

**Wildlife and Countryside Link (WCL) response to the EAC inquiry into the Future of the
Natural Environment after the EU Referendum**

September 2016

Wildlife and Countryside Link represents more than 8 million people through 45 voluntary organisations concerned with nature conservation, access to the countryside and animal welfare.

Our response to this inquiry is supported by the following 27 organisations and by Scottish Environment LINK:

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Buglife
Butterfly Conservation
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'Wildlife and Countryside Link is a unique coalition of voluntary organisations concerned with the conservation and protection of wildlife and the countryside.'

Chair: Dr Hazel Norman Director: Dr Elaine King

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1. What are the implications for UK biodiversity of leaving the EU, in particular the Common Agricultural Policy? To what extent do initiatives to support biodiversity in the UK depend on CAP-related payments? What risks and opportunities could developing our own agri-environment policy and funding present?

The impacts of leaving the EU on biodiversity are much broader than withdrawing from the Common Agricultural Policy

The CAP provides much of the funding for the conservation of terrestrial biodiversity through agri-environment schemes, and agriculture has one of the largest impacts on our biodiversity. However, many of the protections for biodiversity across land, freshwater and marine environments stem from other areas of EU legislation.

The network of sites protected under the EU Birds and Habitats Directives represent the foundation of UK nature conservation and provide vital protections for habitats and species. These sites also provide the focus for directing agri-environment funding. Thanks to the Directives, the loss of important wildlife sites across the UK has declined dramatically, and many species have come back from the brink of extinction. The recent EU commissioned [review](#) of these Directives has shown them to be “fit for purpose”.

The freshwater environment, both urban and rural, is heavily dependent on EU legislative protections – all the more important given that less than one fifth of our rivers in England are in a healthy condition. The Water Framework Directive, Bathing Waters Directive and Urban Wastewater Treatment Directives have been important levers to make improvements.

The health of the marine environment is heavily influenced by EU legislation. The Common Fisheries Policy requires that our fish stocks are recovered to sustainable levels and its key objectives must be embedded into UK law. The Habitats Directive is crucial for protecting marine biodiversity. The majority of the UK’s Marine Protected Areas are designated under these Nature laws. Recent intense work by Defra and others to introduce a new improved approach to managing fishing in European Marine Sites must not be lost. The Marine Strategy Framework Directive has an objective of achieving good environmental status for all marine species and habitats by 2020 and has been a key driver for creating an ecologically coherent network of marine protected areas across the UK.

The EU Invasive Alien Species Regulation provides a greater level of protection to the British environment and economy and stronger mechanisms to prevent the arrival of damaging invasive non-native species (INNS) than existing national law. Existing English and Welsh INNS law only prevents the release of certain species into the wild and does not prevent the keeping of high-risk species. Consequently, it does little to minimise the risk of accidental release or escape of potentially highly-damaging invasive non-native species into the wild.

The EU aims to reduce overall use of pesticides and other toxic chemicals which are a key driver of biodiversity loss. For example, a pesticide’s active ingredient can only be used in the UK if it has EU authorisation and restrictions on bee harming insecticides (neonicotinoids) have been due to EU action.

EU Directives assess the impact of developments on the environment and the Environmental Liability Directive provides mechanisms for redress in the event of environmentally damaging activities, operations or neglect.

EU legislation affects the welfare of wild and farmed animals and has an influence on access to and enjoyment of the countryside. It provides a platform for managing species and environmental systems that do not respect national boundaries and implements many of the UK's international obligations. It provides certainty, fairness and policy direction that is harmonised across the EU including across the UK countries.

There is a large body of evidence showing that where properly implemented, funded and enforced, EU legislation has been effective in protecting biodiversity. For this reason, we recommend that, upon Brexit, the UK retain all EU based environmental laws and fully incorporate them into English primary legislation.

Moreover, in our view, the development of additional environmental legislation could be an added opportunity to further strengthen the existing environmental framework and enable faster progress towards achieving the UN Sustainable Development Goals.

Lastly, it is important that any future additional laws and any future review of existing laws must be subject to a full public consultation process and parliamentary scrutiny (with any repeal or amendment being treated as any primary legislation would be).

