

**From the Permanent Secretary**  
Dr Denis McMahon

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20 June 2018

Dear George,

## **HOUSE OF COMMONS NORTHERN IRELAND AFFAIRS COMMITTEE INQUIRY - BREXIT AND AGRICULTURE**

Following on from my letter of 14 June, please find below the additional information requested in your e-mail of 13 June on behalf of the Committee in relation to the engagement between my Department and local stakeholders on Brexit and agriculture.

### **Background to wider Brexit stakeholder engagement by DAERA**

By way of general background, following the UK's decision to leave the EU, the then Minister of Agriculture, Environment and Rural Affairs and Minister for the Economy established the agri-food and environment Brexit Consultative Committee (BCC). The aim of this initiative was to ensure that there was an effective exchange of information and views with stakeholders as the Brexit process unfolded.

In July 2017, DAERA reviewed and enhanced the stakeholder engagement arrangements that were in place to ensure that the Department could respond effectively to the evolving Brexit position. New stakeholder groups (Trade and Agriculture (TAC), Fisheries, Environment and Rural Society) were established that could engage key representative organisations in the Brexit process, meet and react quickly and provide the UK Government with a collective view from a Northern Ireland agri-food, rural and environmental perspective.

The purpose of the Trade and Agriculture Committee in particular is to provide Government with a collective view from the agri-food sector through the Brexit negotiations; to contribute to the development of a strategic objectives for the agri-food industry; to provide advice to DAERA in respect of the early development of future domestic agricultural policy as we exit the EU; and to contribute to discussion on those areas of North South co-operation which will be impacted by the UK's exit of the EU.

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## Background to development of Northern Ireland Agricultural Policy Framework Proposals by DAERA

The UK exit from the EU will require a domestic agricultural policy to be developed outside the framework of the CAP. Although decisions have yet to be made on the full extent of devolution of agricultural policy, it is important that the Northern Ireland position is sufficiently developed to contribute to the debate on future support.

The then DAERA Minister, Michelle McIlveen MLA, wrote to Andrea Leadsom MP, the Secretary of State for Environment, Food and Rural Affairs, on 2 March 2017 to set out the following key desired outcomes for the Northern Ireland agricultural industry.

1. Increased productivity in international terms, closing the productivity gap which has been opening up with other major suppliers. This will create the basis for a profitable sector which can grow market share.
2. Improved resilience to external shocks (such as market and currency volatility, weather related events, etc.) which are ever more frequent and to which the industry has become very exposed.
3. An agriculture industry that is environmentally sustainable in terms of its impact on air and water quality, soil health, carbon footprint and biodiversity.
4. An industry which operates within an efficient, competitive and responsive supply chain, with clear transmission of market signals and an overriding focus on food and the end consumer.

In June 2017, DAERA commenced work internally to develop a high level policy assessment and detail the extent of the work required to shape and implement a policy framework for the agricultural industry in Northern Ireland post EU exit and ensure the Northern Ireland position was sufficiently advanced to contribute to the UK debate on future policy. In autumn 2017, DAERA used its initial thinking as the basis of engagement with key NI agri-food and environmental stakeholders (i.e. those represented on the Trade and Agriculture Committee and the Environmental Stakeholders Group).

### Response to queries raised

Taking each of the queries raised in your email in turn:

- **The terms of reference for this engagement work;**

The terms of reference for both the DAERA Trade and Agriculture Committee (**Annex A**) and the DAERA Environment Stakeholder Group (**Annex B**) are attached. In line with these, the Groups were asked to test the Department's emerging positions on future agricultural policy

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- **The period over which the work was conducted;**

Initial work was started internally in DAERA in June 2017. From October 2017, joint meetings and workshops with both stakeholder Groups took place. The final version of the initial Northern Ireland Agricultural Policy Framework Proposals (which I sent you on 14 June 2018) was agreed towards the end of January 2018.

- **Which organisations were consulted to inform the draft policy framework proposals;**

Details of the membership of both the Trade and Agriculture Committee and the DAERA Brexit Environment Stakeholder Group can be found in **Annexes A and C**.

- **The process(es) through which organisations were able to contribute to this engagement—both those whose input was proactively sought by DAERA and others;**

As outlined above, the members of both stakeholder groups were invited to a series of meetings and workshops to discuss jointly and shape the framework proposals. At the first two meetings, DAERA outlined proposals on four areas - transition, productivity and resilience, environmental sustainability and supply chain - and sought comments and input from the stakeholders. Following the meetings, stakeholders were invited to complete questionnaires with targeted questions for each of the four areas. The responses were considered by DAERA and the framework proposals revised. A workshop in November gave a number of stakeholders the opportunity to present their own vision of a future agricultural policy to DAERA and to other stakeholders. After the workshop, the draft DAERA framework proposals were further refined and shared with stakeholders. Following a number of further meetings to discuss the proposals, these were agreed at the end of January 2018.

