

Farming for the Future A Vision for Sustainable Land Management

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Wet grassland, Humphrey's Island, Co. Fermanagh - © Amy Burns

### Introduction

Our land is one of our greatest assets, essential in underpinning a healthy, prosperous society. It provides us with a range of services, including the food that we eat, the air that we breathe, the water we drink, it supports the wildlife we know and love, provides us with leisure/recreational opportunities which can improve our physical and mental health and can help to tackle climate change by sequestering (absorbing) carbon, for example in wetlands, forests, peat and hedgerows. We need to manage our land sustainably in order to secure these vital functions (known as ecosystem services) for the long term. How we farm has a vital role to play in this, given 75% of our land is dedicated to agriculture.

Unfortunately, our current food and farming system is failing in this respect. Many wildlife species and habitats are being lost while others face a perilous future, water quality fails to meet the required standards<sup>1</sup>, and agricultural practices continue to contribute significantly to our rapidly warming climate<sup>2</sup>. Environmental impacts associated with unsustainable land management brings the Nature and Climate emergencies into sharp focus. But farming and land management can provide the solutions to many of these problems. We can turn the tide and move towards a food and farming system that not only provides nutritious, sustainable and affordable food, but brings nature back into our countryside and helps us adapt to and mitigate climate change. This requires a new approach to how our land is used and what needs to be done to put us on a sustainable path. This document sets out a vision for sustainable land management in Northern Ireland, and the steps needed to get there.



Sunflowers - © Andy Hay

# The Case for Change

Sustainable farming and land management is essential to maintaining food production and livelihoods for farmers and rural communities. It can also play a critical role in addressing the Nature and Climate emergencies and deliver a broad range of benefits to society. Climate change and biodiversity are interdependent, with climate change contributing to biodiversity loss, and biodiversity loss making climate change and its effects worse. Yet, despite substantial public investment, the policies which shape farming and land use in Northern Ireland have failed to deliver a healthy, thriving environment. Nature is struggling, our environment is under increasing pressure and many farmers face an increasingly uncertain economic future. The negative impact intensive agriculture has had on our environment is becoming increasingly clear. According to the State of Nature report (page 19) from 1970 to 2012, the most important driver of biodiversity change has been agriculture, followed by climate change<sup>3</sup>. The State of Nature Report also clearly demonstrated that our terrestrial, air, water, and marine environments are suffering, with 11% (272) of the 2,450 species found in Northern Ireland threatened with extinction from Ireland as a whole.

The European Union's Common Agricultural Policy (CAP) provided the overarching framework for farm support in Northern Ireland for almost 50 years, heavily influencing

<sup>3</sup> <u>https://nbn.org.uk/wp-content/uploads/2019/09/State-of-Nature-2019-UK-full-report.pdf</u>

<sup>&</sup>lt;sup>1</sup> <u>https://www.daera-ni.gov.uk/sites/default/files/publications/daera/ni-environmental-statistics-report-2021.pdf</u>

<sup>&</sup>lt;sup>2</sup> <u>https://www.daera-ni.gov.uk/sites/default/files/publications/daera/NI%20Greenhouse%20Gas%20Statistics%201990-</u> 2019 2.pdf

how we farm and manage our land. Established in the 1950s to meet specific post-war challenges, the CAP is one of the oldest common policies in the EU. It represents over a third of the EU's budget amounting to over £350 billion between 2014 and 2020. Of this, the vast majority of funding has been allocated to direct payments, which are based on the amount of land owned by a farm business. In Northern Ireland, this equates to around £300 million per year<sup>4</sup>. By comparison, spending on rural development priorities, such as environmental management, promoting social inclusion, poverty reduction and support for low carbon farming practices is minimal, representing only 12.5% of spend between 2016-2019.



