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er Lles Natur Cymru

Welsh Parliament
Economy, Trade, and Rural
Affairs Committee
Agricultural Pollution
Regulations

Evidence from: Nature Friendly Farming Network Cymru

Background

The Nature Friendly Farming Network (NFFN) is a farmer led organisation established in January 2018. We are uniting farmers across the UK who are committed to growing and providing healthy, nutritious food whilst managing their land for the benefit of wildlife and the environment. We have 10 farmers on our NFFN Cymru steering group, and almost 300 farmer members in Wales who support our manifesto, clearly emphasising the support for nature friendly land management from farmers who are looking for a voice to influence future policies.

Context

- 1.1 Whilst there are countless examples of sustainable, nature friendly farms in Wales, we must acknowledge that agricultural pollution is an issue that needs to be addressed. Agriculture pollution affects the environment, society and our economy. It damages human health, wildlife, climate, recreation, tourism and not least agriculture itself after all our natural resources (which includes our soils, air, biodiversity and water) form the essential building blocks of food production. As an industry we can't put our head in the sand when it comes to this issue.
- 1.2 Indeed, 63% of Wales' freshwater bodies defined by the European Union's Water Framework Directive (i.e. larger rivers and lakes) are failing to achieve good or higher status. Whilst it's important to acknowledge and address water pollution deriving from other sectors (noticeably licensed discharges from water companies and legacy metal mining), we note that Wales has averaged over three agricultural pollution incidents per week over the last three years; thus there's ample room for improvement. We also note that agriculture contributes to over 85% of ammonia emissions in Wales, originating largely from manure management and applications of slurry in particular.
- 1.3 However, nature-friendly farming, particularly farming within the natural productive carrying capacity of the land, is key to addressing agricultural pollution. A range of different interventions are required to ensure our natural resources are protected, maintained and enhanced. These will include policy support, capital investment, education, the provision of advice and

clear guidance, regulation, monitoring and enforcement. Below are NFFN Cymru's thoughts on how to address some of these challenges.

Key Points

- It can be argued that the root cause of agricultural pollution stems from stocking densities that exceed the natural carrying capacity of the land. As such we should encourage herd sizes that are compatible with the natural productive carrying capacity of the land.
- We're concerned that increased bureaucracy and compliance costs could lead to a reduction in extensive cattle grazing systems, particularly on hill/ upland farms where cattle can act as valuable conservation grazers.
- High Nature Value farming systems, characterized by extensive grazing systems, should receive priority funding support to help comply with regulation. Before we spend public money on increasing the slurry storage capacity of intensive farms, thought should be given to the size of the herd.
- We welcome requirements for increased nutrient management planning, which can help reduce poor practices such as over application, spreading on unsuitable land and during inappropriate weather.
- Regulation should be better targeted at repeat offenders, with heavier handed penalties given to those that blatantly or purposefully pollute. As such, enforcement must be sufficient to eradicate this practice and change behaviour.

What are the positive aspects of the current all-Wales approach?

- 2.1 We welcome requirements for increased nutrient management planning, in particular the need to create and maintain a risk map, calculate the amount of nitrogen from manure that is likely to be available for crop uptake, and produce a plan for the spreading of nitrogen fertiliser during the growing season. This should enable farmers to adopt a more targeted, risk-based approach to nutrient application, thus avoiding over-application and promoting better land management practices. It will help to reduce bought in compounds, thus reducing the industry's carbon footprint, whilst benefiting the farm business through reduced costs and workload.
- 2.1 Placing a limit on a farm's nitrogen application can assist in promoting more sustainable livestock stocking densities. It can be argued that the root cause of slurry mismanagement stems from stocking rates that exceed the natural carrying capacity of the land. This means that the amount of slurry that is produced exceeds

the amount of land in which it can be sustainably applied. As a result, farmers are often forced to apply slurry at inappropriate rates and/or during unsuitable weather and ground conditions. This is an important issue that is rarely raised in discussions relating to agricultural pollution incidents and associated environmental declines, and requires much more attention.

