

Environment

Brexit Monitoring Report

13 July - 14 September 2018



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13 July - 14 September 2018

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Paper Overview:

Brexit will bring significant changes in the environmental policy area. The Research Service has prepared this monitoring report for the Assembly's Climate Change, Environment and Rural Affairs Committee. It provides an update on recent Brexit developments that are of importance to environmental policy in Wales.



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1. Introduction

This report provides an update on recent developments relating to Brexit in the environmental policy area. It has been prepared by the Research Service for the Assembly's **Climate Change, Environment and Rural Affairs (CCERA) Committee** and covers the time period running from 13 July to 14 September 2018. The **previous report** covers 19 May to 12 July.

This document provides an overview of UK-EU negotiations and developments within the UK that impact on the environmental policy area. It focuses on the activities of:

- The EU institutions;
- The governments and legislatures within the UK; and
- Provides other key sources of information.

For a full overview on the negotiations relating the UK's withdrawal from the EU, see the Research Service's general **Brexit Monitoring Reports and Brexit Updates** that are prepared for the Assembly's **External Affairs and Additional Legislation (EAAL) Committee**.

2. UK EU negotiations

Agriculture and food

On 12 July the UK Government published its White Paper on the **Future Relationship between the UK and the EU**. This follows the **Chequers Agreement**. Due to its time of publication the White Paper was only briefly mentioned in the **previous Brexit Monitoring Report**, therefore more detail is provided here. The Research Service has produced a **series of blog articles on the White Paper**.

A major feature of the White Paper is the proposed future economic partnership between the UK and the EU. Key to the economic partnership is the creation of a new free trade area for goods including agri-food goods.

The proposals include a common rulebook for agri-food goods focusing predominantly on rules that must be checked at the border. The White Paper says this would require the UK to make an upfront commitment to harmonise rules with the EU. The UK would seek to participate in relevant EU technical committees that have a role in designing and implementing rules that form part of the common rule book, albeit without voting rights.

Other elements of the new free trade area for goods include:

- Zero tariffs on agri-food goods and no quota or rules of origin requirements for goods traded between the UK and the EU;
- A new Facilitated Customs Arrangement (FCA) where the UK would charge UK tariffs for goods entering the UK destined for the UK market and EU tariffs for goods entering the UK but destined for the EU market; and
- Cooperation arrangements with the EU to enable market surveillance to ensure rules are upheld in both markets. This would require UK access to existing EU communications systems, such as the **Rapid Alert System for Food and Feed (RASFF)**.

Other proposals in the White Paper include:

- Mutual recognition of professional qualifications, enabling professionals to provide services in the UK and EU. This could be particularly significant for the veterinary sector as around a quarter of vets in Wales are non-UK EU nationals including the majority of those responsible for monitoring meat hygiene in slaughterhouses.

- UK participation in key EU agencies who play a significant role in placing goods on the market (however the **European Food Safety Authority (EFSA)** is not mentioned in the White Paper).
- Agreeing to adopt the same system and rules on state-aid and close cooperation on competition regulation.
- A commitment to maintaining minimum environment, climate change and social protection standards and in particular a non-regression clause on environmental standards and domestic labour standards.
- The UK being able to pursue an independent trade policy outside of the EU where it could set its own tariffs but would be limited by the common rulebook on where it could allow different product standards to the EU.

The White Paper also states that the UK will establish its own Geographical Indications (otherwise known as protected food names) scheme after Brexit that will be open to applications from within and outside the UK. Wales currently has 15 products protected by Geographical Indications and the White Paper acknowledges the particular significance of Welsh lamb and beef.

On 20 July Michel Barnier, the EU's Chief Negotiator, **issued a press statement** outlining his initial response to the White Paper. **Politico reported** that his comments "all but killed" the proposals for a free trade area for goods and a new customs arrangement.

Further statements (**31 August** and **21 August**), an opinion piece (**2 August**) and a speech (**26 July**) by Michel Barnier have set out the European Commission's position.

In his **26 July speech**, Michel Barnier said "there are major issues to be discussed and questions to be answered" in finding common ground on the future economic relationship. In the **2 August opinion piece** he said:

... some UK proposals would undermine our Single Market which is one of the EU's biggest achievements. The UK wants to keep free movement of goods between us, but not of people and services. And it proposes to apply EU customs rules without being part of the EU's legal order. Thus, the UK wants to take back sovereignty and control of its own laws, which we respect, but it cannot ask the EU to lose control of its borders and laws.

Michel Barnier also raised concern around Geographical Indications saying in the **31 August statement** that “Brexit should not lead to a loss of existing intellectual property rights” and that the future of Geographical Indications must be clarified in the Withdrawal Agreement.

