

Public Bill Committee for the Agriculture Bill: Written evidence submission from the RSPB

18th February 2020

The RSPB is a member of Greener UK and Wildlife and Countryside Link (WCL). We undertake much of our advocacy and policy development through these coalitions, and have a series of shared priorities with other organisations with regards to the Agriculture Bill.

These priorities, set out in the Greener UK and WCL briefing for second reading of the bill¹, include:

- **Maintain the core principle of ‘public money for public goods’.** This is essential to the reforms set out by the government, and to meeting a range of environmental and animal welfare commitments. The public goods that farmers will be rewarded for are contained in clause 1.1 of the bill.
- **Secure legal safeguards on environmental, food safety and animal welfare standards of imports,** to ensure that farmers in the UK are not undercut by imported food produced to lower standards. This is not currently included in the bill.
- Build on the Conservative manifesto commitment to maintain funding, with **a long-term funding framework in the bill,** providing the certainty that farmers need to have confidence in these reforms. There is currently no long-term funding framework outlined in the bill.
- Funding commitments should be backed up by a duty on ministers to set budgets for the proposed **multi-annual financial assistance plans that reflect the scale of financial need** associated with the aims of the bill, targets in the Environment Bill, and needs of the climate and environment emergency
- Introduce **powers to protect the environment and animal welfare and better regulate farming and land management,** building on our current baseline standards. This is a major gap in the bill at present.
- Ensure that all **spending on productivity measures contributes to the provision of public goods, securing win-wins for farming and the environment,** and contributing toward more sustainable, humane food production
- **Improve fairness in the supply chain,** by placing a duty on ministers to use the powers in the bill that would better regulate the relationship between farmers and the purchasers of agricultural products

This written evidence is intended to focus on areas where further evidence would be useful and is not a comprehensive overview of the evidence relevant to RSPB positions on the bill. A comprehensive discussion of the evidence base and intervention logic was set out in the 2017 WCL discussion paper, ‘A sustainable farming and land management policy for England’².

This evidence focuses on some specific areas that are particularly pertinent to the recent Parliamentary debate.

¹ Available at https://greeneruk.org/sites/default/files/download/2020-01/GreenerUK-Link_AgBill_2nd_reading_briefing_28Jan20.pdf

² Available at <https://www.wcl.org.uk/docs/Link%20farming%20and%20land%20use%20policy%20paper%20FINAL%20Sep%202017.pdf>

Public money for public goods can benefit food production and enhance profitability

1. The RSPB is strongly supportive of the underlying principle of the bill to refocus public money to farmers towards public goods, such as climate change mitigation, nature conservation and water quality. Public policy, including public payments, is one of the only means available to secure these outcomes. As farmers own or manage over 70% of England, ensuring payments to farmers secure public goods is therefore essential to a range of Government commitments, and societal demands.
2. There has been significant debate about food production in the context of the Agriculture Bill. The provision of public goods can and should go hand-in-hand with the production of healthy, sustainable food. A key element of the bill are the powers to improve the position of farmers in the supply chain, and enable a better market return for the food and other marketable goods that they produce. It is essential that the Government use these powers, and the bill should place a duty on Ministers to do so.
3. With a fairer supply chain enabling a better return for marketable goods to farmers and growers, and public money for non-marketable public goods, the bill can be described as having at its heart a dual income strategy for the future of farming in England: a better income from the market for food and other products. And a stable and justifiable income from the public in return for the environmental and animal welfare benefits that society demands, but which the market does not reward.
4. In some cases, farmers will be rewarded for managing their land in ways that benefit the environment that may be unconnected to food production, such as large-scale tree planting to tackle the climate emergency. In other cases, public money will pay for changes to the way that farmers grow food that produce wider public benefits, such as the adoption of regenerative and agroecological farming methods that benefit biodiversity.
5. In the context of the latter, there is an increasing body of evidence that investing in our natural environment can yield real benefits for food production. A major study³ published in 2015 found that putting 8% of an arable farm into environmental measures, and managing these intensively for wildlife, led to a 25% increase in net yield for flowering crops (field beans), and no net loss of yield for wind pollinated crops (wheat and barley). This was due to the increase in pollinators and crop pest predators arising from the creation of habitats such as wildflower margins. This was in comparison to having just 1% or 3% of land under simpler measures such as grass margins, which had no discernible positive effect.
6. Another study⁴ commissioned by the Agriculture and Horticulture Development Board (AHDB) found that creating flower rich habitats in fields used to grow courgettes increased pollinator numbers, leading to a 39% increase in yield compared to if these pollinators had been excluded. These pollination services were valued at £3400 per ha.
7. For hill farming, there are an increasing number of farmers within in the industry who are taking a more extensive, nature-friendly approach to farming and land management in order to improve their profitability. A report recently commissioned by the RSPB, National Trust and The