2.3 Increasing slurry storage requirements can help lead to farmers prioritising the separation of clean and dirty water, thus reducing slurry quantities that need to be stored. This in turn can provide a far more nutrient-rich slurry which again should, if applied correctly, enable a reduction in bought in compound fertilizer.

What are the negative aspects of the current all-Wales approach?

Costs of complying

- 3.1 Currently many farms do not have the proper infrastructure to contain additional slurry or adequate systems to separate clean and dirty water. Historic low farm gate prices are a barrier to reinvest in farm infrastructure to accommodate the requirements needed. Furthermore, the cost of materials has risen significantly over the last year, with structural steel 38% higher than it was in July 2020. This, coupled with the fact that farm gate prices do not increase with inflation may result in many farmers not being able to comply.
- 3.2 As such it's vital that farmers are offered financial assistance to help cover the costs of complying with new regulatory requirements. We're pleased that the Welsh Government is committed to offering financial support, however the promised £11.5m support package is insufficient when taking account of the fact that costs to farmers could be between £109m and £360m. Some farmers also believe that access to funding is overly complicated and time consuming.
- 3.3 We believe that nature friendly farmers who are already demonstrating a commitment to safeguarding wildlife and the environment should be prioritised for support. Indeed, our recent NFFN public survey shows that 73% of Wales think that farmers who have been farming with nature for many years should have early access to public (tax) money. We believe that this should be the case when allocating funding to comply with the proposed pan-Wales NVZ regulations. Before vast amount of public money is spent on increasing the slurry storage capacity of intensive farms, thought should be given to the size of the herd. Otherwise, we are simply paving over the cracks and propping up unsustainable farming practices.

3.4 Tenant farmers do not have the equity in their holdings to justify additional expenditure on infrastructure improvements on a holding they do not own.

Loss of extensive cattle grazing

Further to the above - if the costs of complying are too high, farmers will have no option but to give up on their beef/ dairy enterprises. This is particularly relevant for hill/ upland cattle systems, where businesses are more reliant on public subsidies. Hill and upland farms are often characterised by low density, extensive cattle systems, that can play an important role in enhancing biodiversity. Cattle can be excellent conservation grazers. helping to manage valuable habitats such as ffridd, wet (Molinia) grassland, hay meadows and heathland. NFFN Cymru are particularly concerned about the decline of cattle grazing on some of our hills, where land abandonment, under-grazing and/or the loss of mixed grazing (often resulting in the pre-dominance of sheep) is having a negative impact on important 'open' habitats and the species that depend on them. We're concerned that without sufficient support, an all-Wales approach will lead to the continued absence and reduction in cattle grazing on our hills.

Loss of farming

- 3.6 Farmers may hasten their exit from farming rather than improve the holding as further borrowings for capital items, increased bureaucracy and increased paperwork may be the final straw for many. This could potentially result in the expansion of industrialized holdings at the expense of smaller family farms.
- 3.7 Increases costs, tighter regulations and higher capital requirements may also be off-putting for future generations of farmers, which can again hasten the demise of rural communities and the Welsh language with fewer people remaining in agriculture.

Potential loopholes

- 3.8 In order to comply with nitrogen application limits, large farm businesses can buy more land not to farm as such but rather to free up land to for slurry spreading. Again, this raises concerns about facilitating larger, industrialized land holdings.
- 3.9 We're aware of reports that farm businesses adjacent Wales/ England border are simply transporting and applying slurry on land across the border in England (where regulations is less stringent), which only serves to move the problem elsewhere.

Closed periods

3.10 Farming by calendar may sound good on paper, but in reality, the practicalities are more complex, not least due to climate change. After all, nature and weather do not adhere to calendar

- dates. As such, there is a strong argument for safe logical spreading throughout the year/ growing season. This would not be possible under the proposed regulations.
- 3.11 Enforcing a closed period for spreading could potentially create havoc for contractors and farmers as everyone will insist their stores are emptied before it commences. There will be increased pressure to empty slurry stores rather than spreading for best utilization. This in turn could create further pressure from run-off into watercourses due to potential over-application.

