Agriculture (Wales) White Paper Consultation Response Form

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If you do not want your response to be shown in any document we produce please indicate here

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Are you responding as an individual or as an organisation?	Nature Friendly Farming Network Wales Rhwydwaith Ffermio er Lles Natur Cymru https://www.nffn.org.uk/
Are you or your organisation based in Wales?	Yes

Please indicate which of these best represent you or your organisation (please select only one)	Farming	Х
	Forestry	
	Environmental	
	Veterinary	
	Tourism/Hospitality	
	Food and timber supply chains	
	Public Sector	
	Private Sector	
	Third Sector	
	Trade Union/Representative	
	Research/Academia	
	Other	

How to respond

Responses should be returned by 26 March to

Land Management Reform Division Welsh Government Cathays Park Cardiff CF10 3NQ

Responses completed electronically to be sent to: <u>AgricultureWalesWhitePaper@gov.wales</u> <u>PapurGwynAmaethCymru@llyw.cymru</u>

Regulatory Reform

- 1. What are your views on:
- (a) The proposed approach to the creation of the National Minimum Standards?
- (b) The need for flexibility to amend the National Minimum Standards where necessary? Are there any further considerations which are needed?

Please provide comments to support your view e.g. potential benefits and impacts.

- NFFN Cymru broadly welcomes the creation of National Minimum Standards (NMS). We particularly
 welcome plans to consolidate existing legal standards into one place, thus making it easier for farmers
 to understand and comply.
- At the very least current standards should be maintained, with no weakening of existing legislation. Fundamentally, it must enable farmers to produce safe, healthy food whilst helping our soil, landscapes, rivers and wildlife to recover and flourish.
- 96% of our farmer survey respondents agree (12%) or strongly agree (84%) with maintaining high environmental standards, both at home and for imports. There is also public appetite to maintain and strengthen environmental and food safety standards; our recent NFFN public survey shows that 81% of the UK think that it is important that food and environmental standards are put into law, to protect long-term food security. Furthermore, Unchecked UK's recent report demonstrates that the Welsh public want to see EU-derived public protections maintained or strengthened, and that any political moves to weaken or remove regulations in these areas would not be supported ¹
- We agree that payments under the new Sustainable Farming Scheme (SFS) should be conditional on undertaking actions that deliver SLM outcomes at a level above those set by NMS. A new SFS must build from an effective regulatory baseline in which the EU Environmental Principles² are properly applied. This is necessary to make farms more nature friendly, whilst ensuring that the environmental benefits that farmers deliver through schemes are not undermined by damaging practices elsewhere.
- Regulation creates a level playing field, with all farmers and land managers bound by the same rules. We are glad to hear that a regulatory framework should apply to all farmers, irrespective of whether they receive financial support from the Welsh Government.
- However, our members believe that certain standards require strengthening. This reflects some of the nature and environmental declines across Wales.³ Examples include on-farm biodiversity (beyond statutory designated sites); hedgerows and veteran trees; EIA Agriculture Regulations (Wales); nutrient management; soil erosion; animal welfare; pesticides and chemical use; water quality. We believe that the Welsh Government (with support from NRW and other regulators) should undertake an audit exercise of current regulation and identify areas require strengthening. Farmers should be involved in this process as they are best placed to provide input on the practicalities of compliance. We look forward to a further consultation on the design and exact nature of the proposed National Minimum Standards
- We agree with the need for flexibility to amend the NMS where necessary. Many Welsh farmers are
 already demonstrating best practice, showing that it is possible to raise standards above current levels
 and still leave room for SFS payments above and beyond this. Once existing regulations have been
 consolidated, Welsh Government should work with farmers and others to set out a trajectory of
 increasing standards.

¹ Unchecked UK Report: <u>Protecting what matters: attitudes of Welsh voters to regulation and reregulation</u> (March 2021)

² These include 1) The precautionary principle 2) The preventative action principle 3) Environmental damage should be rectified at source 4) The polluter pays principle

³ As highlighted in both <u>State of Natural Resources Report 2020</u> and the <u>State of Nature report (Wales) 2019</u>

- 2. What are your views on:
- (a) How advice and guidance can effectively support farmers to understand the National Minimum Standards; and
- (b) The further considerations needed for advice and guidance? For example, what form guidance should take, who should provide it, the scope of guidance and how farm advisory services may support farmers.

