

Nature Friendly Farming Network NI

The future of farm support policy position

The Nature Friendly Farming Network (NFFN) is a farmer led independent organisation, established in November 2017 uniting farmers across the UK who are committed to managing their land for wildlife and the public good at the same time as growing and providing safe, healthy food. The Network represents members in Northern Ireland in the form of a Steering Group.

The farmers behind the network believe that a future agriculture policy for Northern Ireland should:

1. Help all NI farmers to produce safe, healthy food at the same time as helping our soil, landscapes, rivers and wildlife to flourish.
2. Maintain the current levels of agricultural support and redirect farming payments towards mainstreaming nature friendly farming, whilst ensuring that this adds measurable value to the environment.
3. Recognise that the shift towards a more nature friendly approach is not just good for wildlife but is key to the long-term survival of the Northern Irish farming community, delivering broader benefits to the public, including flood protection, water and air quality, carbon storage and the maintenance of thriving natural landscapes and wildlife.
4. Make sure future schemes are practical and accessible to all farmers.
5. Ensure that the quality of produce from our industry reflects the quality of the land we farm, with market recognition of value through suitable reward for nature friendly products.

Introduction.

Farmers within the NFFN have extensive experience of delivering environmental outcomes through engaging with previous agri-environment schemes. Many of us were early adopters of these and have successfully used them to incorporate the needs of nature into our businesses. Through this, we have seen how the interests of farming and nature can be met in tandem, and that with the right skills, knowledge and support, good environmental management can serve the needs of the farm business. It is our view that farm businesses can play a vital role in addressing the twin crises of biodiversity loss and climate change, with nature friendly farming practises providing the solutions to these problems.

Whilst much has been achieved through agri-environment, there are still issues that need addressed. To enable the widespread adoption of nature friendly farming, we must build on past successes and find solutions to previous obstacles. With the creation of domestic agriculture policy, we have an opportunity to do this, to create a system that delivers truly sustainable land management. We believe a future land management scheme should play a core role in this, providing income to farm businesses for the environmental benefits they deliver. Key to its success will be in its design, with previous agri-environment schemes acting as a proof of concept for delivery. The following paper outlines NFFN's vision on the structure of a new land management scheme for Northern Ireland which rewards farmers, delivers for the environment and meets government objectives.

Future Scheme Design

A future payment scheme focused on delivering positive environmental land management should represent the principal means of farm support. In the future, payments for environmental delivery can help provide a stable reliable income source for farm businesses, whilst delivering multiple goods and services to society. This represents good value for money to the taxpayer and provides a robust justification for long term public investment in farming and land management. To ensure the effective delivery of environmental outcomes and achieve farmer engagement and buy in, policy should be practical and simple. Policy should be holistic, based on the whole farm operation including production and environmental aspects as far as this is possible. This means flexibility, for example to reach environmental targets across the farm or landscape, rather than in individual fields, and more focus on outcomes and achievements than mapping and calculating. A new scheme should focus on delivery across landscapes by joining participating farmers together to ensure more effective delivery, increase efficiency and secure better value for money.

Funding

Critical to a schemes future success is the funding allocated towards it. Under the CAP, the RDP budget has been insufficient in meeting environmental needs. A future policy should focus on rewarding farmers to provide those benefits, especially environmental benefits that are not normally paid for through the market. This is where the majority of public funding should be focused.

Recent research demonstrates that to meet government's environmental objectives requires an 8-fold increase in funding for environmental management is required¹. To ensure that a future scheme is capable of meeting its intended objectives, funding should be allocated on the scale of need required to meet the policies intended outcomes.

Regulation

Any future support scheme needs to be underpinned by an effective regulatory baseline. This should ensure that all farmers are operating on a level playing field and meeting minimum regulatory requirements. The baseline should apply to all farm businesses, not just those that are engaged within a future support system.

This is necessary to make farms more environmentally and nature friendly and ensures that the environmental benefits that farmers deliver through schemes are not undermined by damaging practices elsewhere. Regulation creates a level playing field, with all farmers and land managers bound by the same rules. Regulation should define the rights and responsibilities of landowners, providing clarity about when they will be expected to maintain existing environmental and animal welfare standards and when they can access support for provide additional benefits, for example for going beyond regulatory standards to help improve water quality.

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.

¹ <https://www.wildlifetrusts.org/sites/default/files/2019-09/Paying%20for%20public%20goods%20final%20report.pdf>

Comprehensive entry level scheme

A comprehensive, broadly accessible element - available to all land managers that meet the entry threshold. The scheme should pay for good environmental land management with requirements above and beyond baseline regulatory requirements. This should address widespread issues such as protecting soil, air and water resources, reducing greenhouse gas emissions, and maintaining wildlife habitats and landscapes. The comprehensive element would include simple interventions such as hedgerow restoration and management, tree planting, creating wildflower field margins, establishing bird cover crops, creating wetland features, establishing stream-side corridors, low input winter and spring cereals and retaining winter stubbles on arable land. These are measures that could be implemented by the majority, if not all, farmers and land managers.

