

Welsh Government

Sustainable Farming and our Land

Background to CIWEM

CIWEM is the leading independent Chartered professional body for water and environmental professionals, promoting excellence within the sector. The Institution provides independent commentary on a wide range of issues related to water and environmental management, environmental resilience and sustainable development.

CIWEM welcomes the opportunity to respond to the Welsh Government on its consultation Sustainable Farming and Our Land. Whilst our head office is based in England, we represent over 10,000 members globally, including in Wales.

Response to consultation questions

1. What are your views on the Sustainable Land Management framework? You may want to consider:
 - whether the structure of benefits, outcomes and actions is a useful tool
 - whether the benefits and outcomes sufficiently cover the broad contribution of farmers, foresters and other land managers
 - how we have described the Sustainable Land Management outcomes
 - whether it is right to focus an income stream on environmental outcomes
 - whether an alternative policy framework would be more appropriate.

We are pleased to see this consultation recognises the importance and interrelationship of the issues of food production, climate change and ecological declines and sets the principle of sustainability as the basis of the proposed scheme.

- whether the benefits and outcomes sufficiently cover the broad contribution of farmers, foresters and other land managers

Figure 3.3 recognises a number of important benefits and outcomes. We would also argue that healthy soils, mentioned elsewhere in the paper, are a benefit that sustainable land management provides. Healthy soils can contribute to the outcomes of improved water quality, reduced flood risk, carbon sequestration, and protecting future productivity.

We believe it is important that soils are given equal policy recognition and protection compared to water and air. We have produced a Policy Position Statement on soils¹ which provides several recommendations including that new land management support schemes should encourage sustainable soil management.

- how we have described the Sustainable Land Management outcomes

As described, the outcomes would be difficult to measure. It is important that the success of any new scheme can be monitored and evaluated to assess its effectiveness in delivering environmental benefit and value for money. Outcomes will need to be linked to appropriate metrics.

- whether it is right to focus an income stream on environmental outcomes

We fully support a switch from area-based payments to a public money for public goods approach and agree that this can improve the long-term sustainability of farms in a way BPS did not.

It's important to recognise that, as described, this scheme will be operating on an agreed management action delivery rather than outcomes basis. This means that risk of non-delivery of benefits despite implementation of agreed management lies with Rural Payments Wales. The links made between benefits, outcomes and actions will need to be robust to help ensure that the management paid for delivers benefits that are of value to taxpayers.

We agree that it is appropriate for Rural Payments Wales rather than individual farmers to shoulder the majority of risk of non-delivery due to external factors, where agreed actions have been implemented.

However, it may be difficult to manage this risk alongside the intention to allow land managers more freedom in their delivery method, a careful balance will need to be struck. This could be done using a model of providing a base payment for management options and a premium when the anticipated benefits have been secured. As the consultation paper recognises, it is important for land managers to have control over their land to allow them to apply their knowledge.

- whether an alternative policy framework would be more appropriate

We are pleased to see that there is a business support element that facilitates knowledge exchange as this is recognised as an effective method to spread best practice. Under business support it would also be good to explore how supply chains can be shortened and strengthened in individual cases so that transport of food is reduced, local communities are more aware of how their food is produced and farmers can secure a better return for their produce. A better income for farmers can allow them to consider more sustainable

¹ <https://www.ciwem.org/policy-reports/protecting-and-enhancing-soils-policy-position-statement>

production systems and invest in other unrelated enterprises to support their income security.

The existing supply chain produces a lot of food waste, particularly through refusal to sell produce that does not meet cosmetic standards, despite it being safe and nutritious. Food waste is a big issue for the UK, we are estimated to waste over 10 million tonnes, post farmgate, each year, of which approximately 60% is thought to be avoidable². Avoiding food waste would help reduce the carbon emissions associated with food and achieve better efficiency in natural resource use.

2. What are your views on the proposed Sustainable Farming Scheme? You may want to consider:
 - how the Farm Sustainability Review and Farm Sustainability Plan could be delivered in a proportionate manner
 - how best to reward farmers for outcomes through their actions
 - how the Sustainable Farming Payment should operate
 - what business support should be offered to farmers
 - what eligibility criteria are needed
 - whether there is a role for capped or diminished payments
 - how best to design the scheme to leverage additional private finance
 - alternative ideas for supporting farmers in a manner consistent with Sustainable Land Management.