Please provide comments to support your view, e.g. potential benefits and impacts associated with the considerations.

- NMS should define the rights and responsibilities of landowners, providing clarity about how and
 when they will be expected to maintain existing standards. Regulation and advice should be closely
 linked, so that any farmer found in breach of regulation has a) time to rectify the situation and b)
 access to quality advice in order to become compliant. This would engender greater trust between the
 industry and the regulator.
- Advice can be provided in a variety of different ways, tailored to the complexity of the management/ action/activity. Examples include;
 - o Online resources/ Handbooks/ Guidance notes
 - o One to one advice (advisor and farmer)
 - o Group advice (advisor and many farmers e.g. for landscape scale working)
 - o Peer to peer learning groups/ workshops
 - o Farm demonstration events
- Farming Connect (FC), as a trusted and widely used advisory service can play an important role in
 understanding NMS, and could provide much of the services suggested above. Being able to have onfarm face to face discussions with advisors can help with compliance. In some instances, the dual
 advisory/ enforcement functions of organisations e.g. NRW, might deter farmers from seeking advice.
 As such, a co-operative approach to discussions should be adopted. This would make farmers feel safe
 and have sufficient trust to be able to hold discussions without the risk of on the spot penalties but
 rather work towards a solution.
- We believe that FC needs to build on better promote the biodiversity advice currently on offer. On the
 surface, there appears to be limited biodiversity advice, especially remote off the shelf advice, similar to
 Farm Wildlife. We also believe that FC should increase the amount of demonstration farms that focus
 on enhancing farmland biodiversity. This could benefit farmers better understand and comply with NMS
 relating to biodiversity.
- The proposed Sustainable Farm Review (SFR) can play a role in helping farmers understand the proposed NMS, particularly as they are intended to come into force at the same time as the proposed SFS. For example, initial SFR could include a farm visit with an advisor to discuss the new NMS and how they relate to the farm's agricultural production methods. This would be an opportunity to identify and address any issues before the farm enrols in the SFS. As such, there is merit in introducing NMS prior to the commencement of the SFS in order to improve compliance beforehand.
- As we transition towards the SFS, farmers should be able to access financial support to help achieve higher standards where required. We believe that nature friendly farmers who are already demonstrating a commitment to safeguarding wildlife and the environment should be prioritised for support. Indeed, our recent NFFN public survey shows that 73% of Wales think that farmers who have been farming with nature for many years should have early access to public (tax) money. We believe that this should definitely be the case when allocating funding to comply with the proposed pan-Wales NVZ regulations.
- The above will require sufficient funding however we believe it is worth public investment.

3. What are your views on the proposals for civil sanctions to enable proportionate enforcement of regulations? Are there any further considerations which are needed?

Please provide comments to support your view, e.g. potential benefits and impacts associated with the considerations.

- Enforcement should be fair and proportionate to the offence. Farmers should be given time to
 address any breaches or failings to become compliant, with follow up inspections to assess progress,
 before any penalties are applied. As such, we agree with proposals to introduce civil sanctions to deal
 with low-level offences. For too long, minute administrative errors (e.g. marginally miscalculating land
 eligible for BPS or overestimating the length of hedgerow planting under Glastir) has been met by
 disproportionate financial penalties, eroding the trust between farmers and Government.
- We agree enforcement must cover all farmers and land managers not just those receiving support under the SFS.
- However, regulation should be better targeted at repeat offenders and those blatantly or purposefully breaking the rules. For example, it has been suggested that some farmers factor in financial penalties into their business costs. This is a huge source of frustration for farmers who are compliant with regulation and producing food in a way which doesn't harm the environment. It reflects badly on the industry as a whole and poses the risk of every farmer being painted with the same brush. As such, enforcement must be sufficient to eradicate this practice and change behaviour.
- Building on the above, one area of concern is the principle of *donating to an environmental cause* as a punishment for *irreversible* environmental damage. Intentional action that leads to irreversible damage i.e. permanent environmental loss/ damage, should result in criminal prosecution.