The aim should be to encourage a step change towards more sustainable production - with more farmers enrolled in a more ambitious scheme than currently. This element of the policy would effectively replace direct payments as the primary public funding mechanism available to farmers and land managers to engage with. To achieve this there will need to be significant financial investment in support to move the large majority, if not all, farmers into the scheme. This will include advice and possibly transition payments to support farmers to both gain recognition for work they are already doing and to reach an ambitious level for this scheme

On entry into the entry scheme an environmental assessment of the farm business will be undertaken. This will outline the existing environmental assets present within the farm, which could be included within the comprehensive scheme. A land management plan will be drawn up in cooperation with an advisor, outlining appropriate management to improve the quality of the existing features along with suitable additional habitat options and other measures that will help improve the sustainability of the enterprise². Agreements will be signed for a period of 10 years. Within this, a period of review and evaluation will take place after five years, in which either party has the option to opt out or amend the agreement. Where capital works are required the schemes should be open to either the landowner or the active farmer.

Targeted scheme design Targeted payments should aim to conserve priority species and habitats, to ensure the appropriate management and condition of designated nature conservation sites and to support habitat recreation and restoration e.g. peatlands and wetlands.

A targeted element will address specific problems that need more investment and more complex management, often over a landscape scale, including management, restoration and creation of priority habitats; species recovery programmes, including predator control; ensuring high water quality; and supporting strategic natural flood risk management. This payment should be determined by both national and local priorities and should be flexible enough to tailor to a farm or landscape context with the ability to combine measures to maximise potential benefits.

A joined-up approach

Future schemes should aim to work at a landscape scale and payments should be calculated to account better for this collaborative, coordinated approach. This helps connect the good work of farmers in each area, to contribute more effectively towards environmental outcomes, rather than creating fragmented areas of good quality habitat within biodiversity deserts. There should be a fund

² Such as IPM, Nutrient Planning etc.

for landscape scale collaboration. Farmers that want to collaborate to produce landscape scale results, for example species recovery or to improve water quality, should have access to additional support to help them do this, for example groups working at a catchment scale. Promoting habitat connectivity of our countryside is essential. All farms should be encouraged to partake in the scheme so that there is better connectivity across the countryside. Hedges, grasslands, tree lines and wild areas should continue to play a role as they work better when co-ordinated over a wider landscape scale.

The role of training, advice & Knowledge transfer

Transitioning towards a new system of whole farm support will require a significant investment in training, advice and should encourage knowledge transfer. Regular support from a trusted advisor makes a significant difference towards achieving environmental success and ensures that land managers are fully equipped to do what is best in each area. This support should be provided consistently throughout the duration of the scheme agreement and could be delivered from a range of actors depending on need and expertise. Advice should be delivered across a landscape, with an advisor working with a group of farm businesses. This will allow for a more joined up approach to delivering environmental benefits, reduce costs, increase efficiencies and encourage farmer collaboration. Incentives for farmers to work collaboratively across a landscape should be built in to scheme design, especially within high priority landscapes.

Continuous training on sustainable farming practises should be available to farmers, so that they are equipped with the knowledge to farm sustainably, covering all aspects of the operation. This should be provided centrally through formal education delivered by CAFRE and through a process of continued professional development for farm business holders. Effective knowledge transfer will also be important, so that farmers can learn from each other, solve problems, innovate and demonstrate how the needs of nature can be effectively incorporated into farm businesses.

Payments

Payments for environmental work must be fair and provide adequate financial incentive to farm businesses. Farmers should be paid in line with their achievements and effort. Payments should reflect the genuine environmental or social benefits that farmers provide. As such, we believe that payments should be calculated beyond cost incurred, income foregone. Too often the true cost and value of such options has not been reflected in the payments attached to them. This often limits the uptake of interventions that require more difficult or expensive management, but which can often provide significant environmental benefit.

As part of a future policy framework, there is scope to develop payments related to environmental performance. There is good evidence that payments based on outcomes, or at least results, can improve environmental benefits, and increase farmer engagement where they are taking more ownership of results. We do however appreciate that developing results-based schemes can be a lengthy and complex process, and that developing such a scheme for the whole of Northern Ireland within the timeframe of a transition period would be challenging. There are technical challenges with this approach that must be addressed before it can be rolled out as the primary mechanism for rewarding farmers and land management. Saying this, in the long term we do believe that results-based schemes have a role to play in future schemes and that more work needs to be done to develop and trial them in Northern Ireland.