Despite numerous reforms and significant investment, the policy remained poorly designed and ill-suited to addressing the challenges facing farming, rural areas and the environment. It is widely agreed that the CAP was too blunt an instrument to help farmers adapt and move to sustainable business models and failed to target appropriate levels of funding towards environmental protection. Furthermore, the CAP failed to appropriately reward the production of the environmental goods and services that nature and sustainable land management can provide and instead keeps many farmers on an unsustainable production focused pathway even when this made little economic sense.

Incremental changes to the CAP and the status quo, which has been the case to date, will fail to deliver a safer climate, a nature rich countryside or sufficiently diverse economic opportunities for farmers and rural communities. Having left the European Union, the UK and NI now have the chance to reconsider its strategic vision and objectives for farming and rural land use. This represents a significant challenge but provides a unique opportunity

<sup>&</sup>lt;sup>4</sup> Stats Review 2020 (daera-ni.gov.uk)



to transform agriculture and land management to deliver better outcomes for people, nature and climate.

## **Our Vision for sustainable land use**

Our starting point is to offer a vision for sustainable land use in Northern Ireland, where *land is used and managed in a way that is good for people, nature and the climate*. There are four key aspects of this vision:

#### 1. Farmers and rural communities have a sustainable and prosperous future

People living and working in the countryside flourish through a broad range of rural business options which offer good livelihoods and employment opportunities. Those who manage the land secure a fair return from it, through producing products for the market and through delivering public goods such as carbon sequestration, natural flood management, water quality improvement, and nature recovery.

#### 2. Nature thrives on our land

New approaches to land management are adopted to ensure we have a healthy, wildlife rich environment that is valued as an asset to society and it is recognised as the essential underpinning of our wellbeing and economic activity. Accordingly, all farmers understand why and how they can protect and restore nature and are supported and rewarded for doing so.

#### 3. Farming and land use helps address the climate emergency

Land is managed in ways that contribute to broader climate change mitigation and adaptation. Farmers are supported to transition to practices that benefit both nature and climate. The funding to help this transition should be provided on the basis of 'public money for public goods'.

#### 4. Everyone has access to healthy, sustainable and affordable food

Everyone has access to affordable food (as opposed to 'cheap' food with its associated high environmental cost) which is both healthy and sustainable. People have a greater connection to nutritious food, where it comes from and are able to make informed choices that benefit their health and the environment.

## **Realising the vision**

Achieving this vision demands a different approach than has been facilitated by agriculture and land use policies to date. We must be bold in setting out a future for farming and land use, with clear steps on how to get there. Ultimately, this requires public investment and political leadership to drive change. To achieve this vision for sustainable farming and land use we must:



## Retain current levels of investment as a minimum

The CAP represented a significant investment of public money in Northern Ireland's farming sector, environment and rural areas. As we move away from this support mechanism, it is crucial that the new policy goals are appropriately funded with the same level of investment maintained as a minimum. However, funding would be prioritised towards supporting actions and polices that produce clear, beneficial results for the environment and/or human wellbeing. Without this, meeting the challenges of climate change, biodiversity loss or providing a viable future for farm businesses and rural communities will be impossible.

But the rationale for making this level of public investment in farming, land use and rural areas needs to be much clearer than it has been to date. Much of the current funding is invested in payments that fail to deliver a sustainable future for our countryside or benefit society more broadly. As such, money needs to be allocated on the basis of positive societal impacts.

## Repurpose how we spend public money

The strongest arguments for long term continued investment in farming and land use is to pay for the delivery of 'public goods' and to target other appropriate investments which enable farm businesses and rural communities to change and thrive in the future. Public investment in these schemes would not only diversify income for farmers but incentivise non-farmers who own or rent land to undertake nature-friendly management. The priorities should be to:

## Invest in public goods

The concept of public goods is a way of describing the environmental and social goods and services that are provided by farming and land management that are often not currently rewarded by the market. Because of this, encouraging their continued maintenance and production needs supporting through long term public investment. In terms of agriculture, the main environmental public goods that can be provided are biodiversity, high water air and soil quality, and the opportunity to mitigate and adapt to climate change. Paying for public goods delivers a range of outcomes that society demands whilst also supporting farming and other land management processes. In many cases, farming and land management is crucial in delivering these, but current policy often fails to utilise the potential for delivering public goods through farming and land management. Consideration could also be given to supporting and rewarding farmers/ landowners for providing access to their lands as part of future sustainable land management.

