

Welcome

Dear AIC Members,

Welcome to the autumn/winter 2026 edition of the AIC Cymru Journal, with key updates on the issues, policies and insights shaping Welsh agriculture, as well as our priorities for the months ahead.

In this edition you can read about positive developments such as early changes to the Sustainable Farming Scheme (SFS), increased support for farmers following this summer's drought, and growing engagement with policymakers in Cardiff and Westminster.

You'll also find details of AIC Cymru's recent activities. From the Royal Welsh Show and Westminster Reception to ongoing collaboration with the Farmers' Union of Wales (FUW), we are continuing to represent Members' interests and promote a resilient, sustainable future for Welsh agriculture.



Michael Muncey
AIC Cymru Policy Manager

Welsh Government priorities for agriculture and sustainability

With Plaid Cymru now the minority government in Wales, the response, early actions and clear understanding of the agricultural and environmental sectors shown by Llyr Gruffydd, Member of the Senedd (MS) and Cabinet Secretary for Rural Resilience and Sustainability, are both pleasing and encouraging.

This was evident at the Royal Welsh Show in July, which was characterised by a positive atmosphere, supported by encouraging rhetoric and early actions from Plaid Cymru. The announcement of £1 billion over the next three years for agricultural and environmental support was welcomed, with funding channelled through the Sustainable Farming Scheme (SFS), Universal Actions and future Optional and Collaborative Actions.

This represents a commitment to maintain the SFS budget at £340 million per year for the next three years, with £238 million per year allocated to the Universal Actions layer of the scheme.

Early amendments to the SFS, including earned recognition for farms with existing veterinary farm assurance plans, have been positively received. AIC Cymru also welcomes the review of farm bureaucracy being led by John Davies, which will examine the cumulative impact of forms, inspections and regulatory requirements to identify both longer-term reforms and quick wins. The review is expected to run for nine months.

The Cabinet Secretary has also announced the appointment of Simon Wright as Chair of the expert working group tasked with developing the National Food Strategy for Wales. In addition, the Welsh Government has published a consultation on its Rural Proofing and Environmental Sustainability White Paper.

AIC Cymru praises proactive action to support Welsh farmers after summer drought

AIC Cymru had called for action to support Welsh farmers in the wake of one of the most challenging years in living memory, with arable yields significantly down and livestock farmers having to source additional feed after severely limited grass growth.

AIC Cymru therefore welcomes two recent announcements by the Welsh Government on extending the slurry spreading period and increasing the advance payment rate available under the Sustainable Farming Scheme (SFS) Universal Layer and the Basic Payment Scheme (BPS).



Extending the slurry spreading period

The hot, dry summer severely stunted grass growth, leading many farmers to rely on forage conserved earlier this year and originally intended for winter. Many are now looking to take silage cuts late into the autumn to rebuild fodder stocks. However, the original closed period, beginning on 15 October, would have meant farmers could not apply slurry after taking those cuts, leaving many farms entering winter with slurry stores close to capacity.

The Welsh Government has announced that it will legislate to extend the period for slurry spreading until Sunday 15 November.

Welcoming the announcement, National Farmers' Union (NFU) Cymru President Abi Reader said the extension would provide "welcome relief" to farmers facing shortages of winter feed and concerns about slurry storage capacity.



Underpinning food production in Wales

The Welsh Government has also announced that it is increasing the advance payment rate available under the SFS Universal Layer and BPS from 70% to 80% of each farm's estimated eligible claim value.

The increase is welcome recognition of the financial toll that the prolonged drought and extreme heat have taken on family farms. It will help underpin food production in Wales and further recognises the financial toll this year has had on family farms. It also serves as a timely reminder of why the stability payment within the universal elements of the SFS and BPS plays such an important role in the nation's food security.

The Cabinet Secretary deserves credit for recognising the seriousness of the situation and taking measured, responsible action that will ease pressure on farming businesses.

AIC Cymru remains optimistic that the Welsh Government will take forward the lessons learned from this period in the development of longer-term, practical and proportionate solutions to the challenges created by a "farming-by-calendar" approach. These measures provide valuable short-term relief, while also highlighting the need for future policy to reflect changing weather conditions and the practical realities farmers face throughout the year.

Royal Welsh Show 2026

AIC Cymru was actively involved in a range of discussions, events and stakeholder engagements at this year's Royal Welsh Show, providing valuable opportunities to contribute to debates on the future of Welsh agriculture and strengthen relationships across the sector.