Energy and climate change

In its (aforementioned) **White Paper**, the UK Government proposes that its future plans will provide for socio-economic cooperation in areas where the UK and EU economies are closely linked, including energy. It sets out the UK Government's proposed approach in a number of areas:

- Facilitating the continuation of the **Single Electricity Market (SEM)** between Northern Ireland and Ireland;
- Seeking broad energy cooperation, including arrangements for trade in electricity and gas, cooperation with EU agencies and bodies, and data sharing to facilitate market operations; and
- A desire to explore options for the future energy relationship with the EU, including leaving or remaining in the **Internal Energy Market (IEM)**.

In terms of nuclear power, the White Paper says the UK Government will seek a close association with **Euratom**, and that this will be “a new relationship that is more comprehensive and broad than any existing agreement between Euratom and a third country”. It says such a relationship would help ensure the UK's standing as a “leading and responsible civil nuclear state is maintained”. It suggests this would be mutually beneficial for the UK and Euratom Community, due to a common interest in ensuring energy resilience and security within Europe.

Fisheries

The UK Government's **White Paper** proposals for a new free trade area for goods including agri-food goods also includes fisheries products. The White Paper reiterates the UK Government's position that:

On leaving the EU, the UK will become an independent coastal state under the UN Convention on the Law of the Sea (UNCLOS). As a result, the UK will control access to fish in its waters, both in territorial seas and the Exclusive Economic Zone (EEZ).

The White Paper highlights the UK Government's commitment to work "closely with Member States and other coastal states to ensure sustainable management of shared stocks and the wider marine environment". To achieve this, the White Paper proposes to:

- Agree a mechanism for annual negotiations on access to waters and fishing opportunities; and
- Promote sustainable fisheries to meet international commitments such as sustainable development goals.

The White Paper states that access to water and fishing opportunities is separate to access to markets for fish and fish products. This position was reiterated on 17 July by Minister for Agriculture, Fisheries and Food, George Eustice, in **evidence to the House of Commons Environment, Food and Rural Affairs (EFRA) Committee**, where he said:

... negotiations on fisheries access and fisheries management as being one strand under an association agreement, and trade as being an entirely separate one. We do not see the two as being connected.

The White Paper sets out that "any decisions about giving access to UK waters for vessels from the EU, or any other coastal states will be a matter for negotiation." It proposes that the UK, EU and other interested coastal states "should agree to annual negotiations on access rights and fishing opportunities for UK, EU and coastal state fleets."

The White Paper states that the UK will seek to move from the current Common Fisheries Policy (CFP) principle of relative stability, where EU Member States receive a fixed share of fishing opportunities (quota) based on historic catch records, towards a "more scientific method" of setting catch limits (Total Allowable Catch – TACs) for the UK. TACs will then be allocated to the devolved administrations using historic catch records under the 2012 **Concordat Agreement**.

Further to this, the White Paper says that any access to UK waters by non-UK registered vessels would be conditional on adherence to the same requirements as UK vessels, including sustainable practices.

The White Paper identifies the UK as a champion of sustainable development and marine conservation. Further to commitments under **United Nations Sustainable Development Goal 14**, it says the UK Government will aim to show this by;

continuing to apply the maximum sustainable yield (MSY) principle;
continuing to work with European partners to regulate fishing and to set harvest rates that restore and maintain fish stock;
... remaining fully committed to ending the wasteful discarding of fish;
... publishing an annual assessment on the state of stocks of interest and our approach to setting fishing opportunities for the year ahead. If particular stocks are becoming depleted, the Government will work with all interested parties to draw up and implement recovery plans; and
... working closely with the devolved administrations, Crown Dependencies and Overseas Territories who are responsible for conservation measures for stocks concentrated in their territorial waters.

Nature conservation

The **White Paper** includes several **environmental considerations**. These include:

- A proposal that the UK Government would commit to “high regulatory environmental standards” through a “non-regression” requirement in a future relationship treaty with the EU.
- A proposal for an economic partnership which would include a “common rulebook” for goods including agri-food. This would cover only those rules necessary for frictionless trade at the border. This implies that the UK would be tied to only some of the same environmental standards as the EU on goods.
- Commitments to uphold international environmental cooperation. It states that “there should also be a reciprocal commitment to ongoing environmental cooperation, including the international fora, to solve shared global challenges”.

On 18 July there was a debate in the House of Commons on **Future Relationship Between the UK and the EU**, following publication the White Paper. On environmental protection, Robin Walker, Undersecretary of State for the Department for Exiting the European Union, said:

High standards in food and product safety are something all our constituents value. As we saw around debates on the TTIP negotiations, our constituents are unlikely to want any trade deal or arrangement that lowers standards.