The level of investment required to deliver public goods at the necessary scale is significant and would represent a transformational shift in how funding is currently spent. Recent research<sup>5</sup> indicates that funding for the delivery of environmental public goods will need to increase 8-fold to over £180 million per year, to meet current environmental commitments. Given the relatively small scale and fragmentary nature of land ownership in much of Northern Ireland, future funding should be readily available for landscape-scale and groups schemes which enable land owners to work together to deliver biodiversity benefits and other public goods.

Other outputs from farming and land management are products (such as food) with a commercial value, determined by market prices. It is important to recognise there are serious imbalances in the way markets operate, particularly when it comes to the price farmers receive for their produce. This must be urgently addressed, and we support efforts to ensure farmers get a fairer deal. However, this market failure does not justify the type of public subsidy to farming that has been seen to date. In particular, price support and production linked subsidies are discredited mechanisms that are incapable of addressing this issue and can lead to overproduction, intensification and the distortion of markets<sup>6 7</sup>. These must be avoided if we are to achieve a vision of sustainable land use.

### Invest in change

Payments for public goods can provide a solid revenue stream for farm businesses alongside market returns. With this, there is also a need for public investment to support businesses to adapt to a new policy framework and to encourage wider rural development. This could take the form of one-off capital investments and grants, to help improve environmental performance, support diversification, to develop new income streams or improve business efficiency. Funding could be made available to purchase machinery, invest in technology or physical infrastructure (e.g. wet woods, riparian planting), provided it offers good value for public money and is compatible with nature and climate objectives. Such moves will help build overall business resilience.

### Invest in knowledge

Achieving our vision for farming and land use requires a greater investment in knowledge transfer, skills, advice and training to ensure that farmers and rural businesses can adapt to, and benefit from, a system focused on sustainable farming and land management. Adopting nature friendly farming practices makes good business sense<sup>8</sup> and can be key to improving farm innovation, productivity, profitability and resilience, but farmers need to be supported to adopt these practices with confidence. Establishing a culture of collaboration and innovation would enable trans-disciplinary teams to tackle the biggest challenges in agriculture. A Challenge Fund similar to the Small Business Research Initiative could provide grants to deliver on these aims. Sustainable farming practices such as agroecology and regenerative farming should be put at the centre of agricultural education, teaching land managers to value their natural assets as much as their yields<sup>9</sup>.

<sup>&</sup>lt;sup>5</sup> <u>https://www.wildlifetrusts.org/sites/default/files/2019-09/Paying%20for%20public%20goods%20final%20report.pdf</u>
<sup>6</sup> <u>https://www.wur.nl/upload\_mm/2/a/0/ec8fe60a-c17f-4db0-8ec0-</u>

<sup>37</sup>a62761bd8c Impact%20of%20coupled%20EU%20support%20for%20sugar%20beet%20growing.pdf

<sup>&</sup>lt;sup>7</sup> <u>http://capreform.eu/brakes-removed-from-voluntary-coupled-support</u>

<sup>&</sup>lt;sup>8</sup> https://www.nffn.org.uk/wp-content/uploads/2020/10/20012-NFFN-Report-Nature-means-business-DIGITAL-1.pdf

<sup>&</sup>lt;sup>9</sup> FFCC (2021) 'Farming-for-Change'



# Provide a clear roadmap for the future

In the context of uncertainties arising from EU-exit and the implications and opportunities around future international trade, there is an urgent need to move towards sustainable land management and to define a clear direction of travel. We must move with purpose whilst allowing enough time to plan and adapt. To this end, a pre-defined and time limited transition period is essential to provide the certainty and stability that the farming sector will need to plan for the future. A clear transition period is also essential in ensuring that agriculture and land use policy can rise to the challenges we currently face. Failure to do so will result in drift and stagnation, neither of which are in the interests of farming, nature or climate.