We encourage the Environmental Audit Committee to launch an inquiry into ensuring that the current suite of environmental protection measures, and the benefits that they provide, will be preserved or further strengthened once the UK exits the EU.

The public supports robust environmental policies when the UK exits the EU

A recent [poll](#) conducted by YouGov for Friends of the Earth shows that the public strongly support robust environmental policies following Brexit. WCL members believe that our future land management policies must meet the public's desire for a countryside rich in nature while supporting UK farmers to make a living, produce food and deliver environmental goods and services from the land that they hold.

For the first time in a generation we have the opportunity to design our own farming and countryside legislative framework and where CAP has failed, we now have the chance to be architects of a new agreement that will clearly benefit our farming community and our wildlife.

The implications for UK biodiversity of leaving the EU depend on the choices the Government makes over the coming months and years

The key determinants for the fate of UK biodiversity will be the level of protection afforded by future **environmental legislation**, the level and objectives of future **farming subsidies, funds and incentives**, the **level of ambition and commitment** to improving biodiversity, soils, freshwater and other components of nature and a strong commitment to **sustainable fisheries and marine conservation**. Effective and integrated 25 year plans for farming and for the environment will be particularly important in achieving these outcomes.

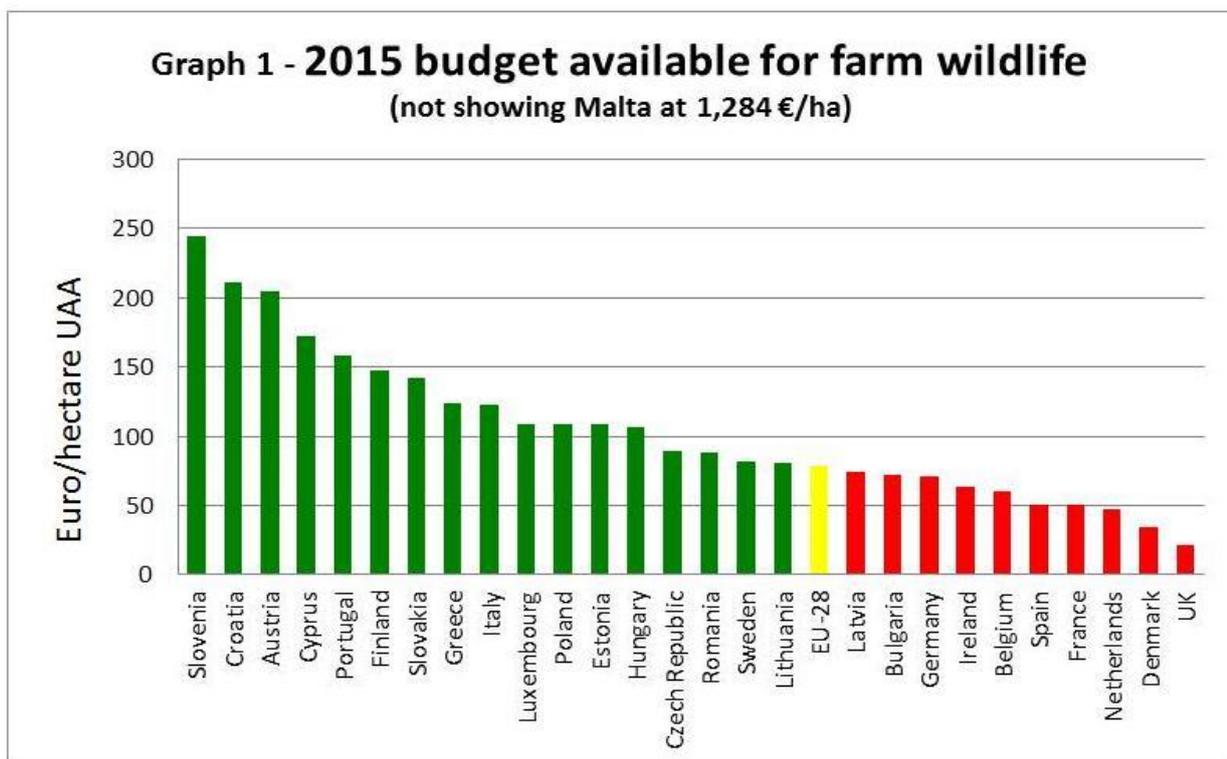
Given that powers for policy areas such as biodiversity and agriculture are devolved, it will be critical for the devolved administrations to be involved in the discussions regarding the implications of leaving the EU.