SLM – Future support

4. What are your views on the proposed purposes for funding in support of the delivery of SLM? Are there other purposes which you feel should be considered?

Please provide comments to support your view e.g. potential benefits and impacts.

NFFN Cymru welcomes the proposed Sustainable Land Management (SLM) framework, defined as;

The use of land resources, including soils, water, animals and plants, for the production of goods to meet changing human needs, while simultaneously ensuring the long-term potential of these resources and the maintenance of their environmental benefits

There is also broad agreement that key strategic objectives for agriculture include sustainable food production, responding to the climate emergency and reversing the decline in biodiversity.

Our farmer survey shows that 72% of NFFN Wales farmers agree with the above overarching objectives and frameworks, with 28% feeling unsure and would appreciate further information on what this means in practices. This reflects that whilst the direction of travel outlined in the White Paper is positive, the devil will be in the detail of the proposed SFS. We look forward to further information on the exact nature of the SFS. NFFN Cymru would welcome the opportunity to be involved in any future co-design process.

We also welcome proposals to align future agricultural policy with the Environment (Wales) Act 2016
and the Wellbeing of Future Generations (Wales) Act 2015. This should be reflected in the annual
reporting duties placed on WG, which we believe is important in order to demonstrate value for
money and ensure the continuation of public investment in the agricultural sector.

- We strongly support the key principle of a future policy based on public money for public goods (at levels above those set by *National Minimum Standards*). We believe agriculture needs to be profitable and sustainable, and farmers should receive adequate payments for undertaking environmental and nature friendly activities. Future policy should focus on rewarding farmers to provide those benefits, especially environmental benefits that are not normally paid for through the market. These would include (but not limited to) benefits such as maintaining and enhancing farmland biodiversity, carbon sequestration, soil health, natural flood mitigation, improving air and water quality, maintaining historic features. A shift towards a nature-friendly approach is not just good for wildlife but is key to the long-term survival of farming.
- We are pleased that the White Paper includes a clear nod towards the Less is More approach⁴, which encourages farmers to operate within the natural carrying capacity of their land (also knowns as Maximum Sustainable Output) Our Nature Means Business report provides more information on this, and includes. Nature provides farmers with natural capital for their businesses in the form of soils, grass, water and geology, which farm businesses work with for crop or livestock production to take place. Where these free issue assets are not managed correctly, farm productivity will reduce. Taken beyond their natural production limit, for example by increasing stocking to levels that exceed the amount that can be fed on naturally available forage, or cropping more than the soil can naturally support, the farming businesses will need to adapt to maintain production. This is achieved via additional inputs such as fertilisers or the requirement to purchase additional feed to maintain productivity. This increases the overall costs of production and potentially reduces the profitability of the farm business. Evidence shows that the Less is More approach not only improves farms' financial performance (across all farm types) but also yields positive environmental outcomes for which farmers would receive payments under the SFS. Where stocking levels might need to exceed the MSO (to manage wildlife habitats for example) public policy via the SFS should support farmers to do so. Our Nature Means Business report provides more information on this, and includes farm case studies of how this approach works in practice.
- Furthermore, recent academic research shows that direct subsidises based on the area farmed are
 associated with a relatively large decrease in the stability of farm income, across most farm types,
 whilst adopting agroecological farming practices and higher agri-environment payments increases
 income stability and raises farm income.^{5,6}
- We believe the White Paper places considerable emphasis on decarbonisation and carbon sequestration. Carbon sequestration is not the sole proxy for environmental performance. In fact, we believe that farmland biodiversity is a better indicator of a farm's environmental performance. To this end we believe that biodiversity audits should be a mandatory element of a future SFS (complimented by provision of advice and guidance on how to improve on-farm biodiversity)

Nature-based solutions such as appropriate tree planting, restoring and creating species rich grasslands and establishing multi species leys, peatland restoration, establishing wildflower field margins, wetland creation (including ponds), hedgerow creation (and their appropriate management) should be prioritized to deliver twin nature and climate benefits. Our Report titled Farming For Our Future: The Nature Friendly Climate Change Solution We Urgently Need, demonstrate how we can achieve net zero carbon that also delivers thriving wildlife, a vibrant farming sector and good quality food. Our NFFN Practical Guide to Net Zero Farming in the UK highlights some of the ways farmers can achieve this.