On 20 July Michel Barnier made a statement in response to the White Paper. He said that several elements “open the way for a constructive discussion” including commitments around environmental standards. However he raised concerns around miss-alignment to EU agri-food standards, for example, on GMOs or pesticides.

3. Other UK Government action

Air quality

On 11 September **in a speech at the Zero Emission Vehicle Summit**, the Prime Minister, Theresa May, announced funding of more than £100m to develop low and zero-emission vehicles in the UK. The Prime Minister held round-table talks on developing the zero-emissions market and attracting foreign investment to the UK post-Brexit. A new international declaration, known as the “**Birmingham Declaration**” was also unveiled and signed by various governments making commitments to “a zero emission future”.

Agriculture and food

On 18 July during **Welsh Questions**, Alun Cairns, the Secretary of State for Wales, **restated the UK Government’s commitment to not use the Barnett Formula** to distribute agricultural funding post-Brexit:

If I have said once, I have said 100 times that we will not be using the Barnett formula to distribute agricultural spend. Clearly, the current level of spend is the starting point, and we will be consulting in due course. The financial protection that the UK Government have given to Wales, whereby Wales now receives £120 for every £100 spent in England, demonstrates the priority that we put on protecting Wales’s interests.

On 23 August and 13 September the UK Government published a **number of technical notes** on how to prepare for Brexit if the UK leaves the EU without a deal. These notices are intended to help businesses and citizens to plan and prepare for such a scenario. A number of the notes are related to agriculture and food:

- **Farm payments if there’s no Brexit deal;**
- **Receiving rural development funding if there’s no Brexit deal;**
- **Trade remedies if there’s no Brexit deal;**
- **Trading with the EU if there’s no Brexit deal;**
- **Classifying your goods in the UK Trade Tariff if there’s no Brexit deal;**
- **Developing genetically modified organisms (GMOs) if there’s no Brexit deal;**
and
- **Producing and processing organic food if there’s no Brexit deal.**

The European Commission has also produced a series of **preparedness notices** setting out the legal and practical implications of the UK's withdrawal from the EU.

On 12 September the UK Government introduced the **Agriculture Bill** to the UK Parliament. The Bill aims to provide the legal framework for leaving the Common Agricultural Policy (CAP) and establishing new systems of agricultural and land management support across the UK.

For England, the Bill will phase out the current system of direct payments and establish a new environmental land management system. The new system will provide an income stream for farmers and land managers who provide public goods which help mitigate the effects of climate change. This includes funding for enriching wildlife habitats, preventing flooding, improving air quality, managing soil and peat, and planting trees. The new approach will also include support to help farm businesses become more resilient, productive and competitive, supporting animal welfare enhancements beyond the regulatory baseline, and will aim to address unfair trading practices in the food supply chain.

While the Bill sets the framework for future policy in England, it also contains provisions that extend to the whole of the UK and to different parts of the UK. This includes Schedule 3 which sets out powers for the Welsh Government to continue making payments to farmers and land managers after Brexit, to make changes to current schemes and to implement replacement schemes. These powers are intended to be time limited until the Welsh Government brings forward its own Agriculture Bill.

The UK Agriculture Bill is accompanied by **explanatory notes** and an **England-only policy statement**.

On 12 September the UK Government and Welsh Government issued a **joint statement on Agricultural Frameworks**. The statement highlights that the UK Agriculture Bill does not contain a legislative framework reflecting the governments' view that the vast majority of policy areas can be managed through non-legislative and intergovernmental coordination. The governments propose to develop an 'administrative framework' for coordinating agricultural support spending and changes to marketing standards. There are other agriculture-related frameworks also being discussed, such as organic farming, as well as arrangements for cross-border holdings.

Animal welfare

On 15 August the UK Government passed the evidence collected from its **live exports and improving animal welfare during transport call for evidence** to the Farm Animal Welfare Committee (FAWC). FAWC has been asked to carry out a review of existing transport standards and make recommendations for improvements for once the UK leaves the EU. FAWC's report and recommendations are expected later in the year.

Energy and climate change

The UK Government's **no deal technical notes** include a number of notices are linked to energy and climate change:

- **Connecting Europe Facility energy funding if there's no Brexit deal;**
- **Industrial emissions standards ('best available techniques') if there is no Brexit deal;**
- **Reporting CO2 emissions for new cars and vans if there's no Brexit deal;**
- **Using and trading in fluorinated gases and ozone depleting substances if there's no Brexit deal;**
- **Civil nuclear regulation if there's no Brexit deal;**
- **Nuclear research if there's no Brexit deal;** and
- **Running an oil or gas business if there's no Brexit deal.**

In his **23 August speech on no deal planning**, Dominic Raab, Secretary of State for Exiting the European Union, said that the UK Government has signed a new nuclear safeguarding agreement with the International Atomic Energy Agency, and struck a bilateral Nuclear Cooperation Agreement with the US.