The natural environment is currently in poor shape and has not fared well under CAP

Seventy per cent of the UK’s land area is farmed but the sector and the natural environment it is dependent on are facing serious challenges. The CAP has been in place for decades, yet 2.9 million tonnes of top soil are eroded in the UK each year, pollinators are in decline, 75% of over 200 “priority” species across the country – including hedgehogs, dormice and moths – are [falling in number](#) and the returns received by many farmers are below the cost of production (EU farm subsidies currently make up to around 50-60% of UK farm income).

This is not a failing or a criticism of farmers, but of the farming system that they are dependent on for their livelihoods. The CAP subsidy systems have primarily linked payments to the amount of land that is managed, often at great cost to the environment. The UK pays less to benefit societal goods (Pillar II) per hectare of agricultural land than any other EU member state (See Graph 1 below).

This is why for some time now WCL has pushed for implementation of the CAP to be reformed to be more wildlife friendly (e.g. WCL [response](#) to implementation of CAP reform (2013)).



Refs - http://ec.europa.eu/agriculture/cap-funding/budget/mff-2014-2020/mff-figures-and-cap_en.pdf

However, CAP funded initiatives currently provide essential support for biodiversity

Biodiversity on farmland is currently highly dependent on funding through CAP, predominantly agri-environment schemes. For example, in providing habitat for farmland birds, butterflies and other pollinators. In fact, over 80% of all funding to deliver the UK countries' biodiversity strategies comes through agri-environment schemes, with additional resources being delivered through EU LIFE funding.

Despite this, the current level of agri-environment funding is not sufficient to halt the decline in biodiversity. In many cases, agri-environment schemes merely reduce or repair the impact of farming practices that are also directly subsidised under CAP. This is partly due to the perverse incentives provided through the direct, area based subsidies landowners receive through Pillar 1 (see examples below).

In 2015 funding for environmental stewardship schemes received the lion's share of a funding pool of £600 million. In contrast, direct subsidies for production based on the size of the farm amounted to around £2.5 billion.

Example: CAP funding and water quality

Pollution from rural areas affects 35% of water bodies under the Water Framework Directive (WFD), due to phosphate and nitrates from agricultural and rural land management, much of which is supported by CAP subsidies. Yet the majority of action to reduce agri-pollution for WFD objectives is achieved via agri-environment schemes that are also dependent on CAP funding.

Example: CAP funding and biodiversity

One in ten farmland species are threatened with extinction in the UK, with steady declines in farmland birds and butterflies and more precipitous declines in pollinator numbers. These species have been seriously affected by the current farming model under CAP. However, many of them are also now heavily reliant on CAP funded agri-environment schemes for their survival. Some schemes have been able to reverse declines for some specific threatened species of butterflies and birds.

There are serious and potentially irreversible risks if future UK agri-environment policy and funding does not sufficiently support biodiversity outcomes

The main **risks to biodiversity** are as follows:

- Any **weakening of current legislative protections**, including weakening the way that they are implemented, monitored, funded and enforced, represents a huge threat to biodiversity and other environmental and social outcomes
- Even maintaining the current split between Pillar 1 and Pillar 2 payments, or **worsening the current imbalance** could be catastrophic for farmland biodiversity, particularly species that are already close to extinction
- **Reducing the overall funding pool** (whether through a combination of public and market-based funds) for environmental enhancement would inevitably lead to reversals of gains from current agri-environment schemes
- Dropping or weakening of the **cross-compliance regime** and basic measures without a suitably robust alternative could undermine incentives to deliver good environmental outcomes

- **Uncertainty and instability** for farmers if a well signalled transition is not developed could affect planning and investment in sustainable land use and food production and could seriously affect both farmers and biodiversity. For example:
 - A new policy must ensure that rural communities are adequately supported and high nature value farming is financially rewarded for the benefits it provides to nature and society
 - Changes in support such as between Pillars 1 and 2 needs to be done sensitively and over a period of time to allow farmers to adapt.
- The **current trajectory of increasingly degraded soil quality** could undermine high quality and healthy food production in the future as well as continuing to impact on biodiversity.

