GREENER UK

Agriculture Bill

Briefing for parliamentarians and policy makers June 2018

Summary

We are facing a natural environment crisis across the UK. The <u>State of Nature</u> report highlights that we have lost species once common to much of our countryside, and we continue to see declines in air, water, soil and landscape quality. Much of this decline is due to the intensive agricultural practices we have seen under the Common Agriculture Policy. Many current agricultural practices also have a profound negative effect on the welfare of our livestock, and on our climate, with agriculture responsible for ten per cent of greenhouse gas emissions.

The Agriculture Bill is a vital opportunity to address these issues and create a system that rewards farmers and land managers for managing their land sustainably and their livestock humanely. These aims must be met if farm businesses and rural communities are to thrive in the long term.

We believe the Agriculture Bill should:

- Set out a broad purpose on the face of the bill that places sustainable land management at the heart of future agriculture policy, based on the payment of public money for the provision of public goods.
- Commit to targets for the recovery of the natural environment, animal welfare, public access and climate change.
- Create a duty on the UK government to routinely assess the scale of financial need and to allocate funding in a way that ensures these targets are met.
- Outline a strong regulatory baseline to which farmers and land managers across England must adhere.
- Ensure current and future governments are accountable for creating and funding land management schemes to meet the above objectives.

As agriculture is a devolved policy area, the bill will primarily apply to England, but should drive a high level of ambition across all four countries of the UK. This approach should be based on common minimum standards, achieved through an open and collaborative process, to meet domestic and international goals.

The need for ambition

We are facing a natural environment crisis, and time is running out to fix it. Our soils are hugely depleted, with soil degradation in England and Wales costing £1.2 billion per year. Only 14 per cent of our rivers are in good ecological condition and 63 per cent of sensitive habitats are threatened by air pollution. Farmland bird numbers have declined by 56 per cent since 1970, and pollinators, said to add £600 million to the value of UK crops each year, are struggling. At least 97 per cent of wildflower meadows have been lost. Agriculture accounts for a tenth of all UK

greenhouse gas emissions and analysis from Defra shows little change in emissions over the past fifteen years.

The EU's Common Agricultural Policy has been responsible for the incentives that have driven much of this degradation. For years, farmers have struggled within a food and farming system that delivers little profit for their produce and few incentives to deliver positive outcomes for the environment and animal welfare. The upcoming Agriculture Bill is a chance to reshape this in England, and create a system that rewards farmers and land managers with public money to protect and restore our natural environment for the benefit of people and wildlife, while producing high quality, sustainable food and other commodities.

1. A broad purpose to deliver "public goods"

The Agriculture Bill should uphold the ambition expressed by the recent Command Paper for future farming policy in England, by including a broad purpose on the face of the bill. The aim of this purpose would be to set the frame for sustainable land management based on the payment of public money for the provision of public goods:

An agriculture and land management system that puts the environment at its heart will play a major role in delivering clean air and water, carbon rich landscapes, rich habitats and abundant wildlife for future generations. Farmers and land managers should be rewarded for delivering the environmental goods that benefit all, underpinned by the principle of public money for public goods. Industry must be encouraged to invest, raise standards and improve self-reliance. And robust regulation must protect the environment, guarantee animal welfare standards and create a level playing field for farmers and land managers across the UK.

A broad purpose on the face of the bill will give confidence to farmers and land managers on the future direction of policy, enabling them to make long term shifts to sustainable land management and sustainable food production. For farmers delivering this vision to thrive, the Agriculture Bill must also include the tools necessary to ensure that farmers can get a fair price from the market.

What are public goods?

Public goods are goods and services that are not rewarded by markets, including:

- protecting, restoring and enhancing biodiversity
- restoring vulnerable natural resources such as soil upon which our economy depends
- mitigating climate change
- providing clean air and water
- high standards of animal welfare
- caring for our landscape and heritage
- protecting, enhancing and extending public access to the countryside

Some argue food production should be seen as a public good. By definition, a public good is something which is not supported by the market. Farmers are free to sell their produce on the market. The same cannot be said for the clean air and water, healthy soils, carbon capture and the many other benefits they provide.

2. Legally binding targets

Clear, long term, ambitious, and legally binding targets to restore health to our countryside must also be central to the bill. These targets should be connected to what agriculture and land management can deliver for the 25 year plan for the environment.

The targets should cover all of the public goods set out above, including biodiversity, water, landscapes and soil. They should also include a target to secure net zero emissions from agriculture by 2050 at the latest, alongside measures to conserve and restore carbon rich habitats to strengthen land use as a net sink.

3. Long term payment contracts linked to the scale of need

<u>Research</u> commissioned by the RSPB, National Trust and the Wildlife Trusts in 2017 shows that the cost to the UK of delivering our existing policy commitments for environmental land management alone is £2.3 billion per year. This figure is only a starting point, as it does not include costs such as advice to farmers, infrastructure investment or delivery of other public goods, such as access to the countryside, high standards of animal welfare or tackling greenhouse gas emissions associated with food production. Neither does it include the costs of delivering the 25 year plan for the environment, which was published shortly afterwards.

The Command Paper does not offer any security to farmers and land managers on the long term availability of funding. Land management is a long term investment and farmers need security to switch to, and invest in, more sustainable approaches.

The evidence provided by this research suggests that the funds should be allocated across the UK based on need, and not the Barnett formula, which would result in funding being unfairly weighted towards England.

Five year cycles should be the minimum period for funding agreements with individual farmers and land managers, given the long time frames necessary for sustainable land management. Proposals should be introduced through the Agriculture Bill for independent assessments of need on a five-yearly basis, with the government obliged to take into account these recommendations for future funding in England.

4. Effective regulation must underpin a future payment system

Any future payment systems must be underpinned by strong regulation which safeguards the environment and animal welfare, and protects the interests of society. The current cross-compliance rules farmers have to meet in the CAP should be replaced with a more effective approach. A future regulatory baseline must ensure that payments are being given for the delivery of public goods, above what is expected as good practice. It is essential that future payment systems fully incorporate the polluter pays principle and a strong baseline must be supported by effective enforcement.

5. Governments must be held to account

Outside the monitoring and enforcement regime of the EU, it will be important that new mechanisms are established, throughout the UK, for holding current and future governments to account for the creation, implementation and effectiveness of new payment schemes. This could be done through a new independent, accountable and well resourced environmental governance body (or bodies), accountable to the relevant legislature in the four countries, to replace functions undertaken by EU institutions including the Commission and European Courts.

6. A four countries approach

Environmental issues do not respect borders, so steps to address environmental objectives will need collaboration across the UK. Currently, the CAP provides a policy 'framework' that creates common objectives and standards whilst allowing member states, and the regions and countries within them, considerable flexibility in implementing policy.

Agriculture is a devolved competence so, as we leave the EU, any future coordinated approach based on minimum standards must be achieved through an open and collaborative process between all four UK governments. This should include shared environmental ambition to meet domestic and international commitments and obligations associated with biodiversity, air quality, climate change and sustainable development. At the same time, it must respect the devolution settlement and ensure the devolved administrations can develop and tailor policy to reflect the differing environmental, social and political contexts in each of the four countries, and the differing landscapes, patterns of land use and farm business models. Contact:

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Greener UK is a coalition of 13 major environmental organisations united in the belief that leaving the EU is a pivotal moment to restore and enhance the UK's environment.

Greener UK is working with Wildlife and Countryside Link.

Together, Greener UK and Wildlife and Countryside Link members have the support of over eight million people.



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