# Provide a legal mandate for change

Primary legislation for agriculture in the form of a new Agriculture Bill is essential to set a legal framework for future farming and land management in Northern Ireland. It must be based on the principle of public money for public goods to provide a clear purpose for financial assistance in the future. With this, it should set out the framework as to how funding will be delivered, with a commitment to the development of new funding mechanisms to reward the delivery of public goods. This will ensure that future investment helps meet climate and nature objectives, whilst supporting farmers for delivering them. A Bill must set out a clear timeline in which the current policy will be phased out and ultimately replaced by a new system of farm support.

# Maintain the good

Whilst the overall current policy framework has not delivered for nature and the environment and in many cases has contributed to the decline of wildlife and a deterioration of the environment, some schemes have provided value for money and outcomes for the environment. Agri-environment climate schemes can deliver several environmental objectives from restoring peatland habitats, to increasing populations of priority species. In the early years of transition, it is essential therefore that the good work delivered by farmers and land managers is maintained and expanded upon. This will involve the renewal of existing scheme contracts and the opportunity for new farmers to enter schemes. Funding should be provided at the current level provided under the Rural Development Programme as a minimum. This will provide a base upon which future land management schemes can build.

# **Pilot new approaches**

There is a need to pilot new approaches of farm support to ensure that they are practical to deliver, capable of delivering environmental outcomes, can secure buy in from farmers and provide adequate reward for the delivery of results-based environmental outcomes. Northern Ireland has the potential to be a test bed for new ideas. Funding from the Basic Payment Scheme should be used now to pilot new approaches to delivering environmental

land management. These should be co-designed and trialled with farmers and other relevant organisations within the farming and land use sector. This will ensure that by the end of the transition period, payment schemes focused on public goods delivery are effective and ready to be rolled out across the country.

## Support the transition

Supporting farmers on the journey from the current policy framework to the next will be key to delivering success. There will be a need for business advice, funding and support to help businesses adapt and plan for the future. A transition fund should be established to allow farmers to access dedicated business advice, mentoring and peer to peer learning, and to access funding to improve their businesses in advance of the full roll out of future policy.

## Secure policy coherence

A focus on sustainable farming and land management must secure synergies with other associated policy areas, such as food policy and procurement. For example, better public procurement policies, which improve transparency in supply chains by requiring a better understanding of where food comes from and how it is produced, can help drive change by growing the market for nature friendly produce. This can help drive up standards, shorten supply chains and can help provide better returns for producers who currently often receive too little value for their produce. Food policy can play a key role in promoting healthy, sustainable diets, helping the public make choices which do not result in environmental degradation, either at home or abroad. This can be supported by providing a clear and robust set of principles for what constitutes healthy and sustainable eating patterns - including a 'less but better' approach to consumption of livestock products. Securing coherence in these areas will be key to realising a vision for sustainable land use.

# What would the future look like?

Often, we are presented with the false dichotomy that nature and climate action will harm the interests of farming. Instead, a strong focus on investing in our environment, knowledge and change provides an opportunity to maintain our capacity to produce food and other commodities by restoring soil health the natural resources that farming and land management depends upon. A focus on these priorities will also provide opportunities to farm businesses, diverse income streams and build resilience in the face of change. Below we have outlined the benefits of our vision for sustainable land management in comparison to the status quo.