Furthermore, soil testing should not be limited NPK levels, and should include organic matter, carbon levels and minerals status.

⁴ Less is more: Improving profitability and the natural environment in hill and other marginal farming systems November 2019 (Chris Clark and Brian Scanlon)

⁵ The economic potential of agroecology: Empirical evidence from Europe (van der Ploeg et al 2019)

⁶ Stability of farm income: The role of agricultural diversity and agri-environment scheme payments (Harkness et al 2021)

⁷ Sustainable climate change mitigation in UK agriculture A review of climate change mitigation measures in agriculture, and the impacts on biodiversity, climate change and resource protection (Ellie Crane, 2020)

- NFFN Cymru welcome plans to move away from traditional agri-environment schemes which paid farmers on the basis of compensation for income foregone and additional costs incurred. This can help place a better value on environmental public goods not currently rewarded by the market, prompting more widespread uptake in nature friendly farming. However, whilst payments need to be attractive and help secure a profitable farming business, we note that over-inflating the value of SLM outcomes will not secure the required change across the industry and will only seek to maintain the status quo.
 - How payments for different SLM outcomes are weighted could result in choosing the wrong outcome in the wrong place. For example, lucrative carbon payments for tree planting could be seen as an attractive option for farmers, when in reality the most appropriate action (that would benefit both climate and nature) would be to convert to species rich grassland. We should aim to deliver actions that secure *multiple benefits* for climate, nature, farm business and food security.
- We also note that WG want farmers to regard their input costs to meet the requirements of the scheme as an investment in order to reap the reward of continued payments for the outcomes they deliver. Our membership believes that there is merit in adopting a hybrid approach to calculating payments that include a combination of payment for actions (e.g. capital works, appropriate livestock grazing, shepherding) as well as SLM outcomes (e.g. habitat in good condition). Value payments should reflect the wider systems costs required to secure public goods (e.g. costs associated with extensive cattle grazing for conservation grazing)

In addition, we believe that a future scheme should include one-off support payments to invest in technology/machinery/infrastructure/equipment that help deliver SLM outcomes (akin to the current Farm Business Grants). For example, we would like to see more cattle grazing in the uplands as they can be excellent conservation grazers. However, in order to do that, in some instances the farmer would need to invest in such things as mobile cattle handling facilities/ housing sheds/ cattle pens. This could potentially be supported under the SFS as it has a direct link to public goods delivery.

Industry and Supply Chain

- 5. What are your views on the proposed priorities for industry and supply chain support? Please provide comments to support your view e.g. potential benefits and impacts.
 - We agree that funding should be made available to support the wider industry and supply chain,
 however this needs to be part of a wider food system vision for Wales that aligns production, supply
 and consumption, whilst addressing issues such as tackling the nature and climate crises; eliminating
 household food insecurity; access to healthy food for all; fair income for farmers and growers and
 supporting rural communities.
 - We need a system that ensures farmers earn a fair return whilst ensuring food is healthy, affordable and sustainably produced. When it comes to food policy, Government's role should be more of an 'enabling' one, setting up structures to facilitate a strategic national approach to food, including regulations, local food networks, transparent supply chains, and sustainable public procurement. It's vital that Government help create a business environment that allows farmers to receive a fair price for their produce. This is often the reason why farmers are forced to intensify in an attempt to increase profits. As we know through the Less is More work, this results in farm businesses exceeding their Maximum Sustainable Output, which in fact reduces profitability.
 - Any off-farm investment should be effectively targeted, so that farming business are more profitable and resilient. A duty should be placed Ministers to demonstrate how this support has contributed towards wider SLM outcomes.
 - However, targeting investment throughout the supply chain will most likely result in a decrease in on farm investment. We therefore believe that the majority of financial support should be directed at farmers and land managers through the SLM Scheme.
 - Our thoughts on the 5 proposed priority areas are below.