AIC Head of Policy and External Affairs, Ed Barker, took part in a panel discussion examining the challenges and opportunities facing farmers in an increasingly uncertain operating environment. Alongside Rohit Kaushish, Chief Economist at the Agriculture and Horticulture Development Board (AHDB), Ian Burrow, Head of Agriculture and Renewable Energy at NatWest/Royal Bank of Scotland, and Tom Rees, National Farmers' Union (NFU) Cymru Crops and Horticulture Board Chair, the session explored market volatility, geopolitical pressures, policy developments and the outlook for agricultural businesses.

Representing the agricultural supply industry, Ed highlighted the industry's role in helping farmers navigate uncertainty while maintaining productive, resilient and sustainable supply chains.

Throughout the Show, AIC Cymru met with a range of key stakeholders to discuss the issues facing Welsh agriculture. AIC Cymru Policy Manager Michael Muncey, AIC Head of

Sustainability Vicky Robinson and Ed Barker met with NFU Cymru representatives, including Jonathan Wilkinson, Dairy Board Chair, Dafydd Jarrett, National Food and Farming Adviser, Tori Morgan, National Policy Adviser, and Rob Lewis, Livestock Board Chair.

Discussions focused on current policy developments, industry priorities and opportunities for continued collaboration to support productive, sustainable and profitable farming businesses across Wales.

As part of AIC Cymru's ongoing engagement programme, AIC Chief Executive Robert Sheasby and Michael Muncey attended the Farmers' Union of Wales (FUW) reception for newly elected Members of the Senedd (MSs). Sponsored by AIC Cymru, the event provided an opportunity to discuss the role of the agricultural supply industry in supporting Welsh farming, food production and rural communities.

AIC Cymru also hosted its own Royal Welsh Show reception, bringing together Members, policymakers and stakeholders from across the food and farming sector. Representatives from farming unions, government, trade bodies, embassies, Members of Parliament (MPs) and Members of the Senedd (MSs) attended to discuss the future of modern, sustainable and commercial agriculture. Guests were pleased to hear from Llyr Gruffydd MS, Cabinet Secretary for Rural Resilience and Sustainability, who shared his perspectives on the opportunities and challenges facing the sector.



AIC Westminster reception

Welsh Members of Parliament (MPs) joined colleagues from across the UK at AIC's Westminster Reception in September. AIC Cymru was represented by Alister Davies, Sarah Banks and Michael Muncey, who met with MPs from across the political spectrum to discuss the key issues affecting the agricultural supply chain in Wales.

Many of the issues that are important to AIC span both reserved and devolved policy areas, making engagement with both the UK and Welsh Parliaments essential. The reception provided an opportunity to raise AIC's key policy priorities and highlight the vital role that agricultural supply businesses play in supporting Welsh farming, food production and rural communities.

Attendees also shared AIC's updated [key priorities leaflet](#), outlining the policy priorities for supporting growth, resilience, sustainability and trade across the UK's agricultural supply chain. The leaflet focuses on measures to strengthen the competitiveness of the sector, support investment and innovation, and ensure an effective regulatory and trading environment for agricultural supply businesses.

A separate meeting was also held with office holders and staff from the National Farmers' Union (NFU) Cymru and the Farmers' Union of Wales (FUW) to discuss shared priorities and opportunities for continued collaboration on issues affecting Welsh agriculture.



Ed Barker provides fertiliser market update to FUW Committee

Ed Barker, AIC Head of Policy and External Affairs, attended and presented to the Farmers' Union of Wales (FUW) Livestock and Hill Farming Committee on 23 September.

His presentation focused primarily on fertiliser markets, including ordering patterns for 2026 and the communications issued by AIC and the wider fertiliser stakeholder group. He also provided an update on market balances for fertiliser inputs, domestic market considerations and the logistics involved in meeting demand.

The session concluded with a question-and-answer discussion on the Carbon Border Adjustment Mechanism (CBAM), covering what it is, how it works and its potential implications for the sector.



AIC Cymru Committee update

The AIC Cymru Committee welcomed Sarah Banks, Group Head of Technical and Sustainability at Wynnstay, as a new member in June. Her appointment further strengthens the Committee's expertise in technical and sustainability matters. Osian Rhys-Jones of Oliver Seeds also joined the Committee in April this year.



Dates in the diary

AIC Dinner and Conference,
10-11 November 2026,
Holiday Inn West, Peterborough



AIC Cymru will be present at Royal Welsh Showground for **The Royal Welsh Winter Fair 2026** on **Monday 30 November and 1 December**. This will be an opportunity to engage with Member businesses, political leaders and stakeholders.

