

Agriculture Bill inquiry

Written evidence for the Environment, Food and Rural Affairs Committee by Wildlife & Countryside Link

October 2018

Wildlife and Countryside Link (Link) is the largest environment and wildlife coalition in England, bringing together 48 organisations to use their strong joint voice for the protection of nature. Our members campaign to conserve, enhance and access our landscapes, animals, plants, habitats, rivers and seas. Together we have the support of over eight million people in the UK and directly protect over 750,000 hectares of land and 800 miles of coastline.

Link is working on the Agriculture Bill in partnership with the Greener UK coalition.

This submission is supported by the following organisations:

- Amphibian and Reptile Conservation
- British Canoeing
- British Mountaineering Council
- Butterfly Conservation
- Campaign for National Parks
- CPRE
- Friends of the Earth
- National Trust
- Open Spaces Society
- People's Trust for Endangered Species
- Plantlife
- RSPB
- RSPCA
- Salmon and Trout Conservation
- Sustainable Food Trust
- The Rivers Trust
- The Wildlife Trusts
- Wildfowl and Wetlands Trust
- Woodland Trust
- WWF-UK

Summary

1. The Agriculture Bill represents the UK's first major domestic agriculture policy in 45 years, and is an unprecedented opportunity to revitalise our countryside in a way that meets the needs of people, farming, food and the environment, for generations to come.
2. We welcome the overarching direction of the bill, particularly moving to payments for public goods and ending subsidies based on the land area managed. But there remain some weaknesses that could undermine the ambition for long-term sustainable agriculture if they are not addressed. Many of these correspond with issues raised by the EFRA Committee in its June 2018 inquiry on the Health and Harmony consultation, indicating that Government has not acted on a number of the Committee's key recommendations in drafting the Agriculture Bill.
3. To ensure the Agriculture Bill delivers on its potential, and meets the Government ambition of a cleaner greener countryside, the below amendments will be necessary in the bill.
 - A mechanism to **secure long-term funding** for farmers and land managers so that they can have confidence in the new system and have sufficient support to deliver the public goods we all depend on.



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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.'

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- The introduction of **duties rather than the handover of powers** to ensure current ambition is acted on in the future. These should include a duty to have an environmental land management scheme, and to use supply chain powers to ensure farmers receive a fair price for their produce.
- Reflection of government policy that **public goods are the primary reason for public intervention**, ensuring any productivity payments should contribute to the delivery of these and providing certainty and stability for farmers
- The establishment of a **strong regulatory baseline** with clear enforcement mechanisms to secure essential protections, and underpin taxpayer's investment.
- **Ambitious and measurable targets** to secure a stable and enduring policy, which restores our natural environment, and enhances public access.
- Safeguards to ensure **international trade deals** won't undermine domestic standards and undercut farmers in future trade deals.

Introduction

4. As we leave the EU it is vital that the Agriculture Bill passes to establish a new agriculture system, which provides the certainty that farmers and businesses need. In a sector which has to plan years in advance, any delay or deferment of the key decisions will negatively impact the whole farming industry and wider supply chain.
5. For years, many 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 EU's Common Agricultural Policy (CAP) is widely regarded as inefficient and ineffective, by farmers and land managers, conservationists and economists alike. It has failed to invest in farmers' businesses or the environment upon which farming relies, despite soil quality, pollinator numbers and water quality all continuing to decline as a result of poor land management. Without action, estimates suggest that some of our most fertile soils could be lost in less than 40 years.
6. The UK Government has stated that they intend to reform agriculture policies in England, with a particular focus on 'public money for public goods'. These are the goods and services that society needs farmers to provide but which cannot be paid for through the market, such as more wildlife, clean air and water, access to the countryside, high quality landscapes and carbon storage. Given that agriculture is the dominant land use in England, such reform will be crucial if the Government is to meet its objective to be the first generation to improve the natural environment and to deliver the requirements of the 25 Year Environment Plan. The Bill offers an opportunity to deliver these objectives, at the same time as providing farmers and land managers with a secure income stream.
7. We believe that, with our suggested amendments, the Bill could help strengthen farmers' businesses, by properly paying them for the public services that they provide rather than paying for how much land they manage. Such services should include improving the environment and enhancing public access and animal welfare, all of which ensure the long-term resilience of the UK's food and farming systems. We also support measures in the Bill which give Ministers powers to act on the supply chain. These reforms are essential to ensure that farmers receive proper payment for their produce, alongside public goods payments.

