

After four decades of experimentation with agri-environment measures we should know something about what works for nature and landscape, for farmers, other land managers. Recent reports on the UK State of Nature and the Wales State of Natural Resources put all such knowledge in a grave context. We should be careful also to consider what agri-environment policy tools have and have not delivered for the public who ultimately pay for such schemes.

Environmentally Sensitive Areas, Tir Cymen, Tir Gofal, and Glastir have all been voluntary approaches. As such they were always going to struggle to deliver a genuinely strategic approach to conservation. Even the use of high payment rates will not persuade some managers of important natural resources, who may still choose not to take part in such schemes.

Each of the above schemes operates on the premise that the landowner has the right to use their land as they see fit. That includes the right to deliberately or incidentally damage features which wider society may value and wish to protect. Under these models land managers claim compensation for temporarily agreeing to abstain from specified activities.

Section 15 management agreements under the Wildlife and Countryside Act offer a slight variation on this theme and have achieved a considerable amount in terms of 'holding the line' but they do maintain the voluntary element.

The 'compensation for profit foregone' model has fundamental limitations as a means of achieving conservation outcomes. It requires impossible calculations and comparisons of costs attached to the conservation of features which cannot be meaningfully priced. The most successful scheme – Tir Gofal – suffered from a rigid focus on prescriptions and compliance with prescriptions. Outcomes were presumed to follow from the prescriptions but at all stages of the process it was easy for the desired environmental outcomes to drop out of sight.

Under some schemes we have seen 'halo' effects, where the relatively higher standards of environmental management on scheme land are mirrored by heavier impacts on land elsewhere, such as land under the same ownership but not registered as part of the scheme

Such schemes also fail to reward equitably the stewardship of precious natural features. A landowner who would never contemplate damaging a valuable habitat faces strange choices about accepting payment from society for doing nothing at all. Meanwhile they may watch their neighbour damage features of equal value and then claim rewards for attempting to undo the damage, or take payments for maintaining a habitat and then damage it the moment the scheme comes to end.

The learning opportunities which Tir Gofal in particular could have built on were never realised. Good dialogue with land managers on how the scheme was going, what was working, and what success looked like could have helped to build engagement with the underlying purpose of the scheme. This rarely happened. As a consequence many land managers who enter agri-environment schemes for a variety of reasons have found that 'conservation' seems to be mostly about tidyness and compliance with abstract rules. Many have also concluded that the people who devise and/or administer these schemes have little understanding of the important things - for example the impact on land and stock of a late wet spring, or the response of bracken to reduced stocking rates.

The remainder of our response closely follows the submission from PONT, a leading organisation in the field of conservation land management in Wales.

1 What are the fundamental outcomes we want to see from agricultural, land management and rural development policies?

There is a need for policies and mechanisms which:

- enable the delivery of positive improvements in habitats and species populations as fundamental elements of ecosystem resilience
- support rural economies by rewarding positive outcomes for natural resources (soil, air, water, habitats, species and geology) with realistic payments for the management which underpins those outcomes.
- take effective action to combat poor environmental practice
- focus on results and not prescriptions
- make good use of the existing expertise of rural communities and farmers in planning, delivery and monitoring.
- support farming in a way that generates new local business opportunities that recognise and enhance the local environment and promote well-being.
- improve understanding of the importance of the environment in underpinning agricultural and business enterprises in Wales and build this value into the decision-making processes.
- Do we need to include something on cross compliance? If single farm payment is replaced we need to see some environmental accountability linked to any new payment scheme

2 What lessons can we learn from current and previous policies? What about policies elsewhere?

- Current and previous agri-environment environment policies have focused on income foregone and therefore do not reward positive management that delivers a range of public services (ecosystem services).