- **Whether the draft proposals will be published, and if so on what date; and**

At this stage, the paper represents initial proposals for a future agricultural policy in NI and has been shared only with the key agri-food and environment stakeholders who assisted with its development. The proposals have also been shared with Defra and other devolved administrations. The paper, therefore, represents an early stage in the formulation of policy. DAERA plans on having a broader engagement with stakeholders later this year based on this work.

- **What further engagement work DAERA plans to undertake with agricultural stakeholders, in light of the ongoing nature of Brexit negotiations.**

To date, DAERA has had very positive engagement with the stakeholder groups and greatly values the industry expertise and insight that they have provided.

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DAERA will continue to seek their input on issues that arise during the negotiations that impact on the NI agriculture, including trade, rules of origin and migration.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Dr Denis McMahon', written in a cursive style.

**DR DENIS MCMAHON**  
**Permanent Secretary**

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## FINAL TERMS OF REFERENCE

### **Role and Operation of the DAERA Brexit Trade and Agriculture Committee (TAC)**

The **Brexit Trade and Agriculture Committee (TAC)** has been established by the Department of Agriculture, Environment and Rural Affairs (DAERA) and will meet under its Chairmanship.

### **Purpose**

1. The main purpose of this Committee is to:
  - a. To provide Government with a common view through the Brexit negotiations;
  - b. To contribute to the development of a strategic outcomes/plans for the Agri-Food industry;
  - c. To provide advice to DAERA in respect of development of future domestic agricultural policy as we exit the EU: and
  - d. To contribute to discussion on those N/S areas of co-operation which will be impacted by the UK's exit of the EU.

If required, individual stakeholder members or sub-groups may be asked to volunteer to provide papers or input on specific topics.

2. **The Committee will provide a forum for open and frank discussion and communication. Therefore, it is essential that the stakeholder organisations that are part of this Committee fully respect the confidentiality of the discussions and the sensitivity of the topics and papers that may be considered.**

### **Membership**

3. Membership of the Committee is by invitation only. Initial membership of the Committee will comprise single nominees from each stakeholder organisation. Deputies will be permitted where the Member is unable to attend.

**Agreed at the TAC meeting held on 14<sup>th</sup> September 2017**

4. DAERA will keep this membership under review and amend as appropriate and in line with business needs.

### **Conflict of interest**

5. Members should declare at the beginning of each meeting any conflict of interest.

### **Meetings**

6. DAERA will call meetings of the Committee at a frequency that is appropriate to business needs.
7. DAERA will also engage at official levels with a wider range of stakeholder organisations outside of this arrangement as necessary and in line with the normal course of business.

### **Publicity**

8. Any publicity or public communications about the work of the Committee shall come only from DAERA or with the express agreement of DAERA.

## **Membership of the DAERA Brexit Trade and Agriculture Committee (TAC)**

Anglo North Irish Fish Producers Organisation (ANIFPO)

Dairy UK (NI)

Moy Park

NI Agricultural Producers Association (NIAPA)

NI Environment Link (NIEL)

NI Food and Drink Association (NIFDA)

NI Grain Trade Association (NIGTA)

NI Meat Exporters Association (NIMEA)

NI Pig and Bacon Forum

Ulster Farmers' Union (UFU)

## **Role and Operation of the DAERA Environment Stakeholder Group**

1. The Environment Stakeholder Group has been established by the Department of Agriculture, Environment and Rural Affairs and will meet under its Chairmanship.
2. Membership of the Group is by invitation only.
3. The Department will keep this membership under review and amend as they see appropriate and in line with business needs.
4. Meetings of the Group will be held at a frequency that is appropriate to business needs, but likely to be every five to six weeks for the foreseeable future.
5. The main purpose of this Group is to:
  - (i) Enable the Department to brief stakeholder organisations on the evolving policy agenda with regard to the UK exit from the EU.
  - (ii) To provide a conduit for key stakeholder organisations to feed back their views, intelligence and analysis relating to this policy agenda.
  - (iii) To provide a sounding board and quality assurance mechanism for the policy analysis and proposals that will emerge.
  - (iv) To provide a range of views and sounding board.

If required, individual stakeholder members or sub-groups may be asked to volunteer to provide papers or input on specific topics.

6. **The Group will provide a forum for open and frank discussion and communication. Therefore, it is essential that the stakeholder organisations that are part of this Group fully respect the confidentiality of the discussions and the sensitivity of the topics and papers that may be considered.**
7. Any publicity or public communications about the work of the Group shall come only from the Department or with the express agreement of the Department.
8. The decision to stand down the Group shall be for the Department.



## Membership of the DAERA Environment Stakeholder Group

NI Environment Link (NIEL)
Ulster Wildlife
Royal Society for the Protection Of Birds (RSPB)
Council for Nature Conservation & the Countryside (CNCC)
Ulster Farmers Union (UFU)
Business in the Community NI
Queens University Belfast (QUB)
NI Water
The Chartered Institution of Waste Management (CIWM)
National Trust