Ambition	Status Quo	Sustainable land management
Nature thrives on our land	<ul> <li>Much of our farmland wildlife is in decline due to historic and current changes in land management practices. Several farmland birds have experienced severe declines in the last 40 years including: Curlew, lapwing, snipe, yellowhammer<sup>10</sup>, whilst others have already faced localised extinctions<sup>11</sup>.</li> <li>Over two-thirds of our rivers are in unfavourable condition with water quality going backwards in recent years<sup>12</sup>. Agriculture is a key contributor to this deterioration.</li> <li>Ammonia which is predominantly from agricultural activities is one of the main sources of nitrogen pollution. 96% of woodland in NI exceed the critical load of nitrogen deposition. This impacts plants and fungi, with implications for wider ecosystem functioning.<sup>13</sup></li> <li>NI ranked as the 12th-worst performing country for biodiversity loss out of 240 countries<sup>14</sup></li> </ul>	<ul> <li>Provide long term funding for the delivery of public goods through improved farming and land management practices involving nature-based solutions such as tree planting that support and enhance ecosystem services are a part of sustainable land management.</li> <li>Help improve sustainability and profitability through improving efficiency, reducing inputs and input costs, securing greater margins and accessing other potential income streams<sup>15</sup></li> <li>Provide an opportunity to focus on producing the highest quality goods, achieving added value both to domestic customers and for export.</li> <li>Help new sustainable farming businesses and other sustainable enterprises to become established and thrive</li> </ul>
Farming and land use addresses climate change	Agriculture and related land use are the largest source of GHG emissions in the country, representing 27% of Northern Ireland's emissions in 2018 <sup>16</sup> , with actual emissions from the sector increasing by 0.8% between 1990-2018. At the current rate, it is predicted that agriculture will represent 33% of Northern Ireland's total emissions by 2030, with a 1% increase in actual emissions from 1990 levels <sup>17</sup> .	Ensure our most valuable habitats are protected, restored and well managed, providing benefits for nature and people. Significantly reduce Greenhouse Gas Emissions from land use and farming to ensure that NI's land is a net carbon sink rather than an emitter.

<sup>10</sup> https://birdwatchireland.ie/birds-of-conservation-concern-in-ireland

<sup>11</sup> http://centrostudinatura.it/public2/documenti/22-31237.pdf

<sup>12</sup> <u>https://www.daera-ni.gov.uk/sites/default/files/publications/daera/ni-environmental-statistics-report-2020\_0.pdf</u>

<sup>13</sup> https://www.woodlandtrust.org.uk/media/49731/state-of-the-uks-woods-and-trees-2021-the-woodland-trust.pdf

<sup>16</sup> <u>https://www.daera-ni.gov.uk/sites/default/files/publications/daera/NI%20Greenhouse%20Gas%20Statistics%201990-2018%20-</u>

%20Report%20%28web%20version%29.pdf

<sup>&</sup>lt;sup>14</sup> https://www.nienvironmentlink.org/cmsfiles/Priorities-for-the-Environment-2021-26-1.0.pdf

<sup>&</sup>lt;sup>15</sup> Harkness et al, 2021 Stability of farm income: The role of agricultural diversity and agri-environment scheme payments

<sup>&</sup>lt;sup>17</sup> https://www.daera-ni.gov.uk/sites/default/files/publications/daera/ni-ghg-projection-tool-update-mar-2019.pdf

	<ul> <li>Only 14% of our peatlands are currently intact, due to overgrazing, drainage, burning and inappropriate afforestation. When healthy and functioning, these habitats play a vital role in storing and sequestering carbon from the atmosphere<sup>18</sup>. When degraded, the opposite is true with peatlands becoming a source of emissions. At present, NI's land use is an emitter of GHGs rather than a sink, unlike England, Scotland and Wales.</li> <li>Ancient woodland, that is woodland in existence since the 1600s, accounts for only 0.04% of the Northern Ireland landscape. These irreplaceable habitats are being</li> </ul>	<ul> <li>Help reverse the rapid decline of nature, restore degraded and damaged habitats, whilst creating new ones across our landscape</li> <li>Ensure natural resources upon which farming depends are healthy, functioning and capable of supporting the long- term productive capacity of the land</li> <li>Farmers and growers should be fairly rewarded for the delivery of public goods (such as carbon sequestration, natural flood management, nature recovery, clean water</li> </ul>
Healthy sustainable and affordable food	<ul> <li>threatened as a result of increasing concentrations of ammonia in the air and levels of nitrogen deposition.</li> <li>63% of adults and 25% of children in Northern Ireland are classified as overweight or obese<sup>19</sup></li> </ul>	and air). Help to ensure that everyone has access to affordable, nutritious food that meets dietary needs
	Northern Ireland has poor dietary health compared to other parts of the UK <sup>20</sup> , resulting in increased costs to the NHS <sup>2122</sup>	Increases the uptake of sustainable and healthy diets based on nature friendly farming to help address the nature and climate crisis
	Our food and farming system focuses on a limited number of commodities for export <sup>23</sup> , making farms more susceptible to changes in the market and contributing relatively little to healthy diets at home	Helps build shorter nature friendly supply chains and infrastructure to secure resilient sustainable local food networks, through farming co-operatives, farm shops and markets
		Opportunities for more diverse production practices are seized with a greater array of locally produced food available

