1. Framework ownership

- Framework name: Agricultural Support Framework
- Responsible portfolio Minister: Mairi Gougeon, Cabinet Secretary for Rural Affairs and Islands
- Framework lead policy team:
 - George Burgess
 - Jen Willoughby
 - o Jo Storer
- Committees that the framework is being actively shared with:
 - o Rural Affairs, Islands and Natural Environment Committee
 - Net Zero, Energy and Transport Committee (for awareness)
 - Constitution, Europe, External Affairs and Culture Committee (for wider Frameworks programme interests).

2. Points for the Parliamentary committees to note

a. Procedural

 Date of ministerial sign-off of the provisional framework: The published version of the provisional framework was agreed by UK portfolio Ministers in January 2021.

b. Content

Purpose of the framework:

Agriculture is a devolved policy area under the devolution settlements of Scotland, Wales and Northern Ireland. Following the UK's departure from the EU, Ministers of the United Kingdom's four governments agreed to develop a non-legislative framework for UK collaboration, coordination and cooperation on agricultural support. This would build upon commitments already developed between the four governments to work together at a UK level.

The scope of the framework covers working arrangements for future agricultural support now that the UK has left the EU and the Common Agricultural Policy (CAP). Specific elements of agricultural support covered in the framework are:

- Agricultural spending;
- Marketing standards;
- Crisis measures, Public Intervention (PI) and Private Storage Aid

(PSA);

- Cross border holdings (within the UK), including regulation and enforcement; and
- Data collection and sharing.

To implement this the framework establishes three official-level groups, the Policy Coordination Group (PCG), the Market Monitoring Group (MMG) and the Cross-border Group (CBG).

The purpose of the PCG is to share knowledge and information proactively between administrations, to discuss and coordinate policy innovation and developments in relation to the framework policy areas, and to share information pertaining to cross-border holdings. The PCG will consider if a new or changing policy, where divergence occurs in one administration, could have an unwanted impact on another administration and make recommendations to Ministers or senior officials accordingly.

The purpose of the MMG is to act as a technical group to provide information on market developments and to coordinate views from across the four administrations of the UK on the impact on affected markets. The PCG will review recommendations coordinated by the MMG and evaluate options for intervention measures.

The purpose of the CBG is to discuss cross-border issues and impacts of new policy cross-border farms, as well as to provide a voice for cross-border farms within each administration. The PCG has overall responsibility for this group, including defining and reviewing its terms of reference and commissioning it to look into issues.

The mechanisms of the framework will also be used to share necessary information in order for all administrations to meet obligations under the WTO Agreement on Agriculture, via Agriculture Act 2020 regulations and the associated concordat (for example, classification of schemes).

Issues to flag:

The Subsidy Control Bill, which is currently being considered by the House of Lords. This Bill potentially constrains the ability of administrations to design future agriculture schemes which best meet their own circumstances and needs and potentially places legislative risks around policy divergence. It risks undermining the role of frameworks in managing divergence through cooperation and collaboration.

• Relevant legislation:

This is a broad framework which is not tied to any particular piece of legislation, however the principle primary legislation relating to agricultural support is as follows:

Domestic primary legislation

- Agriculture Act 2020 (UK)
- Agriculture (Retained EU Law and Data) (Scotland) Act 2020

EU legislation (as far as it has been retained in UK law)

- Regulation (EU) No 1307/2013 (the "Direct Payments Regulation")
- Regulation (EU) No 1305/2013 (the "Rural Development Regulation")
- Regulation (EU) No 1308/2013 (the "CMO Regulation")
- Regulation (EU) No 1306/2013 (the "Horizontal Regulation")
- Regulation (EU) No 1303/2013 (the "Common Provisions Regulation")
- <u>Significant differences between the provisional framework and phase 3 summary:</u>

There are no significant differences between the provisional framework and the phase 3 summary.

• Stakeholder engagement:

A cross-administration stakeholder technical engagement session was held on 1 October 2020.

The main issues raised by stakeholders during this session were related to dispute avoidance and resolution, governance and stakeholder involvement, market monitoring, Northern Ireland Protocol and state aid, cross-border farms, and sustainable farming.

The main points made in response focussed on the fact that the framework sets up mechanisms for discussion and collaboration between the four administrations, rather than establishing bodies with decision making functions, and that the framework makes clear that the devolved nature of agricultural policy must be respected.

Since this session engagement and consultation with stakeholders has happened, and will continue to happen, on an informal basis.

Any Scotland specific policy considerations or interests:

The key concern for Scotland regarding this framework is that it does not constrain our ability to make decisions about future agricultural policy development, even if we take a different direction to the other UK administrations, as that this is a devolved area of policy. This has been respected, as the framework simply provides for for discussion, cooperation and collaboration, and mechanisms for dispute resolution, as the four administrations move forward with post-Brexit policy development.