Transition

NFFNNI recognises that many farm businesses are reliant on farm support in its current form³ and that a transition towards a new system should be planned and managed carefully. Moving towards a payment system linked to environmental delivery represents a significant shift from the status quo, meaning businesses must be fully prepared. Government must set out the direction of travel clearly from the outset, outlining how they intend to phase out current payment arrangements when moving towards a new scheme. With this, there should be support to the sector to improve resilience and help transition towards a new payment system. This could include capital grants, training, business advice and support for technology uptake. The aim should be to improve the competitiveness of the sector using one off or time-limited payments such as capital grants, loans etc. There is also a need to pilot new approaches and trial new schemes during this period. There should be recognition of the financial implications of new policy on farm structure and the diversity of types of farm across the country. Transitional arrangements and future payments should aim to preserve this diversity and the social and economic benefits that this provides.

Innovative funding mechanisms

A future policy should significantly increase incentives for private investment in natural capital and ecosystem services. Future investment in nature friendly farming should be supported by a combination of public payments and private capital, making it profitable and rewarding to manage land sustainably for both private and public benefit. For example, utility operators investing in upstream land to reduce the costs of flood protection, or food businesses investing in soil restoration on the farms in their supply chain or peatland/woodland owners being able to trade in carbon credits or water companies investing in land management to improve water quality; the opportunity to facilitate this within a future policy framework should be explored.

Links with other policy objectives

Whilst we are calling for a significant repurposing of funding towards the delivery of environmental objectives based on the scale of need, we recognise that to deliver a sustainable, innovative, profitable and resilient agriculture sector we cannot look at the environment in isolation, and that investment in other areas will be required. Under previous rounds of the Rural Development Programme several initiatives have been put in place to deliver a range of positive outcomes for farm businesses, rural communities and the countryside more generally. A future policy should seek to build on these, whilst ensuring a joined-up approach with environmental delivery. Such measures have included capital funding to increase competitiveness, create and develop shorter supply chains and trial innovative technologies, the transfer of skills and knowledge between different farm businesses, support for rural communities and support and advice to diversify and maximise other rural business opportunities. Such support will remain important in the future, helping to create thriving rural communities which are well placed to deliver for and benefit from nature and the environment.

There are opportunities being presented through NI's increasing recognition as a tourist destination. This has been built largely on the value of our natural capital through our landscapes and through the quality of our food. With this, there is an opportunity for farmers and other stakeholders to deliver and benefit from agroecological food tourism, in which high quality food is recognised for its role in maintaining high quality landscapes. Support to enable producers to capitalise upon this through the

³ In 2015, the proportion of average FBI made up of support payments (direct payments plus agri-environment) ranged from 64% for mixed farms to 193% for LFA cattle and sheep farms.

development of local supply chains and geographic indicators for particular areas would help contribute towards this.

Supply Chain

There is an important role for consumers and the food supply chain in influencing how land is managed. Accreditation schemes can ensure that food produced to high environmental standards is recognised in the market and that farmers producing in this manner receive generous reward. Government can play a key role in facilitating this and should work with stakeholders to determine what opportunities exist. For example, food produced on land managed under environmental schemes could be marketed based on its role in delivering environmental benefits. Improved public awareness of environmental schemes would allow the public to understand better the link between the taxes they pay, their spending on food and the management of the countryside. Retailers also have a key role to play in ensuring food produced sustainably receives preference and a fair return in the market. NI has an opportunity to learn some of the lessons from Origin Green, in creating an NI Food body which celebrates NI food, but also ensures that it delivers for the environment through truly sustainable production practises, thereby maintaining the authenticity of these products and their image.

Where possible, future agriculture policy should also encourage farmer cooperation to create and develop local sustainable supply chains, which often allow farmers to secure added value for what they produce. Similarly, there are opportunities to create geographic indicators for products emanating from particular landscapes. Opportunities for this have been largely provided through previous RDP schemes and should be encouraged in the future.

Trade Policy

The wrong trade policy could reduce environmental standards and the economic position of Northern Irish farmers. The NFFN is committed to ensuring that a new international trade regime does not expose us to the sort of low standards, and cut-price competition that will drive farmers towards more harmful ways of farming for both land and livestock.

Conclusion

Although a lot remains uncertain, there is an important role for farmers to play in addressing key issues around climate change and biodiversity loss. There is need for fundamental reform in how we farm and manage our land, with a far greater focus on rewarding farmers and land managers for environmental delivery. With DAERA developing future environmental policy and environmental strategy, a significant opportunity exists to farm in a way which provides more benefit to the environment. To do this, the Nature Friendly Farming Network NI believes that future farm support should be maintained and repurposed, principally to deliver environmental benefits and secure natural capital. This policy position aims to demonstrate how this can be achieved, whilst incentivising increased ambition and additional environmental delivery in the years to come.

We would welcome the opportunity to discuss these views further with DAERA, farm organisations and other relevant stakeholders.

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