On 30 August the UK Government launched a consultation on changes to the **Contracts for Difference (CfD) scheme**. The consultation seeks further views on a 2017 consultation proposing changes to the scheme, particularly with regard to revised drafts of terms and conditions and new Brexit-related changes to ensure the scheme functions well after the UK leaves the EU.

Nature conservation

The UK Government's **no deal technical notes** series includes a notice on **upholding environmental standards if there's no Brexit deal**.

The European Commission has also prepared a series of **preparedness notices** setting out the legal and practical implications of the UK's withdrawal from the EU. This includes notices on the environment including on **trade in protected species**.

UK frameworks

On 23 July the Chancellor of the Duchy of Lancaster and Minister for the Cabinet Office, David Lidington, made a statement on **Engaging the Devolved Administrations**. This included a short update on the UK frameworks work stating:

The UK Government will continue to seek legislative consent for Bills according to the established practices and conventions, listen to and take account of the views of devolved Administrations, and work with the Scottish Government, the Welsh Government and Northern Ireland officials on future legislation, just as we always have.

The UK Government and devolved administrations are also working together to amend laws that would not work appropriately when we leave the EU to ensure we have a fully functioning statute book.

On 12 September the UK Government and Welsh Government issued a **joint statement on Agricultural Frameworks** (see Agriculture and Food section above).

4. Welsh Government action

Agriculture and food

On 17 July Mark Drakeford, the Cabinet Secretary for Finance, **responded to the UK Government's White Paper on the future relationship between the UK and the EU** in a statement to the Assembly. He stated that the UK Government "has taken some faltering steps towards the [right] direction" [i.e. the Welsh Government position of full participation in the Single Market and membership of a Customs Union] but also that it was a "potentially significant step". He also said that "for every answer the White Paper attempts, a further set of questions arises."

Mark Drakeford agreed with the proposals for a free trade area for goods including agri-food goods, and for the need for alignment with certain EU rules through a common rulebook. He said the proposals for a common customs territory could be a step in the right direction but asked how the "convoluted customs proposals" would work in practice. He also asked how the UK would provide sufficient guarantees to the EU on environmental and labour standards, to ensure that there is a genuine level playing field.

The Cabinet Secretary also said the White Paper was a missed opportunity to provide clarity on migration issues and reiterated the Welsh Government position of a system "compatible with the principle of free movement of people, but where migration is clearly linked to employment".

Finally, he called on the Prime Minister "to state straightforwardly that the UK aims to stay in the single market for goods and agricultural products, and remain in a customs union."

On 18 July the Cabinet Secretary for Energy, Planning and Rural Affairs, Lesley Griffiths, **confirmed that work was underway** with the Food and Drink Wales Industry Board to develop a successor to the **Food and Drink Industry Action Plan (2014-2020)**. Part of the rationale in developing the next plan is to "ensure the industry is strong and robust to thrive in a post-Brexit world". The **engagement material** has been published on the Food and Drink Wales website.

On 23 July the First Minister, Carwyn Jones, **made a speech at an NFU Cymru seminar** at the Royal Welsh Show. During the speech he again emphasised his view that full unfettered access to the EU Single Market and the Customs Union were crucial for the Welsh agricultural industry. He also reaffirmed that the Welsh

Government would ring-fence funding for agriculture and that future funding arrangements with UK Government should not be subject to the Barnett Formula.

On 6 September Lesley Griffiths published an **open letter to Welsh farmers** who receive CAP payments to explain why the Basic Payment Scheme (BPS) will not be continued after Brexit. The **news release accompanying the letter** states:

Loss of tariff-free access to the EU's market and potential competition from other parts of the world once the UK begins to sign Free Trade Agreements will mean Welsh farmers having to compete in the global marketplace.

The current BPS is insufficiently targeted to respond to these challenges as it is solely an income support scheme. The sustainable way to compete is to improve productivity, reduce costs through greater efficiency and reduced waste and diversify to meet market needs. These are all areas in which the Welsh Government wants to focus support through the new schemes proposed in the consultation [**Brexit and our Land**, the Welsh Government's Green Paper on agriculture and land management policy after Brexit].

On 12 September Lesley Griffiths **published a written statement** to coincide with the publication of the UK Agriculture Bill. In the statement she confirmed that "powers to provide the legal basis for future support to farmers after Brexit" had been included in the Bill at the Welsh Government's request. The powers are intended to be transitional until the Welsh Government brings forward its own Agriculture Bill. The White Paper for the Welsh Bill is expected in spring 2019. The powers are contained in schedule 3 of the UK Agriculture Bill, as discussed above (Other UK Government action section).