What the Agriculture Bill does

8. The Agriculture Bill grants the Government powers to develop post-Brexit farming and land management legislation and policies in England, with specific Schedules granting equivalent or similar powers to the Welsh Government and Department for Environment, Agriculture and Rural Affairs in Northern Ireland. Specifically, the Bill:
 - Grants powers to give financial assistance for a range of purposes largely relating to services under-supplied by the market, such as environmental improvement, public access and climate change mitigation. In addition, to these, it provides similar powers for the purpose of improving agricultural productivity.
 - Grants powers to amend EU retained law, specifically relating to the CAP.
 - Outlines a time limited transition period of seven years for the withdrawal of direct payments, with associated powers to affect this transition and to delink payments from the land.
 - Grants powers to collect and share data, and to set marketing standards.
 - Grants powers to improve transparency in the supply chain, through support to establish Producer Organisations and to regulate the relationship between farmers and first purchasers of agricultural products.
 - Outlines the exceptional circumstances that would justify market intervention, and powers to do so.
 - Outlines the approach to meeting World Trade Organisation (WTO) rules associated with agricultural support, and mechanisms by which the UK will continue to meet these obligations.

What the Agriculture Bill still needs to do

9. Although the Bill generally provides the powers necessary to develop future farming and land management policies, there are some significant areas that require improvement, or gaps where significant questions remain unanswered. The following proposals are fundamental to ensuring future management of the countryside delivers for farmers, our food system, and the environment for the long term.
 - **Secure the long-term future of funding for the sector**
10. As a long-term industry, farmers will need certainty over the funding available if they are to engage in a future policy with confidence. At present, the Bill is silent on this key issue. Although multi-annual contracts with Government may provide a degree of certainty for individual farmers and land managers, certainty is also needed for the sector as a whole. This funding should also provide for good quality, consistent advice accessible to all farmers and land managers.
11. As the EFRA Committee noted in its June 2018 report: *“Without early commitments to funding [...] promises on funding levels beyond 2022 cannot be guaranteed. Any new stewardship scheme must be sufficiently resourced to achieve the Government’s commitments to restoring the natural*

environment".¹ The Government has committed to ring-fence the funds from reduced direct payments to fund a pilot for the new Environmental Land Management Scheme, but there is no commitment in the Agriculture Bill to funding in the longer term.

12. Funding for transport infrastructure, international aid and, most recently, social housing, have all been set and guaranteed beyond the lifetime of the current Parliament. If the Government is asking farmers to invest in a new scheme, it must follow this precedent and provide the certainty and security of long-term funding.
13. **The Bill should place a duty on Ministers to set multi-annual budgets that reflect the scale of financial need associated with relevant policy objectives, set the timeframe over which these budgets would be set, and provide a means by which funding would be allocated between the four countries of the UK.**
 - **Set duties not just powers**
14. Although the Bill includes a wide range of powers, there are very few duties or requirements on ministers with regard to how these are used, or if they are used at all. This major flaw fails to reflect the ambitious policy prospectus set out by Government, or the urgent need for progress in developing future policies.
15. **The Bill should include duties for ministers to:**
 - **have an environmental land management scheme. Under the CAP, there is a legal obligation for each country of the UK to have an agri-environment scheme. The Bill should build from this starting point, and require ministers to use the powers in the bill to develop an environmental land management scheme for England by a set date.**
 - **actively use supply chain powers to strengthen the position of farmers in price negotiations, with obligations applicable to all agri-food supply chains and to the widest possible extent of the supply chain.**
 - **Give priority to public goods**
16. The Government has made a welcome commitment that future policies will be “underpinned by payment of public money for the provision of public goods”. Clause 1(1) of the Bill lists these, but does not ascribe priority to them over other purposes for which funding may be provided.
17. Without stating unequivocally that delivery of public goods should be the priority for public money, the Government risks undermining its own logic for public intervention in agriculture. In an evidence session to the EFRA committee earlier this year, Farming Minister George Eustice MP said: *“I think the right thing to do is to reward farmers from the public purse for the public goods they deliver, and to expect the market to pay a fair price for food, which reflects the cost of production, rather than tax the*

¹ House of Commons Environment Food and Rural Affairs Committee: The future for food, farming and the environment. Pg. 11 para. 37 (June 2018)

consumers, give a subsidy to farmers and then have food at an undervalue. We need to try to be clear about what we are trying to achieve with public money.”²