Improving the promotional offer for farmers' produce by effectively evidencing SLM;

Our NFFN public survey shows that 80% of Wales want to buy food from local farmers that protects
wildlife and reduces our carbon emissions. In order to do this, we will need sufficient monitoring to be
able to confidently evidence the industry's environmental performance. Organic and pasture fed
certification are good indicators of environmental sustainability and farmers should be encouraged
and supported to adopt such farming practices.

There are many farmers in Wales who do excellent work for nature and the environment. However, we must recognise that nature is in a precarious position in Wales. There is much room for improvement, and if we are to promote Wales as a food nation centred on our sustainable brand values, we need to up our game. With the right kind of support and incentives, farmers hold the key to reversing these declines and tackling both the climate and ecological crisis that we face.

Encouraging greater market alignment by supporting farmers in understanding and producing what consumers and the supply chain want to buy;

We agree that we should be looking at what we can sustainably produce and sell in Wales, tailoring
this to market demands and consumer trends, and identifying market opportunities for these
products. Future support needs to be able to quickly evolve to a changing marketplace, for example if
a sector shrinks due to Brexit, funding could be moved to new or expanding sectors. For example,
funding should be made available to facilitate more arable and horticulture and arable production in
Wales. This could be done by investing in infrastructure, equipment and machinery, provision of
training and advice and building new markets e.g. via particularly public procurement of food or
facilitating Community Supported Agriculture.

Identifying and overcoming barriers in the supply chain by supporting farmers to increase the amount and value of Welsh products used in the supply chain, both in Wales and beyond;

We agree with this proposal. Public procurement is an area that has the potential to significantly
increase the value received by farmers, providing secure markets without reliance on exports. This
could also give farmers the confidence and security to diversify their food production business.

Shortening supply chains for Welsh products by supporting the creation of local supply chains that can retain the value of products within Wales;

- Our NFFN public survey shows that 73% of Wales think that public (tax) money should be used to help support local farmers and short supply chains. A sustainable food supply chain in the UK has never been more crucial to help farmers provide healthy and sustainable food, avoid food waste and protect wildlife and the environment. Our Report on Feeding The Nation: How Nature Friendly Farmers Are Responding To Covid-19 highlights the importance of shorter supply chains and the role of nature friendly farming in ensuring the supply of high quality produce.
- One could argue that there is no such thing as local food without the presence of local food infrastructures. Investment is needed in this area. Key infrastructure that may be required to support short supply chains include
- Local and appropriately sized packing, cleaning, drying and processing facilities;
- o Distribution hubs and local low carbon transportation;
- Farmers' markets
- Local production of animal feeds and pasture / food waste-based systems;
- Small combined slaughterhouses and butchers, as well as mobile and on-farm butchers so that animals can be slaughtered on farms avoiding the need for live transport; and
- Cold storage for both stationary storage and short transportation.
- Developing food hubs can help connect local farmers and producers with consumers whilst encouraging transparency in the food supply chain – thus reconnecting people with where their food is produced and how it shapes the environment.
- Investing in the above can create local jobs, reduce environmental footprint and public health, creating a unique Welsh farm to fork food system.

• In shortening supply chains, we should look to eliminate some the "hidden" environmental effects associated with some farming systems in Wales. For example, approximately 90% of soya imported into the UK is used for animal feed. As we know, imported soya often comes from high risk deforestation areas, such as the Amazon, therefore reliance on this source is problematic from an economic, food security and environmental impact perspective. We support the recommendations outlined in the Size of Wales report on Making Wales a Deforestation Free Nation, which includes a case study of our previous NFFN Chair Tony Davies, Henfron fam.

Provision for market intervention measures to help farming businesses cope with exceptional market volatility or failure should it arise.

