a matter of urgency, particularly in relation to the development of the generic Contingency Management Plan. As you note in your letter, this is something that I have been giving some consideration to over the past few months and I am grateful that your report recognises this and provides the necessary clarity in taking the concept further. This aspect of resilience and preparedness is also something that I have been considering in other parts of my portfolio outside of agriculture and I would be grateful if you could also use your experience to contribute to this wider work. I know that you will look in more detail at these matters as your review moves into its next phase, and will be supporting my Department in its associated work with stakeholders on the ground. I will also be interested to hear more about the potential for the development of industry 'catastrophe insurance'. We agree that a commercial and more far-sighted response of this sort is far preferable to tax-payer funded emergency grants after an incident or episode has taken place.

Your comments on the longer term picture are also very helpful as I move towards taking detailed decisions on the design of CAP reform arrangements for Wales from 2015 onwards. This is particularly true in respect of your recommendation that a specific package of uplands support be developed in designing the next Rural Development Plan. This

certainly accords with the advice I have received separately from my Uplands Forum, and will be a key component of our new CAP Pillar 2 programme. I would be grateful if you work alongside my officials during the consultation period that I will launch next week to help develop our thinking on how we can both create a package of public support for uplands farmers whilst at the same time continuing and underpinning our drive towards helping to create a more sustainable and financially viable business model for the sector in the future.

I look forward to receiving further updates on your work on the general resilience of farming as we move through the autumn, and as you pursue some of your lines of enquiry in further detail. I look forward to receiving your final report in November.

Yours sincerely

Alun Davies AC / AM

Y Gweinidog Cyfoeth Naturiol a Bwyd
Minister for Natural Resources and Food