

# Environment and Sustainability Committee

## Inquiry into Sustainable Land Management

### Response from the Farmers' Union of Wales

#### INTRODUCTION

1. The Farmers' Union of Wales (FUW) welcomes this opportunity to contribute to the Environment and Sustainability Committee's Inquiry into Sustainable Land Management, with particular reference to how the Welsh agricultural sector can contribute to sustainable land management in the future.
2. The FUW strongly believes that the systems and practices employed by farmers have created the landscape so cherished by residents and visitors alike and is a significant contributor to attracting tourists to Wales<sup>1</sup>.
3. The farming systems and practices in Wales have also contributed greatly to the maintenance of the species and habitats that are present today and the fact that over 80% of Wales is subject to some form of conservation or environmental designation is testament to the way that livestock farming has largely retained valuable habitats over the generations.
4. It is also important to acknowledge the vital role farmers have in food production and food security especially given the increasing global population, recent weather conditions and the longer term predictions of climate change.
5. The agricultural sector in Wales has an important role to play in the mitigation of the effects of climate change through the sequestration of carbon in soils and the maintenance of these carbon stores. This not only mitigates agricultural emissions but also provides a net benefit for other industrial sectors.

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<sup>1</sup> <http://wales.gov.uk/docs/drah/publications/Tourism/130605wtvsapril13en.pdf>

## Questions

### Question 1

**How we define the key ecosystems and ecosystem services in a way that makes sense for Wales?**

6. The FUW supports the need to look wider than individual species and habitats and believes that in developing new ways in which to consider new evidence streams, the experiences and traditional management methods undertaken by farmers should be inherent to this process.
7. It is important to ensure that the environment and its conservation should be an inherent part of wider ecosystem services such as food production and the sustainable development of the rural economy.
8. In the Unions view, there is a need to ensure that the wider ecosystem services are fully incorporated into environmental protection to provide an innovative new approach to sustainable land management through opportunities for a more holistic view of food production and environmental management.
9. The Union believes that there are significant opportunities for promoting the extensive nature of production systems in Wales, the contribution grazing livestock makes to the ecology of Wales and the retention of carbon sinks in Wales due to traditional livestock production.
10. The definition of an ecosystem has been in use since 1935<sup>2</sup> and whilst its concept has been debated for a considerable period of time by scientists, conservationists, and environment regulators, it has not yet been recognised by farmers (or indeed the wider public) as part of their day-to-day activities despite the inherent role they play in the overall management and protection of the landscape and ecosystems in Wales.

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<sup>2</sup><http://onlinelibrary.wiley.com/doi/10.1111/j.1365-2435.1997.00081.x/pdf>

<sup>3</sup> <http://www.unep.org/maweb/en/Framework.aspx>

11. Ecosystem services are defined as ‘services provided by the natural environment that benefit people’. While there is no single, agreed method of categorising all ecosystem services, the Millennium Ecosystem Assessment framework<sup>3</sup> is widely accepted as a useful starting point.
12. Ecosystem services provide outputs or outcomes that directly and indirectly affect human wellbeing. Some of these ecosystem services are well known including food, fibre and fuel provision and the cultural services that provide benefits to people through recreation. Other services provided by ecosystems are less tangible and include climate regulation, the purification of air and water, flood protection, soil formation and nutrient cycling.
13. Currently, these wider services are not generally considered within policy appraisal and represent an area where a greater and more systematic consideration could be useful.
14. The term ‘ecosystem services’ has only come into general parlance in recent years. This is despite the fact that farmers have been providing these services, for generations without realising it!
15. Thus, any definition agreed needs to be easily understood, possibly using examples, to provide a context within which farmers can easily relate their own activities to the provision of ecosystem services.
16. In identifying the key ecosystems present in Wales and to maintain simplicity, the Union believes that it would be appropriate to begin the process through the use of broad habitat groups. These groups could be based on the habitats identified as part of the UK National Ecosystem Assessment – Mountains, moor and heath, Semi-natural grasslands, enclosed farmland, Woodland, Freshwater, wetlands and floodplains, Urban, and Coastal margins – as these are representative of the habitats in Wales.