³ Pywell, R.F., et al (2015) Wildlife-friendly farming increases crop yield: evidence for ecological intensification. Proc. R.Soc. B 2015 282 20151740;DOI1098/rspb.2015.1740.

⁴ <https://ahdb.org.uk/news/bee-lief-in-wildflowers-value-to-courgette-pollination>

Wildlife Trusts⁵ made the case that having fewer livestock often improved environmental outcomes, whilst also reducing variable and fixed costs. In a sector where agricultural activity is generally loss making, and farmers are price takers, reducing costs is known to be the best way of improving profitability and building financial resilience. This report demonstrates that nature-friendly hill farming, supported by public money for public goods, can not only deliver significant environmental benefits to society, but also improve the underlying profitability of the agricultural operation.

A long-term framework for public goods funding

8. An essential part of a successful transition is providing farmers with confidence that the public goods they are being asked to deliver, which can take years or even decades to achieve, are backed up by a **funding framework that is sufficiently long-term in nature**.
9. The new clauses in the Agriculture Bill to establish a multi-annual financial assistance plan (clause 4), provide annual reports on the financial assistance given (clause 5) and monitor the impact of this financial assistance (clause 6) provides an opportunity for Defra to set out the long-term funding needs of these policies, and a process for doing so.
10. However, at present, there are some importance gaps in these clauses. Namely, they do *not* require Ministers to:
 - a. Set the budget for the multi-annual financial plan. They only require retrospective reporting on the assistance provided in the previous year.
 - b. Seek advice on the level of support required to meet the strategic objectives that these plans require them to set
 - c. Have regard to said advice when arriving at how much financial assistance is provided

We strongly believe that these gaps should be plugged during the passage of the bill through Parliament.

11. In terms of the evidence, there is a significant amount of evidence that the scale of financial need is in the order of the current Common Agricultural Policy (CAP) budget in England. This suggests that the need is to refocus this budget, with no net cost to the Treasury, and huge benefits to the taxpayer. The **cost-benefit ratio of spending on land management schemes is high**, with Defra estimating⁶ that every £1 spent on land management schemes delivers £2 to £6 in benefits, with a central estimate of £4.
12. Table 1 below sets out the land management costs for the UK estimated by the independent economist Matt Rayment⁷, based on the need associated with existing environmental commitments from Government and the devolved administrations. With ambition increasing in response to recent developments, such as the new legislative target for net zero by 2050, it is

⁵ Clark, C., Scanlon, B., Hart, K. (2019) Less is more: Improving profitability and the natural environment in hill and other marginal farming systems. Available at <https://www.wildlifetrusts.org/sites/default/files/2019-11/Hill%20farm%20profitability%20report%20-%20FINAL%20agreed%2015%20Nov%2019.pdf>

⁶ Defra (2018), Health and Harmony: the future for food, farming and the environment in a Green Brexit. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/684003/future-farming-environment-consult-document.pdf

⁷ Rayment M (2019) Paying for public goods from land management: How much will it cost and how might we pay? Final Report for the RSPB, the National Trust and The Wildlife Trusts.

likely that these costs are an underestimate. They also do not include any other aspects of future policy beyond environmental land management.

Land management costs	England	Northern Ireland	Scotland	Wales	UK
Priority habitats	518	42	381	120	1,061
Boundary features	261	50	77	49	437
Historic environment	50	4	39	8	102
Arable land	486	18	47	5	556
Grassland	187	54	75	40	356
Organic	17	0	3	5	26
Total land management	1,520	168	622	227	2,538
Additional elements					
Environmental land management advice	34	3	21	4	62
Securing vulnerable high nature value farming	112	15	80	40	247
Business advice to vulnerable HNV farms	3	0	1	1	5
Securing long term changes in land use	6	1	4	1	12
Sub-total: Additional cost elements	154	19	107	46	326
Total	1,674	188	729	273	2,864
Proportion of total	60%	7%	25%	9%	100%

Table 1 – Estimates of land management costs per year across the UK

13. With clear evidence as to the benefits, and clear evidence for the scale of need, there can be **no reason to not legislate through the bill for a long-term framework for funding public goods**, by making the changes suggested under paragraph 10 above.