Monitoring, advice and enforcement

- 3.12 Increased regulation requires increased monitoring and enforcement. There are concerns that Natural Resources Wales are under-equipped to deal with current regulations and pollution incidents. Regulation is only as effective as its underpinning advisory, monitoring and enforcement programme, therefore sufficient investment will be required in these areas to deliver an effective all-Wales approach.
- 3.13 Current NRW farm inspections should have been completed before the all-Wales approach was adopted as this would give clearer and more detailed analysis of the scale of the funding requirements for holdings to comply.
- 3.14 Regulation should be better targeted at repeat offenders and those blatantly or purposefully breaking the rules. For example, it has been suggested that some farmers factor in financial penalties into their business costs. This is a huge source of frustration for farmers who are compliant with regulation and producing food in a way which doesn't harm the environment. It reflects badly on the industry as a whole and poses the risk of every farmer being painted with the same brush. As such, enforcement must be sufficient to eradicate this practice and change behaviour. We also believe that the wider farming industry should be more vocal in their condemnation of polluting farm businesses.

What are your views on the process for developing the current approach?

- 4.1 The Minister initially indicated that no new regulation would be introduced until the Covid-19 pandemic was over. Unfortunately, this wasn't the case, which resulted in increased mistrust in the Welsh Government amongst the farming community
- 4.2 There has been insufficient awareness and clear guidance for farmers to fully understand the proposed regulations. The <u>guidance</u> document for farmers and land managers alone is 95 pages, which is off-putting to say the least.

- 4.3 As mentioned previously, there is insufficient funding available to assist with relevant improvements for complying, particularly for tenant farmers.
- 4.4 There is a danger that smaller, extensively grazed family farms (where pollution incidents are less frequent and significant) will be an easy target for non-compliance.
- 4.5 There's an argument to be made that the introduction of new drastic regulations should be delayed until more clarity surrounding the phasing out of the Basic Payment Scheme and the launch of the proposed Sustainable Farming Scheme. It is difficult for farmers to plan and prepare for the future with so much uncertainty.

What are the alternatives to the current approach and/or how can they be improved?

Less is More/ Nature Means Business

- 5.1 We believe that facilitating nature-friendly farming that adopts the Less is More approach, which encourages farmers to operate within the natural carrying capacity of their land (also knowns as Maximum Sustainable Output), is key to addressing agricultural pollution. As mentioned previously, pollution incident more often than not occur because stocking rates exceed the natural carrying capacity of the land, resulting in excess slurry being produced¹. Put simply, there is insufficient land on which to sustainability apply the slurry, meaning that farmers are forced to apply it at unsustainable quantities and/ or during unsuitable times. Encouraging farmers to adopt agroecological approaches would eliminate the need for any NVZ regulations.
- 5.2 Nature friendly can also be the most profitable way of farming. Nature provides farmers with natural capital for their businesses in the form of soils, grass, water and geology, which farm businesses work with for crop or livestock production to take place. Where these free issue assets are not managed correctly, farm productivity will reduce. Taken beyond their natural production limit, for example by increasing stocking to levels that exceed the amount that can be fed on naturally available forage, or cropping more than the soil can naturally support, the farming businesses will need to adapt to maintain production. This is achieved via additional inputs such as fertilisers or the requirement to purchase additional feed to maintain productivity. This increases the overall costs of production and potentially reduces the profitability of the farm business. Evidence shows that

 $^{^{1}}$ It's important to note that the size of holding is not necessarily the issue, but rather stocking densities (i.e. number of livestock in relation to the sizer of the holding).

the Less is More approach not only improves farms' financial performance (across all farm types) but also yields positive environmental outcomes. Our <u>Nature Means Business</u> report provides more information on this, and includes farm case studies of how this approach works in practice.

