



Review of the 'Less Favoured Area' Scheme Public Consultation Document for Impact Assessment

Comments by

Northern Ireland Environment Link

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Northern Ireland Environment Link is the networking and forum body for non-statutory organisations concerned with the environment of Northern Ireland. Its 51 Full Members represent over 85,000 individuals, 262 subsidiary groups, have an annual turnover of £100 million and manage over 314,000 acres of land. Members are involved in environmental issues of all types and at all levels from the local community to the global environment.

These comments are agreed by Members, but some members may be providing independent comments as well. If you would like to discuss these comments we would be delighted to do so.

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1. Welcome for the Review of the LFA Scheme

We welcome the Review of the 'Less Favoured Area' Scheme and the opportunity to make comments. We believe that the LFA Scheme presents an opportunity to give farmers and landowners appropriate financial compensation in return for their provision of desired public goods, such as increased biodiversity and enhanced landscape quality.

2. LFA's in Northern Ireland

Farming in Northern Ireland is changing. There is a current trend towards fewer farmers managing larger farms, and this is likely to continue. Overall the number of farms in Northern Ireland has fallen (from 42,000 in 1980 to 26,700 in 2006).

In Northern Ireland the Less Favoured Area Compensatory Allowance (LFACA) is an annual subsidy scheme designed to contribute to the continuation of farming in the LFA in Northern Ireland and thus to the maintenance of viable rural communities. As well as contributing towards the maintenance of the countryside it promotes the everyday use of good environmental practices complementary to maintaining sustainable farming. The scheme compensates those farmers for lower returns from less productive land such as on hill farms, compared to that from more fertile and productive areas. Given that almost 70% of all farms in Northern Ireland are designated as within LFA, the LFACA is a crucial mechanism for maintaining the countryside in marginal areas and protecting managed landscapes.

High proportions of LFAs are also of high nature value (HNV) and provide additional ecosystem services such as flood alleviation and carbon sequestration. This is because historically they have been less intensively farmed. However, modern farming practices have reduced the environmental value of many areas through activities such as land drainage, land reclamation, increased silage rather than hay production, over-grazing in upland areas, and the removal of features such as hedgerows. The current high price of food is likely to result in additional pressure to bring more marginal land into intensive agricultural production. It is of vital importance that a policy of sustainable land management is adhered to in our LFAs.

3. Agriculture and Habitat/ Biodiversity Loss in Northern Ireland.

Despite under-investment and a slow pace of modernisation within the agricultural sector in Northern Ireland, productivity has improved in sectors such as dairying and cereal production. This drive for greater productivity has come at a cost to our natural habitats and to the maintenance of our biodiversity and natural landscapes.

Beef and sheep production, which predominate in the LFA areas, remain at a relatively small scale and these farms are often on the margins of viability, representing a significant threat to the future maintenance of valuable habitats.

A recent Condition Assessment Report (2002-2008) on Areas of Special Scientific Interest (ASSI) in Northern Ireland found that, of the 916 features examined, 31% were revealed to be in an 'unfavourable' condition, with 56% of habitats, 21.9% of species and 2.6% of earth science features in an unfavourable condition. Since many of these ASSI's are in LFAs, any review of the LFA Scheme must ensure farmers and landowners are required to take action to carry out remedial environmental work on these highly important designated areas.

Climate change is a major threat to farming communities and natural environments alike. There is now little doubt that we will witness further changes in our climate and thus our habitats within the next 20 years. While farming will have to adapt to this as an industry, it is also necessary to give our native species the chance to adapt and change their ranges as the changes occur. To achieve this we must act now by creating a less fragmented natural environment which has the resilience to adapt to change. It is vital that important sites are protected but also that these areas have buffer zones surrounding them and that natural sites are linked to allow for climatically induced changes in species' ranges. We therefore believe that Northern Ireland's LFAs should function as important landscape corridors to help our native species adapt to climate change.

One of the likely effects of climate change in Northern Ireland will be longer growing seasons which will create the potential for new crops and will improve the viability of different crops in more marginal areas. While NIEL supports the principle of appropriate biomass production, given the reduction in carbon emissions and nutrient 'treatment' benefits which may flow from this, the challenge is to do so in an environmentally sustainable manner. We believe that a Strategic Environmental Assessment of the use of bioenergy crops in Northern Ireland should be undertaken. The cost to local biodiversity, habitats and natural landscape must be included in any assessment of where to grow bioenergy crops.

To address the current and future risk of biodiversity and habitat loss, farmers and landowners need to be encouraged to retain and develop production methods which are compatible with the maintenance of a high quality natural environment. NIEL, therefore, supports the view that future LFA support should no longer be explicitly designed to address rural depopulation but should adopt a stronger focus on land management which contributes to maintaining the countryside and its biodiversity as well as maintaining and promoting sustainable farming systems. In addition, given the availability of other measures designed to tackle socio-economic issues and rural depopulation, the use of socio-economic criteria for classifying 'intermediate LFAs' is no longer appropriate.

4. Review of the 4 possible options for LFA Designation

In reviewing and supporting any of the four possible options proposed by the Inter-Service Steering Group (ISSG), NIEL wishes to ensure that environmental concerns remain paramount and that the selection of any of the options ensures the best possible outcomes in relation to biodiversity and habitat protection. We therefore agree, as a minimum, that all of the four options: *Status Quo +*; *Common Criteria*; *Eligibility Rules*; and *High Nature Value*, must adhere to the principle of cross compliance.

Cross compliance, in particular the condition to farm in such a way as to maintain Good Agricultural and Environmental Conditions (GAEC) within Axis 2 of the Northern Ireland Rural Development Programme (2007-2013), is the minimum level expected of any farmer receiving payment. We agree with this requirement but must state that cross compliance represents the minimum acceptable standard and that all schemes beyond the Single Farm Payment, including the LFACA, must provide additional public goods.

Whichever of the 4 options is chosen, we believe that payments to farmers and landowners should only be made for those activities which are above and beyond what is reasonably expected of farmers under cross compliance conditions and which will maintain and/or enhance environmental quality. The LFA should maintain

the less extensive farming systems that are prevalent in LFAs. The LFA payment should not result in significant intensification through physical improvements such as extensive drainage and should not apply to highly improved land.

5. Option Choice: Eligibility Criteria

Of the four options listed, NIEL endorses the selection of the third option i.e. 'Eligibility Criteria'. We believe this option should be applied at a Community level as part of an overall European policy on sustainable land use with each Member State applying LFA eligibility criteria in a manner appropriate to their individual environmental situation. **However, we believe to better reflect the pressures facing farmers in LFAs in Western Europe the suggested bio-physical criteria should be extended to include high rainfall.**

NIEL believes that '*Eligibility Criteria*' is the most suitable option as its aim to ensure that '*aid is only given to farms which operate in a manifestly environmentally sustainable manner*' is most likely to realise sustainable land management. In addition, this option also takes into account the fact that often in Northern Ireland sustainable farming practices are carried out by part-time farmers who do not rely on farming as their main source of income. Limiting aid to full-time farmers would therefore seriously compromise the effectiveness of the LFA scheme in Northern Ireland. However, part-time farmers should also deliver the expected land management outcomes. Management conditions and cross compliance requirements (such as minimum stocking densities, etc) must be clearly explained and enforced on acceptance onto the LFA Scheme.

We thank you for the opportunity to make these comments. We hope that you find them helpful and that they will be taken into account in your decision. If you would like to discuss them further please do contact us.