A successful and just transition for farmers and wildlife

14. The Agriculture Bill represents a necessary but potentially seismic change in agriculture policy for England. A just transition will be essential in order to ensure that farmers are able to adapt to this change and deliver the public goods that are the object of financial assistance within the Bill.
15. The RSPB has previously made the case for a Transition Fund in our response⁸ to the 2018 Health and Harmony consultation, with dedicated support for business advice, skills and training, alongside targeted investment in capital infrastructure that secures win-wins for the environment and productivity. **We remain concerned that Defra has not done enough to provide clarity to farmers** on what support they can expect during the transition and urge Defra to provide this before the bill receives royal assent.
16. We do **strongly support the start date for the seven-year agricultural transition of 2021**. We are of the view that the crucial aspect of the transition is not when it starts, or even how long it is, but rather what support is available during the transition, and what policy choices Defra make with regards to the profile of reductions in direct payments, and when and how new policies (transitional or permanent) are introduced.
17. To highlight this, we have undertaken some initial analysis of the optimum profile of direct payments reductions, based on the progressive approach that Defra have previously indicated they will adopt. This analysis has been submitted separately to the Agriculture Bill committee as ‘supplementary written evidence on transition’.

⁸ https://ww2.rspb.org.uk/Images/RSPB_Health_and_Harmony_response_May18_tcm9-454933.pdf

Securing environmental protection and high standards for the future of farming

18. The Agriculture Bill makes provision to remove various regulatory standards, but does not include the provision to legislate for a new regulatory framework for farming. **This is a major omission from the bill.**

19. In January 2020, the Institute for European Environmental Policy (IEEP) published a report⁹ commissioned by the RSPB, WWF-UK and The Wildlife Trusts that examines the regulatory gaps arising from the UK's departure from the European Union (EU), and makes the case for a new approach to regulation and its enforcement. The focus of the report is on firstly establishing the new framework, and secondly on designing a new approach to delivery. This is summarised in Figure 1 below.