- how the Farm Sustainability Review and Farm Sustainability Plan could be delivered in a proportionate manner

It is important that farmers are involved in the production of these documents, as is the outlined intention. The consultation document raises the option of all farmers being supported by an advisory service in the production of these documents. We support broadening access to advice as it would make the scheme accessible to more farmers which is very important in ensuring that as much land as possible is sustainably managed.

- how best to reward farmers for outcomes through their actions

We agree that payments based on the value delivered is far fairer than the existing model of payment on an additional cost and income foregone basis.

² <https://publications.parliament.uk/pa/cm201617/cmselect/cmenvfru/429/429.pdf>

- how the Sustainable Farming Payment should operate

We are pleased that the proposed scheme would operate on a multi-annual basis, like the existing agri-environment schemes in the UK, rather than following the annual approach of the Basic Payment Scheme. We agree that this will provide better income security, which can help overcome market volatility, but also see this as beneficial for planning and delivery of environmental outcomes as there is often a lag between the implementation of the management action and the materialisation of desired outcome.

As mentioned in response to Q1, we believe a model of providing a base payment for management options and a premium when the anticipated benefits have been secured would provide a good balance between risk and return for farmers and other land managers. Being able to choose from a range of management options provides a low risk approach to delivery for farmers but does not provide any freedom to test new methods around which evidence may still be accumulating. Such research activity is important for long-term environmental delivery.

- what business support should be offered to farmers

Any business advice offered should complement the environmentally friendly approaches encouraged through the Farm Sustainability Plan.

We are pleased to see climate change adaptation included as a potential area for business skill development and would like to see this extended into mitigation as well. Farmers have an important role to play in helping the UK as a whole meet its international climate commitments.

We would like to see farmers and other land managers supported in developing their knowledge of natural capital accounting and the economics of sustainable farming methods, and assisted in the implementation of such practices through farmer to farmer knowledge exchange.

We are pleased to see an intention to work with agricultural colleges and other academic institutions to “identify the most appropriate research, such as innovative husbandry, cropping and livestock systems and techniques” to support farmers knowledge of innovation. We would like to see such partnerships extended, with Welsh Government encouraging institutions to develop a greater focus on environment and sustainability in their syllabi.

- what eligibility criteria are needed

We support the intention to encourage farmers to work jointly to deliver better outcomes for nature. More work will need to be done to consider how this should be administered. There will be complex relationships to manage and applying to the scheme jointly may fuel disputes, for example in determining how payment should be split. To achieve long term delivery, partnerships will need to be stable and long lasting.

It is important that the view on restricting payment to active management only is considered carefully. Land that is allowed to revert to its natural state may require very little management in the long-term whilst delivering good public benefit.

- how best to design the scheme to leverage additional private finance

The scheme should avoid paying for ecosystem services where the main beneficiary is a private entity rather than the public.

In England water company contribution to Catchment Sensitive Farming provides an example of private businesses working with farmers to mutually reduce input costs and environmental impacts.

3. What are your views on an advisory service? You may want to consider:

- whether you agree an advisory service should be established
- the functions of the service
- what the relationship should be between the advisory service and the Welsh Government
- the appropriate scale of delivery.

- whether you agree an advisory service should be established

We support the expansion of the existing advisory service to help make the new scheme as accessible as possible, improving uptake and delivery for the environment.

- the functions of the service

Whilst there is existing industry support for farmers applying to appropriate schemes, which could be supplemented to improve overall availability of advice, knowledge exchange and continuing professional development are seen as weak areas for the agricultural industry. It is therefore particularly important that the advisory service provides learning opportunities that support delivery of the planned outcomes by agreement holders.

4. What are your views on providing support to the industry and supply chain? You may want to consider:

- whether it is right for support to be subject to Sustainable Land Management
- whether the proposed priorities reflect the right areas of focus.