- Agri-environment schemes have been too complex, unfocused and have not understood regional variation, as a result these schemes have alienated the farming community and failed to deliver significantly for nature conservation.
- Ecological monitoring of agri-environment is overly complex and model-based rather than determining what is actually happening on the ground at an individual site level. As a result, very little of the data collected can be used to report on the progress Wales is making towards international biodiversity or other targets. This is also a costly process which is difficult to understand to the layman.
- Government should learn to trust the farmers and land managers to undertake the required activity and involve them in the monitoring.
- Currently farmers face penalties for consequences beyond their control or minor breaches of agri environment prescriptions due to the inflexibility of the schemes. Conversely some activity outside schemes continues to disproportionately damage natural resources with no accountability.
- Currently the focus is on the prescription and not on the outcome or result, this means that neither farmer nor environment really benefit significantly.
- Future funding opportunities such as those offered by the current RDP Sustainable Management Scheme and the Sustainable Production Scheme offer real opportunities for farmers and other land owners and organisations to work together at a landscape scale to address key issues affecting natural resources and deliver long term management to help adapt to the impacts of climate change.
- There is a need to investigate results-based (payment by results) schemes for agri-environment which are in operation elsewhere in Europe. A result-based scheme can better motivate farmers to achieve greater environmental benefits and reduces the amount of paperwork and the need to demonstrate compliance with complex management prescriptions. Results-based schemes may rely on more on-the-ground monitoring but this monitoring is simpler, quicker and can include the farmer/grazier. schemes in Ireland and Europe have demonstrated the use of much simpler targeted monitoring (see examples below)

A report produced by the Institute of European Environmental Policy¹ stated the following benefits of results based schemes:

- there is a much clearer link between payments and biodiversity achievement;
- contracts with farmers simply specify the results required, rather than defining in detail the farm practices that should be carried out;
- the ‘production’ of biodiversity becomes an integral part of the farming system;
- farmers can use their farming skills, professional judgement and local knowledge, rather than just follow instructions;
- farmers take ‘ownership of the biodiversity results, and this can lead to improved public recognition of farmers’ role in supporting biodiversity;
- they are easier to target because farmers select only the land where the biodiversity results are achievable.

Examples of results-based schemes include

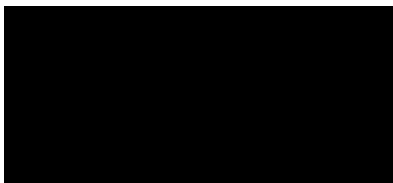
- Burren Farming for Conservation Programme (BFCP) - Ireland
http://ec.europa.eu/environment/nature/rbaps/fiche/burren-farming-conservation-programme-bfcp_en.htm
- Meadow bird agreement with agri-environment cooperatives – the Netherlands
http://ec.europa.eu/environment/nature/rbaps/fiche/meadow-bird-agreement-agri-environment-cooperative_en.htm
- Species rich grassland (Artenreiches Grünland - Kennarten) (part of PAULa), Germany, Rheinland-Pfalz http://ec.europa.eu/environment/nature/rbaps/fiche/species-rich-grassland-artenreiches-grunland-kenna_en.htm
- At the PONT conference on the 8th February Wolfgang Suske from Austria is giving a presentation on results-based schemes, Welsh Government officials are contributing to the conference

¹ **SUMMARY of Results-based Payments for Biodiversity Guidance Handbook**
Designing and implementing results-based agri-environment schemes 2014-2020. Institute of European Environmental Policy

3 To what extent should Wales develop its own agricultural, land management and rural development polices or should it be part of a broader UK-wide policy and financial framework?

- Wales has always designed its own agri-environment schemes and should continue to do this. In doing so Wales could seek to adopt a positive payment by results approach to agri-environment that rewards farmers for delivering nature conservation and wider natural resource benefits.
- The economic situation in Wales which is highly dependent on SMEs, tourism and agriculture and Wales will continue to require development funding to compete on the UK stage.
- Whatever happens in the rest of the UK rural development funding in Wales is essential to underpin our approach to the environment, local economy and well-being. The detail of how this funding is allocated should continue to be developed and agreed at a Wales level.
- While developing our own polices and schemes is important we should do this in the context of our UK and global commitments for nature.

Yours sincerely



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