Nature Based Solutions

- 5.3 Agriculture Nature-Based Solutions are an effective, long-term, cost-efficient approach to tackling sustainable land and water resources management and climate change. These practices can help improve water availability and quality as well as restore ecosystems and soils.
- 5.4 For example, establishing field margins and riparian corridors can create valuable watercourse buffer zones, particularly for high-risk crops such as maize or turnips. Evidence shows that degree of effectiveness for the removal of sediment was between 30-90% for one-metre-wide buffers, between 5590% for three-metre-wide buffers, and between 58-95% for six-metre-wide buffers. This also assists with greater biodiversity and reduced run off in times of heavy rain.
- 5.5 Establishing multi-species herbal leys and species rich grasslands can also help. Species planted in the herbal lays have deep roots, therefore they absorb nutrients, minerals and water from deep within the soil layer. These plants also help fix nitrogen in the soil which means farmers don't have to buy in additional artificial fertiliser. This can help sequester more carbon and improve soil health, as well as improving farm economics and productivity.
- 5.6 Adopting nature-based solutions across the landscape scale, such as peatland restoration and appropriate tree planting can also help reduce downstream flooding, thus reducing run off rates on and near in-bye fields where nitrogen application is more prevalent.
- 5.7 Agricultural subsidies, in particular the proposed Sustainable Farming Scheme must be used to facilitate and reward on-farm nature-based solutions that are key to tackling agricultural pollution.

Education/ Advice

5.8 It's important to educate and increase awareness of appropriate nutrient management amongst the farming industry, thus helping farmers to utilize fertilizer and resources more effectively. Regulation and advice should be closely linked, so

that any farmer found in breach of regulation has a) time to rectify the situation and b) access to quality advice in order to become compliant. This would engender greater trust between the industry and the regulator.

- 5.9 One established model for improving adherence with regulation in the water pollution sector that is gaining increasing attention is the Scottish approach to tackling diffuse agricultural pollution (see Annex 2 within this report). Since 2010 the Scottish Environmental Protection Agency (SEPA) have developed a distinctive approach to addressing diffuse water pollution from farms, initially in 14 but now 43 priority catchments. This approach focuses on advice and engagement before penalties and involves an initial farm visit by a trained adviser, a risk assessment by the farmer, a subsequent letter, report and advice from the adviser and up to three follow up visits to establish whether the issues have been resolved. It is a fairly intensive and focused effort that's backed up by a national awareness campaign, but underlines the central role of advice and engagement sustained over time in securing clear expectations of farmers as well as concrete improvements.
- 5.10 There has been a demand to increase the milk supply, and farmers have responded very well and invested heavily, however we have overlooked issues relating to increase slurry production. The rise of super-intensive dairy units that create vast amounts of slurry is not the farmers fault as they appear to have been pushed into this situation to produce more. Industry and market led advice has contributed towards farming moving in this unsustainable direction, and farm ore emphasis should be placed on the environmental impacts of given advice.

Switch to straw-based farmyard manure

5.11 We would encourage efforts to facilitate farmers to switch from liquefied slurry to straw-based farmyard manure.

Collaborative working

5.12 Closer collaborative working /funding arrangements between farmers and ENGOs (such as River Trusts) greatly improves awareness and uptake of best practice within a catchment. This can lead to far more localized knowledge and interaction between farmers, land managers and rural stakeholders, resulting in increased positive working arrangement and as greater continuity of sustainable land management approaches.

Planning

5.13 National planning laws need to be rethought to help eradicate agricultural pollution. Local authorities, planners, developers and farmers need a far more collaborative working arrangement. We note that most of discussions surrounding agricultural pollution centre

on dairy farming. However, other sectors, (noticeably the poultry sector) also contribute towards the issue. The cumulative effects of intensive poultry units should be assessed more thoroughly, particularly in Powys which is becoming known as the poultry capital of Wales.

Technology

5.14 Technology and innovation can play an important role int tackling agricultural pollution. Coleg Sir Gâr Gelli Aur's slurry project which is looking at developing a dewatering and purification system to manage slurry on farms can help address the agricultural industry's impact on the environment. However, more work needs to be done in this area, particularly in making it economically viable for farms at a wide scale, therefore we shouldn't solely rely on technology as a silver bullet in tackling agricultural pollution.

Conclusion

Thank you for considering our submission. We hope the committee shares our view on the importance of nature friendly farming in addressing agricultural pollution. We look forward to working closely with the Economy, Trade and Rural Affairs Committee over the term of the sixth Senedd.

For further details, please contact $\underline{\text{rhys.evans@nffn.org.uk}}$