18. In its current state, the Bill is not clear about the purpose of spending public money. If farmers are to feel confident about providing public goods, they need a clear signal from Government that it is committed to its ambition of leaving the environment in a better state for the next generation.
19. Furthermore, when questioned by the Committee on the integration of food production and environmental protection, the Minister responded: *“We want to support and incentivise a different approach to farm husbandry, in particular soil husbandry but also livestock husbandry. It is not about saying that there is farming and there is the environment, and they are in a perpetual antagonism to one other; it is about saying that we want to support a different approach to farm husbandry that delivers for the environment but also delivers highly profitable farm businesses and nutritious food.”³*
20. With the amendments we propose, the bill will achieve this integrated approach that strengthens farmers and land managers’ businesses, properly pays them for public services that they provide and ultimately ensures the long-term resilience of the UK’s food and farming system. Most important to ensure effective integration of food production and environmental protection is to ensure that payments to improve productivity also contribute to, and do not undermine, the delivery of public goods.
21. **The Bill should reflect the Government’s ambition for future policy, with clear objectives, and make it clear that the list of ‘public goods’ in Clause 1(1) is the priority for funding and that any payments for productivity contribute to their delivery.**
 - **Establish a strong regulatory baseline to underpin taxpayers’ investment**
22. In its June 2018 report, the EFRA Committee stated that: *“Ensuring an effective minimum baseline of regulation will be vital to delivering the Government’s proposals to use public money to support public goods. Moves towards self-regulation and potential de-regulation following EU exit must not allow a ‘race to the bottom’.”*
23. Although recognised as of crucial importance in the policy statement published by Defra alongside the Bill, the Agriculture Bill does not provide the necessary powers to secure a strong regulatory framework for farming and land management. Without a strong baseline of properly monitored and enforced regulatory standards, regardless of receipt of financial assistance, any public investment will be undermined.
24. **The Bill should provide a requirement and the powers necessary to secure strong regulatory protections for farming, environment, and access to the countryside.**

² House of Commons Environment Food and Rural Affairs Committee: The future for food, farming and the environment. Pg. 21 para. 73 (June 2018)

³ House of Commons Environment Food and Rural Affairs Committee: The future for food, farming and the environment. Pg. 21 para. 74 (June 2018)

- **Set ambitious targets to drive policy long-term**

25. To provide a framework for future investment, and security for farmers, we need ambitious and measurable targets to contribute to the delivery of relevant national and international targets and goals. The Bill should include targets for existing commitments as well as new ambitious targets that are needed for nature's recovery and a healthy environment. This would drive policy ambition in the future and not simply rely on Ministerial goodwill. Such targets, with milestones, have proved effective under bodies such as the Committee on Climate Change.

26. **The Bill should require Ministers to develop and report on measurable targets relevant to those purposes set out in Clause 1(1).**

- **Ensure that international trade deals won't undermine domestic standards**

27. The import of poor quality produce with low animal welfare and environmental standards, as a result of international trade deals after we leave the EU, poses a fundamental risk to UK agriculture. Without safeguards against artificially cheap, low quality food, insufficiently scrutinised international trade deals could undercut British farmers and undermine domestic environmental progress in the UK by exporting degradation elsewhere, generating a race to the bottom in food production and safety standards.

28. The Government has not acted upon the Committee's recommendation of June 2018 to "*... clearly state that it is Government policy that trade agreements should always contain provision to prevent food which does not meet our environmental, animal welfare and food safety standards entering the UK.*"

29. **The Bill must make assurances on the floor of the chamber that it will not undermine animal welfare and environmental and quality standards in any future trade deal.**

The food and farming sector

30. The Bill should not be seen as the totality of government food and farming policy and we know that wider policies are still needed, particularly to address issues like healthy eating, food poverty and food security. Details of how these will be delivered are still needed, including via the Food and Farming Sector Deal, national action plans such as that for pesticides, and consideration of public procurement and on research and development in the sector. The Committee's recommendation in its June 2018 report that "*Healthy food [...] should be supported as [a public good] under the new model of awarding payments to farmers*"⁴ would be better addressed through these mechanisms than through the Agriculture Bill. It is also vital that the final Brexit withdrawal agreement does not harm UK farmers' ability to export to European Union countries.

31. There are a number of steps that the Government can take to help the UK to achieve food security after Brexit. These include:

⁴ House of Commons Environment Food and Rural Affairs Committee: The future for food, farming and the environment. Pg. 22 para. 76 (June 2018)

- Ensuring through the Bill there is a long term funding settlement for agriculture that means farmers can be paid for delivering public goods, and have the security they need to continue to produce food for the market place
- Strengthen and use the powers in the Bill to intervene in the market to ensure farmers receive a fair price at the farm gate to better ensure economic viability in the long term
- Securing a trade deal that protects British farmers from being undercut by imports that do not meet UK standards

32. The stepped transition aims to prevent a dangerous cliff-edge for farmers but it must be matched with advice and support for farmers to transition, and a commitment to sufficient long-term funding of the new system. Small farms are just as well-placed as larger farms to provide the goods that the Bill lists in Clause 1. Large farms are, however, more likely to have access to business planning resources and expert advice; the Bill must therefore include the provision of advice to help those smaller farms adapt to the new system. We also recognise that under the current system, certain farming sectors such as upland farmers are typically highly reliant on basic payments. Upland farmers are well-placed to deliver public goods such as enhancing biodiversity and landscapes, and managing upland streams to improve water quality and reduce flood risk but they will need dedicated help to transition to the new system.

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