The powers, which are similar to those for England, include:

- New financial powers for future schemes;
- Collection and sharing of data;
- Powers to intervene in exceptional market conditions;
- Setting of marketing standards; and
- Modification of retained EU law relating to the financing, management and monitoring of payments to farmers, including the CAP Basic Payment Scheme.

The Bill also contains powers to enable support for rural communities and businesses involved in supply chains.

While Lesley Griffiths statement emphasises the Welsh Government's general support for the UK Bill, it also notes two areas of disagreement.

Firstly, the Welsh Government disagrees with the UK Government on the extent to which the clause relating to the UK's WTO Agreement on Agriculture is a reserved matter. The statement emphasises the strong relationship between WTO powers and devolved responsibilities on agriculture support, and states:

Welsh Ministers have secured an important agreement from the UK Government to commit in Parliament to consult the Devolved Administrations on WTO-related regulations. We have also agreed to find a process for how such regulations will be brought forward. However, a commitment to consult is insufficient given the importance of this matter. We will therefore continue to work towards an agreement which ensures appropriate engagement with and consideration of the views of Welsh Ministers and other administrations.

Secondly, the Welsh Government would like to see powers relating to the redistribution of the **Red Meat Levy** included on the face of the Bill and expects a UK Government amendment "to correct this as soon as possible".

Fisheries

On 2 September the Welsh Government, alongside a delegation of Welsh seafood producers, **travelled to Hong Kong for the Seafood Expo Asia**. The trade mission was supported by the Seafood Market Development project, which recently received over £1 million from the Welsh Government and the European Maritime and Fisheries Fund. The delegation aimed to explore exporting opportunities for Welsh seafood produce, to help the industry prepare for challenges and opportunities post-Brexit.

UK frameworks

On 17 July the Welsh Government published its latest Brexit policy paper, **Reforming UK funding and fiscal arrangements after Brexit**. In relation to UK frameworks it concludes:

A new principles-based approach to UK funding and fiscal networks must be developed, enshrined within a new Fiscal Agreement which is developed in parallel with other post-EU UK frameworks

On 17 July the First Minister **announced the Welsh Government's legislative programme**. He stated:

We know the year ahead will be one of the busiest in legislative terms since Wales gained primary law-making powers. As the UK prepares to leave the European Union, there will be a significant amount of work for this Assembly to undertake between now and March if we are to have a fully functioning statute book at the point of exit. This will be a challenging time and the legislative workload associated with leaving the EU should not be underestimated.

The Assembly will need to deal with a substantial programme of correcting regulations under the EU withdrawal Act between October and March. We will continue to keep under review the need for Brexit-related Bills over the coming 12 months, and it is likely that a number of UK Brexit Bills will require the consent of this Assembly. As far as possible, we must not allow this Brexit workload to limit our legislative ambitions, but we must be flexible and be ready to adapt our legislative programme should the need arise.

On 12 September the UK Government and Welsh Government issued a **joint statement on Agricultural Frameworks** (see Agriculture and Food section above).

5. Scottish Government and Northern Ireland Executive action

Agriculture and food

On 2 August the Cabinet Secretary for the Rural Economy, Fergus Ewing, responded to Michel Barnier's comments regarding Geographical Indications (see UK EU negotiations section above) saying that **maintaining Scotland's current Geographical Indications after Brexit is vital:**

We have been pressing UK Government to agree a need for a UK GI System post-Brexit from the outset and, while we welcome confirmation in their White Paper of the plans to do so, there remains a question over maintaining the existing protection currently enjoyed by our producers within the EU through the mutual recognition of our protected products.

On 30 August the Scottish Government published a discussion paper on **'Scotland's role in the development of future UK trade arrangements'** after Brexit.

On 1 August the Northern Ireland Department of Agriculture, Environment and Rural Affairs published a consultation on **post-Brexit agriculture policy**. The consultation proposes a more outcomes based approach (rather than a prescription based approach) giving land managers a role in co-designing actions and greater freedom on how to achieve environmental outcomes. The consultation closes on 10 October.

6. CCERA Committee action

Agriculture and food

On 18 July the CCERA Committee held a **Brexit scrutiny session** with Lesley Griffiths. During the session the Cabinet Secretary stated that:

- The Welsh Government plans to have a new Welsh Agriculture Act in place before the end of this Assembly. It has also sought to include certain provisions in the UK Agriculture Bill (which was published on 12 September) which provide powers to implement parts of its proposed post-Brexit agriculture policy – **Brexit and our land** – and to provide payments after 2020. The intention is for the powers included in the UK Act to be consolidated in the Welsh Act, and for the transition period to the new scheme to be completed by 2025.
- The Welsh Government is working with the Home Office to demonstrate the importance of EU qualified veterinary surgeons to the meat hygiene sector in Wales. The Welsh Government's Chief Veterinary Officer sits on the board of the **Veterinary Capability and Capacity Project** along with counterparts from the other three UK administrations, the Royal College of Veterinary Surgeons and the British Veterinary Association. The project aims to develop a veterinary workforce which meets the UK's needs post-Brexit.
- She hopes that Welsh food products will be able to retain EU geographical indication status post-Brexit, even though the UK Government favours a UK scheme.