• We broadly agree with this in principle however we would appreciate clarity on what constitutes exceptional market volatility. We maintain that nature friendly farming is one of the best ways to manage volatility. There is increasing recognition in financial investment and business communities that environmental production practices are essential for robust supply chains. Paying farmers adequately for the environmental public goods that derives from nature friendly faming can create a stable income stream isn't affected by external influences. We reiterate that many farmers are already playing an incredible role in helping wildlife flourish on their farms, however they should be better supported and rewarded by the market.

Collection and sharing of data

6. What are your views on the proposed purposes for collecting, sharing and linking data?

Please provide comments to support your view e.g. potential benefits and impacts.

- The primary purposes for the collection, sharing and linking of data appear sensible. We particularity
 welcome plans to reduce administrative burden for farmers and improve the efficiency of the
 monitoring of regulations and financial support schemes. Streamlining data collection and eliminating
 the need to collect data multiple times is welcomed.
- 7. What are your views on the establishment of a national database for farms and livestock?

Please provide comments to support your view e.g. potential benefits and impacts.

• The proposal appears sensible.

Thinking about the SFS:

8. In terms of the future scheme, what are your views on the proposals to enable the data we collect on a farm to be used by farmers to track progress and demonstrate their sustainability credentials?

Please provide comments to support your view e.g. potential benefits and impacts.

We agree with these proposals. As well as using data to benchmark productivity, future policy should
aim to benchmark farms' environmental performances, particularly biodiversity. Undertaking
biodiversity audits (as a mandatory element of the SFS) can establish a baseline for farms' biodiversity

- performance. Tracking progress in this department and comparing performances across the sector can help drive a positive change for nature and wildlife.
- Biodiversity data should be conveyed back to farmers so that they are abler to track progress and better understand how their actions promote wildlife. This can help farmers take ownership of the biodiversity on their farms and motivate further positive actions.

Thinking about regulatory compliance:

9. What are your views on the proposals for improving the monitoring of regulatory compliance?

Please provide comments to support your view e.g. potential benefits and impacts.

- Improved coordination of the enforcement bodies dealing with regulation in relation to the agricultural sector is welcomed, both in terms of farm visits, but also data sharing and exchange. This can help avoid multiple bodies carrying out farm inspections to assess compliance, which is time consuming and expensive.
- We agree that there is a role for farmers to self-monitor and self-assess against NMS however training should be provided to gain the necessary skills and expertise. A system of earned recognition could then be developed, reducing the need for on-farm inspections over time.

10. What do you think needs to be considered in future to enable regulators to effectively monitor regulations?

- Sufficient funding should be made available to increase monitoring capacity (particularly for identifying and investigating serious offences). This should include upskilling staff to ensure regulators have the required knowledge and experience.
- Mutual trust and co-operation between farmers and regulators is vital to ensure an effective monitoring regime.

Forestry and woodland

11. What are your views on the proposed amendments to forestry legislation?

Please provide comments to support your view e.g. potential benefits and impacts.

- NFFN Cymru welcomes plans to increase woodland cover on farms. We have always maintained that
 Agro-forestry, silvopasture, hedgerow trees and (broadleaved/ mixed) woodlands can form an
 important component (both for nature and the farm business) of the farmed landscape. Trees can
 play role in storing carbon, biodiversity, reducing flood risk, improving landscape quality and amenity;
 improving productivity and providing and alternative income stream.
 - However, as outline previously, we are concerned that too much emphasis is being placed on tree planting to tackle climate change. NFFN advocates a policy of the right tree, right place and for the right land management reasons. If there are opportunities to create habitats, the default should not always be to plant trees. Over-incentivizing tree planting can lead to the wrong outcome in the wrong place, leading to perverse outcomes e.g. Farmer A attempting to improve biodiversity via tree planting, adjacent to land owned by farmer B who is managing habitat for the benefit of ground nesting birds. In this instance there would be negative effects on biodiversity as ground nesting (e.g. Curlew) tend not to utilize areas within 200m of forestry as they prefer open landscapes.

When tackling climate change, we must achieve a solution that works for both climate and nature.