## Question 2

How do we develop a baseline from which to measure progress? This includes how we collect, coordinate and use data to support sustainable land management in Wales.

17. Over recent years the Union has expressed concerns over the lack of Wales specific data for air, soil and water, which makes setting realistic targets and measuring progress almost impossible to undertake scientifically.
18. Experience has shown that much of the work commissioned in the past was undertaken on a UK basis, which often fails to reflect the particular geography, topography and climate of Wales.
19. It is clear from the publication of the 'State of Nature' Report, that whilst the data from Wales is incomplete, the national trend of species decline suggests that previous research and monitoring of agri-environmental schemes has not been robust enough to highlight these trends.
20. The FUW is aware that the Glastir Scheme has in place a more robust monitoring and evaluation process which should go some way to improving the level of baseline data albeit within a relatively narrow range of parameters.
21. The Union is also aware that there is a great deal of data available from a range of public, private and third sector sources, but that the collation and reporting of this data needs to be improved to ensure that it is available to all.
22. Farmers are also becoming increasingly frustrated at the negative perceptions which are often associated with farming's contribution to the management of the environment. It is therefore vital that the contribution made by farming to the maintenance and protection of habitats and ecosystems is fully acknowledged as part of any evaluation of progress.

23. The FUW believes that consideration should be given to how data, which covers non-market ecosystem services, such as carbon storage and the regulation of water flows, and the benefits they provide to wider society, should be recorded as a means of measuring progress of these services over time.

### Question 3

**What incentives we can provide land managers to develop sustainable practices, and in particular, any new sources of investment we can attract to support these?**

24. The Union believes that if the ecosystem services approach is to be fully integrated and adopted by land managers, then the wider delivery of 'public goods' should attract a market value like any other commodity.

25. Currently, agri-environmental payments supported under Pillar II of the CAP are made on the basis of compensation for profit foregone plus costs which cannot include a profit element. This means that there is little real incentive for farmers to adopt the wider provision of public goods and services on improved land or undertaking high nature value farming practises on semi natural areas.

26. If the ecosystem services approach is to be successful in Wales, consideration must be given to enhancing the resources available under Pillar 2 of the CAP with additional incentives which would then make relatively small schemes more attractive to land managers.

27. Examples of this would be to look at ways in which corporate money could be invested into schemes which would help offset carbon, provide alternative energy sources or upstream water quality/storage improvements

28. Given its climatic, geographical and topographical influences, Wales' agricultural sector is dominated by extensive grass-based farming systems which is most effectively utilised by grazing animals.

29. The FUW is concerned that the current rate of de-stocking in the hills and uplands due to a combination of factors such as the loss of Tir Mynydd, poor market realisations and the unprecedented weather of the past few years, could lead to land abandonment to the detriment of ecosystem services and the wider rural economy
30. The ecosystem services approach relies on a vibrant farming industry which can only be achieved through sustainable incomes for farmers and land managers. Farming makes a crucial contribution to the rural economy through the multiplier effect of its spend within the local area and thus, in order to achieve its wider societal objectives, farming needs equitable returns for all of the services it provides.
31. The development of the Rural Development Plan post 2013 provides another opportunity for the concept of ecosystem services to be piloted. The FUW believes that there are a number of incentives which could be considered, including, part farm schemes, targeted at specific objectives i.e. to meet Water Framework Directive priorities, targeted landscape scale co-operative ventures or the development of innovative projects under LEADER to move the ecosystem services approach forward.
32. There are a number of 'pots' of money available to the public, private and third sector and there is a need to consider whether a more collaborative approach to accessing funding opportunities would be possible in order to maximise the use of available resources and to provide match funding for larger projects..

#### **Question 4**

**How we ensure that our sustainable land management policies maintain vibrant rural communities and attract new entrants into the land-based sector?**

33. If rural communities are to prosper and survive they need to be able to continually evolve and develop over time. The Union is concerned that the proliferation of statutory and non statutory designations in rural areas can have a negative impact on

sustainable development which can create the stagnation of the Welsh countryside at the expense of thriving rural communities and its indigenous industries.