There are also some unique and significant opportunities to set a new direction for UK agricultural policy

The **opportunities for biodiversity** are potentially significant as the current CAP system can be significantly improved for both the environment and land manager. Some examples of potential improvements include:

- **Creating habitat for pollinators** and beneficial insects to arrest the decline in numbers.
- Supporting **wildlife habitat** and **connectivity across the landscape** such as through tree and hedgerow planting
- Maintaining and enhancing **functioning ecosystems**
- Refocusing the CAP as a fully integrated **sustainable land-use policy**
- Shifting funding for production and land holdings towards **funding for public goods**
- Moving towards a more **flexible and outcome-focused scheme** that is less dependent on agricultural activity as a requirement
- **Reducing the pollution** and eutrophication of water bodies
- Improving the protection of wildlife in the **pesticide approvals process**.

The opportunities are much wider than just biodiversity and should include:

- **Improving soils** through more robust cross-compliance and through incentives to build soil health. Soil degradation costs an estimated [£1.2 billion](#) per year to farmers and wider society in England and Wales. The EAC inquiry final report into soil health should be taken into account when considering UK CAP reform. WCL written evidence is particularly pertinent and can be found [here](#).
- Support for **integrated pest management** rather than use of pesticides
- Safeguarding current **farm animal welfare** legislation and improving on these wherever possible to maintain the UK's reputation and **lead on high standards of welfare**
- Protecting and enhancing **public access** to the countryside and maintaining and enhancing **landscape character**. For example, 30 million people have easy access to the Green Belt which offers high returns on investment to improve the public benefits it delivers
- Encouraging the persistence of Rare and Traditional Breeds and supporting the potential for premium branding of **sustainable food products**
- Building the resilience of the food system to the impacts of **climate change** – including flood prevention and mitigation.
- Supporting the concept of “**sustainable diets**” that have low environmental impact, contribute to food and nutrition security and to a healthy life for present and future generations
- **Integrating the Government's 25 year Plans** for the environment and farming and breaking down other barriers such as those between agriculture and forestry policy.

Many of these opportunities are set out in WCL's *Farming Fit for the Future* [publication](#) and in individual WCL member publications. WCL is currently in the process of updating *Farming Fit for the Future* in light of the EU referendum result and will be looking to build in the perspectives of the farming community when doing so.

2. How should future support for UK agriculture be structured in order to ensure there are incentives for environmentally-friendly land management? What are the positives/negatives of current schemes (e.g. Countryside Stewardship) that should be retained/avoided?

Currently, **funding and incentives for farming and for biodiversity are not well aligned**. The CAP has been contradictory and has seen Pillar 1 funds paid to farmers to produce food sometimes at a level that is unsustainable for soils, water and wildlife, with Pillar 2 providing funds to repair environmental damage. This needn't be the case.

There is now a unique opportunity to create a system of support for UK agriculture that **links public money to the delivery of public goods, aligning** the needs of farmers and the need for food security with good social and environmental outcomes. In other words, **farmers who deliver the most public benefit, should get the most support**.

This approach could evolve from the current system of farm subsidy payments. It should **build on the significant benefits currently delivered by agri-environment schemes** that represent good value for public funding as they support public goods.

Incentives for public goods need not be limited to public funds but could be complemented by other measures. A new policy framework, if carefully constructed, could incorporate **market drivers that reward farmers for sustainable food production** and the delivery of public goods, while requiring farmers to pay for their pollution.

There are already some **environmentally sensitive and robust certification schemes** that reward farmers with higher prices such as "Woodland Eggs" and "Pasture For Life" for beef and lamb. These could be further expanded.

Organic farming benefits wildlife. Any future agri-environment should maintain support for conversion of farms to organic systems and provide a good range of options relevant to organic farming systems.

Any system of incentives must be **underpinned by a robust monitoring, reporting and enforcement framework** that allows for verification of delivery of public goods including biodiversity outcomes – whether that be a strong cross-compliance regime for payments of public funds or to verify any market-based approaches.