- We also highlight the importance of planting trees of local provenance. Supporting farmers or local
 community woodland groups to establish nurseries of local tree species prior to the implementation of
 the SFS would be beneficial. The *right tree* is not just about the right tree species we should consider
 local genetics as well. This is particularly relevant considering climate and reduces the risk of disease
 and importing trees from Europe in future.
- Future woodland planting should be less prescriptive and allow much more room for flexibility. For example, the planting density of 1600 trees/ha for the Biodiversity option under the Glastir Woodland Creation Scheme is too high and allows no room for flexibility. Upland ffridd is a habitat that is often identified for woodland creation, however planting at too high a density can disrupt wildlife associated with this ticonic ecosystem.
- We welcome the proposal to retain the power to ensure Welsh Ministers can review and amend EIA thresholds. We agree that the current EIA thresholds are appropriate and do not require weakening.
- We support the proposal to include provision to amend the Forestry Act 1967 to allow the Welsh
 Ministers to add conditions to felling licences and to allow felling licences to be amended, suspended
 or revoked. It should be easier for farmers to fell non-native woodland and restore as habitat be it
 peatland, heathland or grassland without the requirement to replant elsewhere.

12. What are your views on how the Welsh Government can support landowners in Wales to benefit from carbon markets for planting trees?

- Some of the comments in the previous question also relate to carbon markets for trees. In addition, we note that tree planting is not the sole mechanism of sequestering carbon. Peatland restoration, wetland creation and improving soil carbon in grasslands also provide carbon and nature benefits (more so than trees in some instances, depending on soil type, geology etc). As such, efforts must be made to ensure incentives are in place to encourage restoration of a range of habitats that all provide carbon benefits.
- We disagree with carbon offsetting that essentially allows business to pollute or justify losing wildlife
 habitat to development. On the other hand, private investment in farmland carbon sequestration from
 businesses such as insurance companies (that are looking to reduce risk e.g. through reducing flood
 risk damage to property) is appropriate and should be encouraged.

Tenancies

13. Do you think the dispute resolution procedures described in the proposals should be extended to FBTs?

Please provide additional evidence to support your view e.g. the extent to which this is a problem currently, the likely benefits and impacts.

- Tenant farmers and land rental agreements are an important part of agriculture in Wales. 9% of holdings that applied for Basic Payment Scheme (BPS) and/or Glastir in 2018 were farms that applied with wholly tenanted land. As such, tenant farmers have a big role to play in delivering environmental public goods and producing healthy food.
- We support powers to enable tenants of Agricultural Holding Act 1986 (1986 Act) tenancies to refer to
 dispute resolution requests for landlord's consent to activities that are restricted under the terms of
 their tenancy agreement or requests for a variation of terms, where that request relates to the tenant
 accessing Welsh Government financial assistance schemes.

14. Do you think there will be instances where landlords may require the same access to dispute resolution as described above?

Please provide additional evidence to support your view e.g. the extent to which this is a problem currently, the likely benefits and impacts.

- In the interest of fairness, this appears reasonable.
- 15. Do you think it would be appropriate to allow joint landlord/tenant SLM scheme agreements?

Please provide evidence to support your views e.g. the extent of the need, the likely benefits, drawbacks and impacts.

• This appears reasonable if it results in greater scheme participation and increased action to maintain and enhance nature and the environment in the farmed landscape.

Animal Health and Welfare

- 16. What are your views on the proposals for additional powers for Welsh Ministers to:
 - a) Establish Movement Control Zones to control the movement of animals, semen, embryos, animal products, animal by-products and/or other things that can spread infection e.g. equipment and utensils, in the event of a significant, new animal disease threat, where there is currently no or limited power to do this?
 - b) Specify 'animal', 'farmed animal', 'livestock', 'pet animal' and 'animals intended for agricultural purposes', beyond the current rigid traditional definitions to ensure animal disease control measures can be applied appropriately and flexibly to any species of kept animal where there is a potential disease risk?

Please provide comments to support your view e.g. potential benefits and impacts.

• We have no views on these proposals

Snares

- 17. What are your views on the proposal for a power to enable increased controls covering such matters as the manufacture, sale and use of snares? Do you think such a power is required? If not, why not? If so, what matters do you think the power should be used to address?
- We have no views on this question.