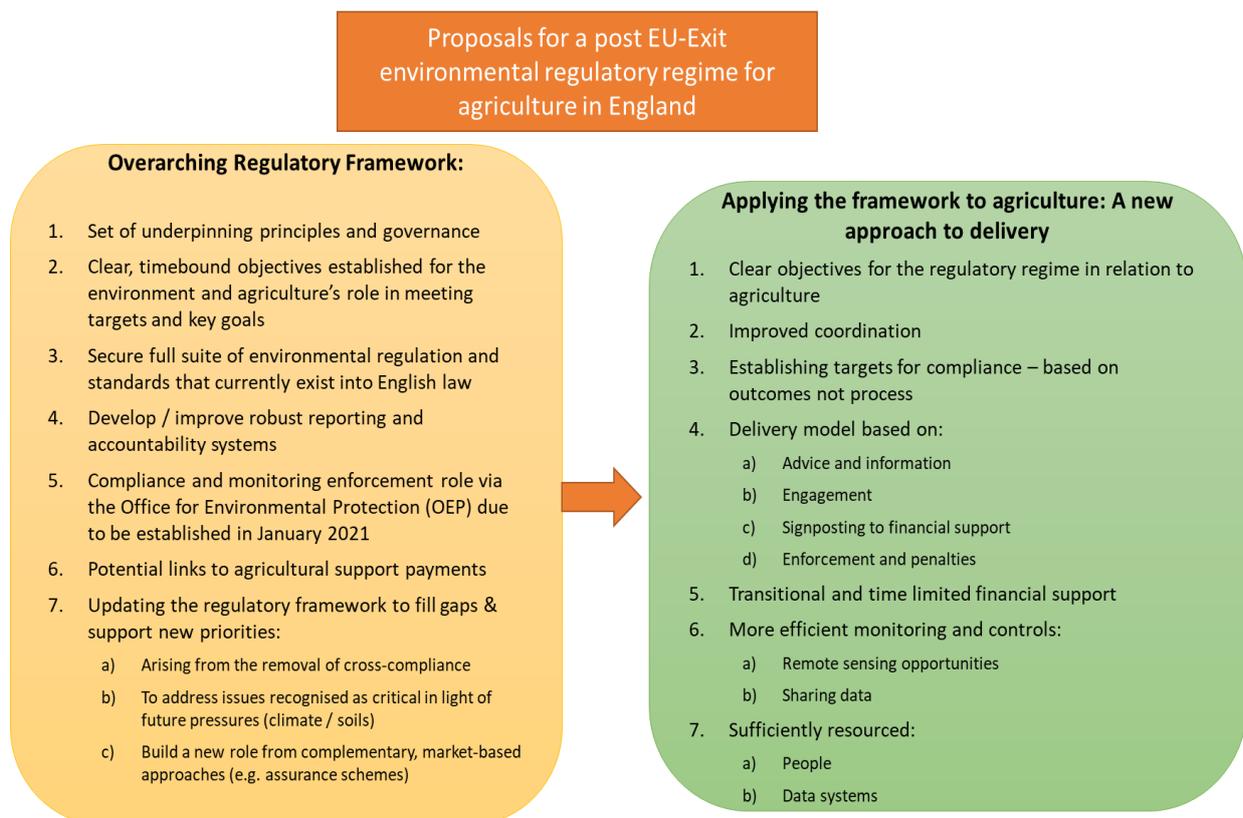


Figure 1 – A new framework for farm regulation, and the associated delivery arrangements (IEEP, 2020)

20. At present, regulation of farming and its implementation is woefully inadequate. Dame Glensy Stacey in her official Farming Inspection and Regulation Review¹⁰ for Defra found that “enforcement is nowhere near effective enough”, and that there “...is no doubt that a good deal of non-compliance remains unchecked”. She also established that, of 10,600 staff at the Environment Agency, only 40 are involved with farm inspections, meaning that a farm has a 1-in-200 year chance of being inspected.

⁹ Baldock D and Hart K (2020), Risks and opportunities of a post-EU environmental regulatory regime for agriculture in England, Institute for European Environmental Policy. Available at <https://ieep.eu/uploads/articles/attachments/382e1f08-fa94-412a-9314-bbbfcf194d53/Post%20EU%20exit%20Regulatory%20Framework%20-%20Final%20-%20Jan%202020.pdf?v=63747936653>

¹⁰ <https://www.gov.uk/government/publications/farm-inspection-and-regulation-review>

21. The Agriculture Bill presents the chance to address this and fulfil many of the recommendations of the FIRR review. In particular, there is a need to invest in more capacity to make the advice-led approach to enforcement work. There is significant evidence that this is better received by farmers, more effective and a better means of achieving environmental outcomes. However, **at present the bill remains silent on this crucial issue, and therefore presents a range of risks for the natural environment.** These particularly relate to hedgerows and other field boundaries and soils, as protections for these only exist in cross-compliance¹¹, and do not exist elsewhere in UK and EU law.
22. **Amending the Agriculture Bill to ensure that Ministers can adequately regulate farming** and land management, and secure vital environmental protections, will be crucial in order to provide the necessary foundation for financial assistance designed to secure a range of public goods.

The National Food Strategy

23. The National Food Strategy¹² offers an **opportunity to completely overhaul our food and farming system**, including addressing food waste, public health and public procurement. Although the Agriculture Bill will be an important part of this, its primary focus on payments to farmers and land managers and reform of the supply chain means that it is only part of the solution. Government needs to articulate a broader vision for the future of public policy relating to food and farming, and the National Food Strategy provides a key opportunity to do this.
24. In order to ensure coherence with the Agriculture Bill, it is imperative that the National Food Strategy includes a significant focus on the sustainability of production and consumption. One aspect where an amendment could help to achieve this would be the **new food security assessment**, which **does not include global resource sustainability** as one of its criteria, despite this being one of the six criteria used the last time such an assessment was done in 2010¹³. The bill only references five criteria to be covered by this assessment in the future.
25. **An amendment is needed to this new provision to include global resource sustainability as a key element of our future food security.**

Delivering the Environment Bill and net zero – links to the Agriculture Bill

26. There are very strong links and dependencies between the Agriculture and Environment Bills, perhaps best summarised as thinking about the former as the **primary delivery mechanism** for the targets and objectives of the latter. Environmental Land Management schemes funded by the Agriculture Bill in particular will need to be well designed, funded and implemented if various aspects of the Environment Bill are to be achieved. These include the outcomes of the Environmental Improvement Plans¹⁴, many of the objectives of future Local Nature Recovery Strategies required by the bill, and the legally binding targets for water and nature, and to a lesser extent air quality.