Fisheries

During the **CCERA Committee's session with Lesley Griffiths on 18 July**, she was asked about plans for the forthcoming Welsh Fisheries Bill. She responded:

I would imagine the [Welsh] fisheries Bill I will be looking to go out to consultation on towards the end of this year, maybe early next year, in preparation. So, it's a bit hard to tell you what a future fisheries Bill will look like at the moment.

She was asked to address concerns around sufficient resources within the Welsh Government, particularly with regard to legal expertise to enable it to deliver successful and sustainable future fisheries legislation:

There's no point pretending; we have concerns about legal capacity—you can't pick lawyers off trees ... I think we've currently recruited several new lawyers, and my portfolio—because of the amount of Brexit legislation within it, I hope that I will get the majority of them. Fisheries is an area where, as soon as I came into portfolio, we increased the capacity of the team. I also put aside, I think it was about £6 million, £7 million over two years to get new enforcement vessels. So, we're having three large vessels, and three RIBs. I've launched one RIB; the other four will be in use, hopefully, by the end of the year. **Because, clearly, enforcement is going to be much more of an issue. There's no point pretending the Government isn't facing significant capacity and resource issues.** [Research Service emphasis]

In terms of assurances around future funding for the fisheries sector, the Cabinet Secretary compared it to clarity in agricultural funding, calling it a “black hole”. She went on to say:

We've had no clarity, really, around funding. So, we keep making it clear that we shouldn't be losing any funding—they promised we wouldn't lose any funding, and we're going to hold them to that promise. The European maritime fisheries fund [EMFF] offers a discretionary grant to fishers to adapt to policy changes, which are largely driven by the common fisheries policy. The fishing industry doesn't receive any financial support to undertake activity—that's the reason for the EMFF. And, as I said, I will be consulting on future fisheries policy later this year, early next year, and this will be part of the consultation.

Nature conservation

During the scrutiny session, the Cabinet Secretary discussed the environmental ‘governance gap’ following Brexit:

So, officials are undertaking an analysis now of the gaps that we have, and what potential models we will require to address those gaps going forward. Again, it's not an easy task. It's taken a considerable amount of work to be able to understand all the complexities that we've got in relation to this issue. [...]

it's probably a little bit too early to state whether we think a UK governance body is the most appropriate approach to address those gaps. I think we need to have a much better understanding of their [Defra's] proposals, which they've not shared with us to the extent that they would need to.

On 14 September the **Welsh Government responded** to the CCERA Committee inquiry report on environmental governance body and environmental principles

post-Brexit. In terms of geographic scope, Lesley Griffiths states in the response that the Welsh Government is yet to decide on whether a UK governance body or Wales-specific body would be most appropriate. She explains that full understanding of the issues and Welsh specific gaps is needed first as well as sight of the UK Government's proposals before deciding on a way forward. She highlights that the Welsh Government is currently undertaking its own analysis of the governance gaps. She said she will provide an update to the Committee once a proposed decision is made.

UK frameworks

On 18 July the CCERA Committee held a **Brexit scrutiny session** with Lesley Griffiths. In relation to UK frameworks and the 'deep dives' (exercises to determine how UK frameworks will work) she said discussions are moving onto a second stage looking at the "precise scope and the form of any future frameworks". The Welsh Government's Environment and Rural Affairs Director, Tim Render, went on to say:

what the deep dives have done is really narrow down to quite specific areas where you need frameworks within, say, agricultural support, which is a very big idea. It actually came to about three or four areas where you needed legislation.

In terms of animal welfare frameworks, the Chief Veterinary Officer for Wales, Dr Christianne Glossop, said:

what we were able to do was map out the framework that we have in place already. So, for example, there's something called the animal disease policy group, which is across the whole UK, and that's where we come together and try and reach a consensus to advise our respective Ministers [...] when it comes to animal health and welfare, that will be a piece of the new framework going forward [...]

In terms of intergovernmental mechanisms and the proposed 'Council of Ministers' the Cabinet Secretary said:

at the last JMC plenary that the First Minister attended [in March] [...] the officials were given a remit [...] to have a look at the existing arrangements and the mechanisms that are currently in place to have those effective inter-governmental relations. I understand the review is under way. I think, at the next meeting [...] they were going to consider whether they have had this going forward.