3. How should future UK agri-environment support be administered, and what outcomes should it focus on?

Many of the outcomes have been set out in various sections above, but in summary they should:

- Focus on the delivery of **public goods from public funds** such as sustainable water and soil management, effective natural flood management, enhancement and connectivity of wildlife habitat, improving public access, protecting and enhancing landscape character and heritage and achieving high animal welfare standards
- **Support farmers to be resilient** to changing markets and a changing climate. Agriculture is a major contributor to greenhouse gas emissions and also likely to be one of the industries most affected by it
- Support **innovation and research that helps nature** rather than only focussing on increasing production
- If well designed, resourced and monitored, **move towards a payment scheme based on outcomes** rather than payment for undertaking measures; to allow flexibility to develop approaches that are appropriate to the environment and encourage innovation and ownership of the schemes
- Similarly, transition from farmers being rewarded on the basis of income foregone, to being **rewarded for providing environmental goods and services** (such as biodiversity improvements, flood mitigation, or amenity and access) or **penalised for harmful levels of pollution**
- Notwithstanding the above, ensure that valuing and rewarding the delivery of services derived from nature does not conflict with the need to protect biodiversity for its **intrinsic value**
- Provide for **landscape-scale outcomes** by making funding available to partnerships of farmers that deliver multiple environmental outcomes such as flood protection and the filtering of pollution across a catchment
- **Deliver multiple benefits** rather than, for example, supporting flood prevention at the expense of biodiversity
- Ensure continued **access and enjoyment** of the countryside and wildlife and provide incentives for moving beyond the minimum legal requirement
- Be **locally tailored** to deliver locally agreed priorities.

4. What are the prospects and challenges for future environmental stewardship schemes in the devolved administrations? How much divergence in policy between the nations of the United Kingdom is likely? How can divergence be managed?

WCL is a member of the Environment Links UK network (ELUK) of sister Links in each of the four countries of the UK and we will be looking at this issue over the coming months. What is clear is that there are a number of challenges ahead particularly if there is a **strong divergence in desired outcomes** across the administrations or a **change in the allocation of budgets** between countries, such as may be the case if a different formula is applied to allocated funding within the UK.

At the moment the CAP system provides something of a level playing field across Europe and across the UK as it requires a minimum level of commitment to agri-environment schemes. Any successor UK policy should be agreed by the four nations, at least match this level of commitment and **place a floor under environmental standards** while allowing all four nations to make additional commitments and to introduce country-specific approaches and schemes.



From a practical point of view, landscape-scale outcomes will be challenging unless there is a consistent approach to supporting public good outcomes in cross-border catchments.

5. **What are the future risks and opportunities to innovative land practices, such as managed rewilding? What role can rewilding play in conservation and restoration of habitats and wildlife? What evidence is there to support the incentivising of such schemes in any new land management policies?**

Given the scale of the challenge to reverse the decline in biodiversity, there is value in examining innovative land practices. However, the potential benefits of managed rewilding have yet to be fully modelled or assessed and it is worth noting that there are differences in opinion about what rewilding could and should mean in practice.

Successfully managed rewilding schemes could deliver **benefits for wildlife and for a wider suite of ecosystem services**. For example, we know that an expansion of habitats such as woodland on marginal agricultural land can improve water quality management and support recreation, carbon storage and wildlife. Similarly, Agroforestry increases carbon sequestration as well as multiple other environmental and animal welfare benefits.

Managed rewilding could be used to help **reduce flood risk** by slowing the flow of water in the uplands, making space for water in the lowlands and helping us adapt to sea level rise on our coast through managed realignment. Managed rewilding may also be a cost-effective means of rebuilding soil health in areas where landscape scale management of land use is possible.

However, managed rewilding needs to be set in the context of **clear conservation objectives** and **should not be viewed as a simple and cheap solution** for the complex and challenging problem of biodiversity decline. Many of our more threatened species and their habitats will not be in suitable locations for rewilding and will be **dependent on management for their survival**, often with significant ongoing **management costs and capital costs**. This is particularly the case in fragmented habitats where the full range of natural processes cannot occur.

Increasingly the management of these habitats and areas **depends on EU derived LIFE funding**. The UK's allocation from LIFE funding is £87m for 2014-17. To avoid the deterioration of our most important wildlife sites and most threatened species a **replacement funding scheme** is necessary and the UK should therefore be budgeting to increase national expenditure on land management specifically for wildlife by an additional £22m a year from 2018 onwards.