# WRITTEN STATEMENT

# BY

# THE WELSH GOVERNMENT

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| **TITLE**  | **Publication of Basic Payment Scheme (BPS) financial budget ceiling for 2021 scheme year** |
| **DATE**  | **21 December 2020** |
| **BY** | **Lesley Griffiths, Minister for Environment, Energy and Rural Affairs** |

Today I am pleased to announce a total direct payment ceiling of £238 million to provide the same level of direct payments to farmers in 2021, as was provided in 2020.

The Direct Payments to Farmers and Rural Affairs (Miscellaneous Amendments etc.) (Wales) (EU Exit) Regulations (2020/1556) were made on 16 December, which enable me to determine and publish the total ceiling for Wales, which will provide the agricultural sector with much needed stability in very turbulent times.

The budget provides the same level of total payment compared to the 2020 scheme year including Basic Payment Scheme (BPS) and associated schemes. It takes account the new simplified BPS calculation and removal of a separate Greening payment.

On 25 November the Chancellor announced Wales would receive £242 million for agricultural support in FY 2021/22 to replace EU Common Agricultural Policy funding. This leaves Wales £137 million short of the funding level we expected to receive, and creates real challenges in addressing the issues our rural communities face as we exit the EU and continue to deal with the pandemic. I have prioritised support for farmers given these challenges.

Full details of all the changes to the scheme rules introduced for 2021 will be provided through the 2021 Single Application Rules Booklet, which will publish in February, including the changes to the way BPS entitlement values are calculated using “claimed” entitlements to ensure the budget allocated to BPS is spent in full.

This statement is being issued during recess in order to keep members informed. Should members wish me to make a further statement or to answer questions on this when the Senedd returns I would be happy to do so.