Lesley Griffiths said that stakeholders were “over anxious” in their concerns around a perceived shift in tone towards economic justifications rather than managing common resources or environmental challenges.

On 24 July the Committee published its inquiry report on **Common frameworks for the environment after Brexit**. The Welsh Government has **responded to the report**. Lesley Griffiths highlights that the development of UK frameworks will be a completely new form of cross administration policy development. She states that:

How this is jointly scrutinised by the relevant committees from each legislature is something which may require a new form of joint scrutiny.

7. Other National Assembly action

Agriculture and food

On 18 July there was a **Plenary debate** on the Equality, Local Government and Communities Committee report; **Making the economy work for people on low incomes**. Jenny Rathbone, AM said:

But we need to note that they [European immigrants] are crucial to the harvesting of fruit and vegetables, looking after animals in abattoirs, in the processing factories—in fact, in every aspect of the food chain. We need to worry about how we're going to replace them were these European immigrants to disappear.

8. UK Parliament action

Air quality

On 18 July **when giving evidence** to the House of Commons Liaison Committee the Prime Minister confirmed that the UK Government “would introduce an environment Bill, and clean air will be part of that Bill”. The Prime Minister stated that the UK Government believes:

that an environment Bill that includes clean air, but also includes some of the opportunities that we think will be available to us after we leave the European Union in this area of protection of the environment is the right way.

Agriculture and food

On 12 September the House of Commons EFRA Committee launched an **inquiry on the scope, provisions and powers proposed in the UK Agriculture Bill**. The inquiry consultation period closes on 8 October.

Animal welfare

On 16 July the **Taxation (Cross-border Trade) Bill was considered in the House of Commons**. An amendment was moved which would aim to ensure that UK standards of animal welfare, food safety and environmental protection are not undermined by imports produced to lower standards. The amendment was defeated. The Bill received Royal Assent on 13 September.

Energy and climate change

On 18 July the House of Lords EU Energy and Environment Sub-Committee **wrote to the Minister for Business and Industry, Richard Harrington**, following an evidence session with the Office for Nuclear Regulation (ONR) which considered their efforts to prepare for Brexit. The Sub-Committee asked for further clarity on the ONR’s future funding arrangements, and requested regular updates until the point of withdrawal to ensure the ONR’s preparation remains on track. The Sub-Committee also asked for an update on negotiations regarding the intended Nuclear Cooperation Agreements with the USA, Canada, Japan and Australia.

Fisheries

On 17 July George Eustice **gave evidence to the House of Commons EFRA Committee** as part of its fisheries inquiry. He was questioned on how potential changes to the fisheries and seafood trading arrangements between the UK and the EU will affect fishers, seafood processors, consumers, coastal communities and the environment.

He gave further evidence to the Committee **on 5 September**, where he was questioned on EU negotiations on fisheries, challenges facing the industry, and the forthcoming UK Fisheries Bill.

On 28 August UK and French vessels clashed in what has been referred to as “scallop wars”. **This took place** in the Bay of Seine, off the coast of Normandy, where the French fishing industry is bound by an **agreement** with the French Government not to fish for scallops in the area between May and October, in order to conserve fish stocks. The British - who are also allowed to fish the area under EU access rights - are under no such restrictions from the UK Government.

On 5 September **Britain and France agreed** to the ‘**principles of a deal**’ where UK vessels would not fish in the area, in exchange for a compensation package.

On 13 September George Eustice **delivered a ministerial statement** update on Scallop Fishing in the Bay of Seine. He said:

The UK Industry does not believe that the compensation package proposed by the French fishing industry provides sufficient recompense for their projected loss of earnings, and is therefore rejected it on that basis... as a result the talks have broken down and there remains no agreement at all.

On 12 September during **Prime Ministers Questions**, David Duguid, MP asked about support for fisheries during the Brexit transition. The Prime Minister responded:

I fully recognise the importance of the fishing industry to my hon. Friend’s constituency and to other constituencies represented in this House. I reassure him that we want to secure a sustainable and profitable fishing industry that will regenerate coastal communities and support future generations of UK fishermen. Leaving the EU means taking back control of our waters, setting our own fisheries rules and exclusively determining who fishes what in our seas. It is a priority of the Government to make sure that we have an innovative, productive and competitive food supply chain. Work is under way to consider the long-term future of all funding programmes that are currently managed by the EU.

Nature conservation

On 17 July the **UK Trade Bill was considered** in the House of Commons. MPs **tabled a series of amendments** (PDF 292KB) to the Bill that sought to protect environmental standards in future international trade deals. This included an amendment that would require ministers to commission a sustainability impact assessment before opening new trade negotiations. Another amendment would allow the UK Government to only strike new trade deals if they contain a commitment to uphold and update current environmental standards through a 'non-regression' clause. These amendments were defeated.