¹¹ Although the Hedgerow Regulations proscribe the removal of hedgerows, it is only cross-compliance that prevents cutting of them during the bird breeding season, or provides for a 2m buffer strip at the base of every hedge.

¹² <https://www.nationalfoodstrategy.org/>

¹³

<https://webarchive.nationalarchives.gov.uk/20130402160926/http://archive.defra.gov.uk/foodfarm/food/security/index.htm>

¹⁴ The 25 Year Environment Plan is the current Environmental Improvement Plan

27. In turn, the obligations and objectives of the Environment Bill may in time present Defra and the Treasury with the strongest legislative drivers for investing in ELM and other financial assistance schemes associated with the Agriculture Bill. To date, the biggest drivers for investing in agri-environment schemes have been the strong legal provisions of EU Directives – especially the Birds and Habitats Directives and Water Framework Directive – and the associated risk of infraction proceedings being brought by the European Commission in cases of non-compliance¹⁵. If the Office for Environmental Protection (OEP) envisaged in the Environment Bill has the necessary powers and independence to hold Government to account against the targets of that bill, this could feasibly replicate this dynamic, and **drive investment into environmental public goods through the Agriculture Bill**. This would help to secure the long-term funding needs set out above in paragraphs 8 to 13, and also the confidence of farmers that making changes in land use would be rewarded in the long-term.
28. The Agriculture Bill will also be critical in **enabling the country to meet our new target to reach net zero by 2050**. The Climate Change Committee¹⁶ has recently identified reform of farm payments and regulation as a key means of achieving the net zero target, driving changes in farming practice and land use. Public money for public goods will be a key part of this, as schemes such as ELM will reward farmers for undertaking land management interventions such as woodland expansion, peatland restoration and coastal habitat creation. The CCC also identifies a range of interventions to improve resource use efficiency that could achieve win-wins for agricultural productivity if carefully targeted. The RSPB does remain concerned that the CCC focus on bioenergy carbon capture and storage (BECCS) risks causing significant environmental harm through direct and indirect land use change, recreating the incoherence of the CAP.
29. We would encourage Government to instead focus much more on **nature-based solutions**¹⁷ – woodland, peatland, carbon-rich grasslands, coastal habitats and others – as well as the uptake of agroecological farming methods such as agroforestry and organic farming. This approach will help Government meet the net zero target in a way that addresses the broader environmental challenges we face, such as poor water quality, and biodiversity collapse, as well as mitigating and adapting to climate change. The Agriculture Bill and its policies will be crucial in this effort.

Trade policy and maintaining confidence in our standards

30. As set out on page 1, ensuring that **imports of food to the UK meet our environment, animal welfare and food safety standards is a key priority for the RSPB** and coalitions we work with. The focus should be on improving standards at home, and restoring nature across the countryside. This will be made harder if UK farmers are undercut by food produced to lower standards.
31. The RSPB worked with the National Farmers Union (NFU) to coordinate a letter¹⁸ from 62 food, farming, environment and animal welfare organisations to make the case for maintaining

¹⁵ Natural England (2013), Statutory and policy commitments in relation to the delivery of terrestrial biodiversity through agri-environment schemes. Report for Defra

¹⁶ CCC (2020), Land use: Policies for a Net Zero UK. Available at <https://www.theccc.org.uk/wp-content/uploads/2020/01/Land-use-Policies-for-a-Net-Zero-UK.pdf>

¹⁷ For more information on nature-based solutions, see <https://www.naturebasedsolutionsinitiative.org/news/our-letter-to-the-new-unfccc-cop26-president/>

¹⁸ <https://www.nfuonline.com/news/eu-exit/eu-exit-news/letter-to-prime-minister-nfu-leads-charge-on-trade-and-standards-asks-ahead-of-brexite/>

standards in future trade policy. The breadth of this coalition demonstrates the importance of this issue, and the degree of public concern.

32. As this letter argues, this is not about protectionism, but the opportunity for the UK to lead on articulating a model for international trade policy that puts **societal concerns such as climate change, animal welfare and global biodiversity at the centre of how we engage with the rest of the world**. Maintaining and improving our own standards, without offshoring our food footprint, will be a crucial part of this leadership.

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