<sup>&</sup>lt;sup>18</sup> <u>https://storymaps.arcgis.com/stories/fe3455a345bf45ce9b72d70ae75f933b</u>

<sup>&</sup>lt;sup>19</sup> https://www.health-ni.gov.uk/topics/doh-statistics-and-research/health-survey-northern-ireland

<sup>&</sup>lt;sup>20</sup> https://www.food.gov.uk/sites/default/files/media/document/ndnsexecsummary.pdf

<sup>&</sup>lt;sup>21</sup> Food related ill health is responsible for around 10% of morbidity and mortality in the UK and costs the NHS about £6 billion annually, Rayner M, Scarborough P, "The burden of food related ill health in the UK" Journal of Epidemiology & Community Health volume 59, issue 12

<sup>&</sup>lt;sup>22</sup> https://www.bma.org.uk/what-we-do/population-health/drivers-of-ill-health/improving-the-nation-s-diet-action-for-a-healthier-future

<sup>&</sup>lt;sup>23</sup> https://www.daera-ni.gov.uk/sites/default/files/publications/daera/Key%20Statistics%202020.pdf

Farmers and Rural Communities have a prosperous future	Despite significant public investment in farming, many farmers fail to make a decent livelihood. In 2019 – the average farm business income was £28,612. When subsidy payments are excluded this was £2,772 <sup>24</sup>	Deliver better value for public money and ensure public money is spent transparently and effectively, whilst delivering benefits for us all such as improved air quality, water quality and biodiversity
	Basic payments are poorly targeted. The area-based nature of these payments means that most of the budget goes to a relatively small number of farmers and landowners, with around 80% of payments going to 20% of farmers and farm businesses, with the majority going to	Provide a wildlife rich countryside for people to visit and enjoy, allowing them to experience the mental and physical health benefits that a thriving environment provides
	farms with incomes above the median. Direct payments are capitalised into land values, making it more difficult for new entrants and exacerbating the problem of an ageing farmer population <sup>25</sup> .	Create a more dynamic, diverse and vibrant rural economy, home to many different businesses creating more jobs and making rural areas more attractive places to live
	Direct payments have very few conditions attached and have little impact on improving resource use efficiency, they also stifle innovation and change within farming businesses and land use.	

 <sup>&</sup>lt;sup>24</sup> <u>https://www.daera-ni.gov.uk/sites/default/files/publications/daera/farm-incomes-in-northern-ireland-2018-19.pdf</u>
 <u>https://www.europarl.europa.eu/RegData/etudes/STUD/2016/585898/IPOL\_STU(2016)585898\_EN.pdf</u>



Barn Owl - © Ron Surgenor

# Conclusion

The decisions we make now will have profound implications for the future of farming, nature and climate. There are considerable challenges ahead, but never before have we had such an opportunity to do things differently. If we make the right choices, agriculture can be key to addressing the nature and climate emergencies, provide nutritious sustainable affordable food and provide economic opportunities for farm businesses and rural communities. The future is in our hands, let's choose wisely.

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