Integrated Impact Assessment

18. What are your views on the impacts we have identified in the integrated impact assessments? Are there any further impacts that should be considered?

Future Funding

• Given that the Impact Assessment predicts a host of benefits as a result of future policy (e.g. nature and climate, public health, flood risk mitigation, air and water quality, animal welfare, food standards, well-being and access to the countryside) we believe that the future SFS warrant additional funding.

Evidence shows that. A report titled environmental land management costs for Wales total £227 million per year, which increases to £273 million per year when advice, supporting High Nature Value farming and securing long term changes to land management are considered. This is an amount broadly similar to that which farmers currently receive from the Common Agriculture Policy. The report however does not estimate the total budget needed for future farming policy. For example, the model does not cost supporting investments such monitoring and evaluation, transaction costs or wider funding associated with rural development. Yet investment in these aspects will need to be significant, meaning that the total figure is likely to be much higher. We are concerned that a reduction or even the continuation of the current budget will not secure the outcomes outlined in the impact assessment, regardless of the goodwill outlined in the White Paper.

Regulation

We look forward to reading the Regulatory Impact Assessment that will be completed alongside the
Agriculture (Wales) Bill. As mentioned previously, we believe WG should undertake an audit of the
current regulatory landscape to identify gaps and any areas that require strengthening.

Mental Health

We agree with concerns that the level of change proposed has the potential to have negative impacts
on farmer mental health., and as such clear advice, guidance and support will be important to mitigate
this, as will be exploring how transition to the new scheme/National Minimum Standards can be
managed in a way to allow farmers time to adapt.

Economic Analysis

We also look forward to reading the Independent Economic Analysis of the proposed scheme and the
effect it will have on farm incomes, other businesses in rural communities. Whilst we agree with the
direction of travel outlined in the White Paper, the exact details of the SFS are yet to be developed,
therefore the economic analysis will be an important piece of work.

Scheme eligibility

- There doesn't appear to be any information as to who is eligible for support under the future SFS. The definition of Active Farmer needs to be key to the success of the new scheme. We believe that it is the active farmer who should receive funding. Building on this we are concerned that individuals/organisations/ investors emanating from outside of Wales would be encouraged to purchase Welsh land to plant trees or allow to grow wild (i.e. no active management) whilst receiving lucrative payments. This would have an adverse effect on rural communities, culture heritage and the Welsh language. We would welcome a statement from on how this scenario would be avoided.
- We also believe that all farmers, regardless of farm size should be eligible for SFS payment. If WG are intent on setting minimum farm size threshold, there should be an opportunity for small farms to form a collective group in order to meet the required area

Welsh Language

- 19. We would like to know your views on the effects that the White Paper proposals would have on the Welsh language, specifically on opportunities for people to use Welsh and on treating the Welsh language no less favourably than English. What effects do you think there would be? How could positive effects be increased, or negative effects be mitigated?
- 20. Please also explain how you believe the proposed policy could be formulated or changed so as to have positive effects or increased positive effects on opportunities for people to use the Welsh language and on treating the Welsh language no less

⁸ Paying for public goods from land management: How much will it cost and how might we pau? (Matt Rayment 2019)

favourably than the English language, and no adverse effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.

• The continuation of farming in rural Wales is vital for the future of Welsh language and culture. In certain areas the majority of farmers are first language Welsh speakers. Employing bilingual contract managers/ regulatory officers/ monitoring officers can perhaps facilitate a smoother transition to new schemes and break down perceived barriers. The provision of written advice and guidance (relating to both NMS and the SFS) should be made available bilingually (or any other written correspondence from WG for that matter).

Any other comments

21. We have asked a number of specific questions. If you have any related issues which we have not specifically addressed, please use this space to report them:

Common Land

We note to there are no questions relating to common land. It's vital that new scheme rewards active
management on common land, as opposed to right holders that do not actively manage common land.
It should be easier for farmers to undertake conservation management on common land that fall
under restricted works. A loss of cattle grazing on our hills is a concern – removing barriers that
prevent cattle grazing on commons can help facilitate active management of some of our commons
that are suffering from undergrazing.