- whether it is right for support to be subject to Sustainable Land Management

We believe it is essential that support for the wider industry complements rather than undermines the principle of sustainability around which the Sustainable Land Management framework has been envisaged.

- whether the proposed priorities reflect the right areas of focus

We particularly support priorities A, D and E.

Promoting environmentally sustainable produce is an important part of providing consumers with the knowledge to make more informed purchasing decisions.

Shortening supply chains is also likely to result in more information on the provenance and production methods being available to consumers. Shortening supply chains also has the potential to improve social interactions within the community, which could support the use of the Welsh language, and to allow farmers to receive a better return for their produce. Additional income could be used to support environmental delivery, move to more sustainable production systems or diversify into unrelated areas to provide more business resilience.

Linking research with on the ground practice is essential for allowing farmers and land managers to deliver the desired environmental outcomes in the most efficient way possible.

5. What are your views on our proposals to improve the current regulatory system and develop a new regulatory framework? You may want to consider:

- how the current regulatory framework can be improved upon
- the scope of a future regulatory framework
- the role a future regulatory framework would play in championing Welsh standards
- how compliance with regulation should be monitored
- how breaches can be fairly and proportionately enforced

We strongly support the proposal that once developed the new National Minimum Standards should apply to all farmers, regardless of whether they choose to participate in the Sustainable Farming Scheme. This will help overcome the present issue that it is difficult for farmers who do not partake in BPS to find out what regulations they need to comply with.

- how the current regulatory framework can be improved upon

Accessibility of information is currently an issue. Working to provide information on all standards in one place, as proposed, would be a good first step in overcoming this.

- the scope of a future regulatory framework

We support the ambition to strike a fair balance between regulating to enforce an environmental baseline and paying, on a fair basis of value, for delivery of public benefits that exceed this baseline.

When setting new standards, it is important that requirements for reducing greenhouse gas emissions and protecting water quality are sufficient to meet current regulations and more widely to address the climate and ecological crises we are facing.

- how compliance with regulation should be monitored

For regulations to be effective in supporting the natural environment they must be enforced, which requires monitoring to identify breaches. Whilst this regulatory burden may be reduced by appropriate use of sophisticated technology and a risk-based approach, this will not mitigate the need for on the ground inspections which must be adequately resourced.

- how breaches can be fairly and proportionately enforced

It is important that the 2018 Farm Inspection and Regulation Review findings and recommendations are considered in developing the proposed consultation on regulatory enforcement. There may also be important learning points to be taken from the Farming Rules for Water enforcement approach in due course.

6. What are your views on the purpose and design of a transition period? You may want to consider:

- the proposed principles for transition
- the relative merits of the three transition options
- alternative proposals for transition
- how the CAP can be simplified and improved while it is still in operation

Given current levels of uncertainty around timing and trade it is difficult to comment on transition proposals. However, it is imperative that the scheme transition protects farmers' ability to meet environmental demands so that the features which the proposed Sustainable Farming Scheme seeks to enhance are not first degraded. This could form an additional principle for transition. It would be supported by the first principle that transitions should allow enough time for business adjustments and would also necessitate continued access to appropriate advice and grants.

7. What are your views on the analytical approach set out? You may want to consider:

- the different stages of analysis

- the different tools and techniques which may be necessary for different aspects of the analysis
- the range of impacts which we propose to consider with the Integrated Impact Assessment

We are pleased to see that opportunity maps for environmental outcomes will be consulted. This is important for maximising environmental benefits from the available funding.

8. We would like to know your views on the effects the proposals in this document would have on the Welsh language, specifically on opportunities for people to use Welsh and on treating the Welsh language no less favourably than English. What effects do you think there would be? How any positive effects could be increased, or negative effects be mitigated?

Farming provides opportunities for employment of Welsh speakers and supports the use of Welsh in the wider community. Providing an income opportunity for farmers through delivery of environmental benefits will help make farming businesses more resilient to market uncertainty, reducing the likelihood that employment would need to be sought elsewhere resulting in a loss of Welsh speakers from local communities.

9. If you have any related issues that we have not specifically addressed, please let us know.

No comments.