On 18 July the House of Commons Environmental Audit Committee published its report on **the Government's 25 Year Plan for the Environment**. It addresses environmental governance, principles and targets post-Brexit. The report recommends that the 25 Year Plan should be put on a statutory basis. On the UK Government's plans for a post-Brexit environmental watchdog, the report states that the proposals fail to replicate or build on the role the EU institutions play in protecting the UK's environment. It recommends that the governance body should provide scrutiny of the 25-year plan through an architecture of five-yearly legally binding targets.

On 18 July the Prime Minister **gave evidence to the House of Commons Liaison Committee** (PDF 419KB) on the expected UK Environment Bill. The Prime Minister said the UK will not suddenly reduce its environmental standards in the event of a "no deal" Brexit as the UK Government remains committed to "leaving the environment in a better state than we found it".

UK frameworks

On 23 July the House of Commons debated **'Strengthening the Union'**. The debate explored inter-governmental relations and structures, the UK's food system, agriculture and fisheries. The House of Commons Library published a **debate pack** ahead of the debate.

9. Other key sources

Agriculture and food

Cardiff University, **Feeding Britain: Food Security after Brexit**, July 2018

European Centre for International Political Economy, **The UK's First International Trade Negotiation – Agriculture at the WTO**, July 2018

Food Research Collaboration, **Feeding Britain: Food Security after Brexit**, July 2018

Friends of the Earth, **Agriculture Bill must make countryside safe for wildlife**, September 2018

House of Commons Library, **Brexit: UK agriculture policy**, September 2018

House of Commons Library, **What if there's no Brexit deal?** September 2018

National Assembly for Wales Research Service, **UK-EU Future Relationship: The agri-food sector**, July 2018

National Farmers Union (NFU), **UK: A Nation United by Food**, September 2018

NFU Cymru, **Brexit news**

Scottish Parliament Information Centre (SPICe), **Risk Management in Agriculture**, July 2018

SPICE, **Post-Brexit plans for agriculture**, September 2018

UK in a Changing Europe, **Cost of No Deal Revisited**, September 2018

UK in a Changing Europe, **Flags on food? why the fuss?**, August 2018

UK in a Changing Europe, **The Brexit white paper: what it must address – agriculture**, July 2018

Welsh Government, **Brexit and our land consultation: Myth-busting facts**, September 2018

Animal welfare

House of Commons Library, **Animal Sentience and Brexit**, August 2018

UK in a Changing Europe, **Horsing around? British vets want reassurance of frictionless border**, July 2018

Energy and climate change

House of Commons Library, **Brexit: energy and climate change**, September 2018

Houses of the Oireachtas Joint Committee on Agriculture, Food and the Marine, **Report on Climate Change and Sustainability in the Agriculture and Food Sectors**, July 2018

National Assembly for Wales Research Service, **EU-UK Future Relationship: Energy**, August 2018

Fisheries

Greener UK, **A case for fish as a public resource and part of the wider marine ecosystem**, July 2018

Greener UK, **Brexit related briefings**

House of Commons Library, **Government policy on visas for non-EEA workers on inshore fishing vessels**, July 2018

House of Commons Library, **Fisheries: Brexit Negotiations**, September 2018

National Assembly for Wales Research Service, **UK-EU Future Relationship: Fisheries**, August 2018

UK in a Changing Europe, **The Brexit white paper: what it must address – fisheries**, July 2018

Marine

Greener UK, [Brexit related briefings](#)

Wales Environment Link, [Briefing on Brexit & European Marine Sites](#), July 2018

Nature conservation and other cross-cutting publications on environmental protection

Brexit and Environment academic network, [Environmental principles and governance: Brexit and Environment's key messages](#), August 2018

Brexit and Environment academic network, [The Brexit White Paper: What does it mean for the environment?](#), July 2018

Brexit and Environment academic network, [Delivering a 'Green Brexit': A summary of academic evidence to Defra's environmental governance consultation](#), September 2018

Brexit and Environment academic network, [What is the future of environmental governance in Northern Ireland?](#), August 2018

ENDS Report, [Brexit Library: live table](#), (subscription required)

Friends of the Earth, [Are we on track for a green Brexit?](#), August 2018

Greener UK, [Brexit related briefings](#)

House of Commons Library, [Brexit and the Environment](#), August 2018

House of Commons Library, [Water quality](#), July 2018

Institute of Welsh Affairs, [A Green Brexit?](#) August 2018

National Assembly for Wales Research Service, [UK-EU Future Relationship: Environmental Protection](#), July 2018

National Audit Office, [DEFRA - Progress in Implementing EU Exit](#), September 2018

Royal Town Planning Institute, [Can Brexit bring a better way to protect the environment?](#), August 2018

