

Funding support for farm businesses announced by Lesley Griffiths

The Cabinet Secretary also announced the Welsh Government would be making a donation of £500,000 to farming charities to help provide short-term support to those families in Wales who are least able to meet living costs.

Lesley Griffiths said:

“In response to the period of exceptionally hot and dry weather earlier this summer, I brought together a range of stakeholders at the Royal Welsh Agriculture Show to discuss the action Government and the industry might take collectively to mitigate the issues farmers are facing.

Whilst the weather and immediate forage situation has improved, I remain concerned about the medium and longer term cost and fodder availability implications for farm businesses. In recognition of the current exceptional circumstances, I have taken the decision to make available a loan facility to farm businesses later this year.

European regulations set the payment window for BPS from 1 December to 30 June, and based on Wales’ excellent payment performance, I expect approximately 90% of farm businesses in Wales to receive their BPS payments on day one. To ensure parity between claimants, I will also introduce a loan facility for the remaining approximate 10% of farm businesses where the BPS claims are yet to be validated and therefore cannot be paid under European regulations.”

The Cabinet Secretary added:

“I am conscious the Farming Unions have been calling for us to bring forward the BPS 2018 payments. I have decided this would not be particularly helpful as making advance payments in October will not resolve the immediate or longer term implications of the exceptional weather conditions and it would create an unfortunate disparity between businesses in terms of some receiving BPS payments while others would not.

The Farming Unions themselves recognise this position would be unfair and create further problems. Therefore, the introduction of a loan scheme is a better and fairer solution to the difficult circumstances affecting farm businesses this year.

In the short term, I am acutely aware of the human impact on farming families. I have therefore asked my officials to work closely with the agricultural charities, to decide how best we can

support their work. In order to help address immediate financial difficulties, we will be making a donation of £500,000 to help provide short-term support to those families in Wales who are least able to meet living costs.

Making these decisions now will provide farm businesses with assurance and the knowledge they need to help manage their immediate cash flow and plan their finances in the longer term, especially through the forthcoming winter.”