34. The Union believes that instead of designations, which can foster resentment in rural areas, more effort should be made to encourage a partnership approach to conservation and sustainability through positive policies and initiatives such as community engagement, agri-environment schemes, encouraging diversification and working with rural people.
35. The FUW supported the concept which underpinned the proposed Sustainable Development Bill believing that a sustainable development duty would be particularly pertinent in rural areas to encourage the retention and development of businesses and services which would, ultimately, result in vibrant rural communities and a thriving rural economy.
36. The FUW believes that the sustainability outcomes envisaged by Welsh Government, particularly those relating to a sustainable economy and a sustainable society with a varied demographic structure, will only be achieved in rural areas if there are associated improvements to the provision of services including alternative energy infrastructure, broadband availability, public transport, local education facilities and local amenities.
37. As outlined above, farmers and land managers need to make an income from their activities, not only to allow them to remain on the land, but also for the wellbeing of the rural economy, as many local businesses, services and facilities are dependent on farming families remaining in the area.
38. The Union has been proactive in looking at ways in which to encourage new entrants into farming, through its 'Younger Voice for Farming' Committee and its support for a range of initiatives which help facilitate succession.
39. One of the fundamental requirements for attracting new entrants into the Landbased industries is a sustainable and

profitable sector so that young people see it as a realistic business opportunity for the future.

40. The availability of agricultural land, for new entrants to start their own businesses, is of concern, particularly as the number of County Council owned holdings have decreased significantly over recent years. The FUW believes that the Welsh Government should focus on identifying ways in which Local Authorities can be dissuaded from selling off or amalgamating these holdings so that they remain a valuable 'first rung' for new entrants.

### **Question 5**

**The most appropriate geographical scale(s) at which we should be delivering sustainable land management policies and practices in Wales?**

41. It needs to be recognised that the individual species and habitats that form an ecosystem do not respect defined boundaries and therefore it might not be appropriate to identify a 'one size fits all' approach to the delivery of sustainable land management policies and practices.
42. Given the wide variations in the geography and topography of Wales, the Union believes that consideration should be given to the use of a regional approach for the delivery of sustainable land management policies and practices as this will allow specific interventions to be developed and adopted to reflect local needs.
43. The FUW believes that, to maintain simplicity and to enable comparisons to be drawn on the progress of sustainable land management policies and practices over time, there needs to be commonality with existing data. Therefore, it would suggest that consideration be given to using a geographical scale which is based on the identification of broad habitat groups. As identified earlier, these groups could be based on the broad habitats identified as part of the UK National Ecosystem Assessment.

## Question 6

**If there are key actions we can take to deliver short-term 'quick wins' and the actions we should be taking for the long-term?**

44. The development of a fully integrated ecosystem services approach is likely to be a long term aspiration although there are a number of short term 'fixes' which can help facilitate these aims.
45. In the short term, the FUW believes that progress needs to be made on improving the dialogue between farmers and conservationists in order to break down the lack of trust that has been built up over many years.
46. The Union also believes that the concept of the ecosystem services approach needs to be communicated more widely and perhaps the term 'ecosystem services' itself could be changed to aid the understanding of all the processes that are involved.
47. As outlined previously, it is important to ensure that the work already done on farms under agri-environment schemes is not lost and that the programmes developed under the next Rural Development Plan, both build upon these and also incorporate part farm elements which can meet specific objectives for Water, biodiversity etc.
48. The FUW also believe that developing partnerships between private, public and third sector is extremely important as is ensuring resources are pooled where possible to maximise agreed objectives.
49. Following agreement on the next CAP, the reduced budget and other reforms agreed as part of the process is likely to impact on farmers as they adapt to the new regime. It is important that Welsh Government puts in place the support and guidance needed to help them adapt their businesses to ensure a profitable and sustainable sector into the future.