Why Wales needs a Public Goods Scheme

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Wales Environment Link

Nature Friendly Farming Network

A briefing from Wales Environment Link, in partnership with the Nature Friendly Farming Network



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Our vision is of a Wales that manages its land sustainably, in ways that benefit people, the environment and nature, as well as an economic future for land managers, recognising the direct links between a healthy environment and a healthy society.

The Common Agricultural Policy (CAP) has not delivered a sustainable future for Welsh land or land managers. CAP has failed to help our wildlife. Declines of farmland birds and other species continue, and the quality of our soil and water is getting worse. No ecosystem in Wales is resilient. The current arrangements for farm support will not help Wales to achieve the goals of the Well-being of Future Generations Act or the Environment (Wales) Act.

The State of Nature report found that, in Wales,

one in 14 species is heading for extinction, with 57% of wild plants, 60% of butterflies and 40% of birds in decline.

As we face catastrophic loss of nature and huge challenges to address climate change, continuing with business as usual is not an option.

A new approach

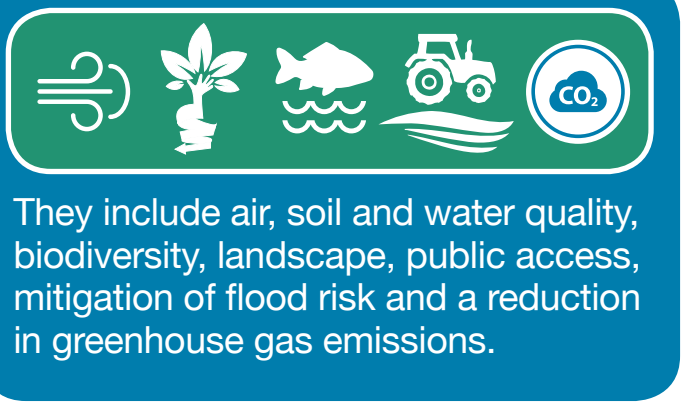
We believe this is a once in a lifetime opportunity to develop a land management policy that will restore resilient ecosystems and support a thriving rural economy.

We want that policy to provide secure income to support farmers to deliver public goods.

In parallel with this, farmers would be rewarded fairly for delivering the quality of the food that we need. This should be through fair purchasing practices across the whole supply chain and a properly enforced statutory code of conduct.

What are public goods?

Public goods are the outcomes and benefits from land management that cannot be provided by commercial markets.



They include air, soil and water quality, biodiversity, landscape, public access, mitigation of flood risk and a reduction in greenhouse gas emissions.

We believe that every land manager will be able to provide public goods, and that some public goods can be provided alongside or even as a result of commercial activity.

For example, certain types of grazing can be beneficial for wildlife and an increase in hedge and tree cover on farms can bring multiple benefits (shelter, carbon sequestration, habitat) if planted in the right areas.

Who should be eligible to benefit from the scheme?

The scale of the challenge to restore our environment is enormous.

Research shows that we need a minimum of £220 million invested in our environment annually if we are to deliver the goals of the Environment and Well-being of Future Generations Acts.

Because of this, we believe that any non-statutory land manager that is actively managing their land to provide clearly identified public goods should be eligible to benefit from this scheme.

We understand concerns that this could create competition for limited funds, but **as 80% of Wales is farmed, most of the money from a public goods scheme will be invested in farming**.

What support do farmers and other land managers need to make this change?

The Basic Payment Scheme has provided a stable income and some farmers would struggle without it. There is a clear need for change, but the transition period should be as smooth as possible to allow farmers to adjust.

We need:

1. **A fixed transition period**
   To provide confidence and clarity for land managers, a 5 – 7 year transition period should be confirmed, to establish an even playing field for trade across the UK and to stay in line with other Welsh Government policy. Timescales for making the necessary changes and piloting new policies should be clear.
2. **A strong regulatory baseline**
   By the end of the transition period, all land managers should be compliant with regulations designed to protect the environment, and certified for entry into the public goods scheme. Non-compliance must result in repayment of public money. The Welsh Government could support improvements by offering financial help, such as interest free loans.
3. **Future policies must be well designed, tested and easy to understand**
   It's essential that everyone understands how current and future land management policies will work with each other. We need to know how success will be measured, and how today's mix of direct payments and Glastir payments will change to a single system of public goods payments.
4. **Funding must be re-invested in sustainable land management**
   Any funding released from the direct payments budget must be used to support the change to an efficient sustainable land management policy. Given the challenges that farmers face, the Welsh Government needs to help to manage this change. A Transition Fund is needed to invest in business management advice, succession planning and targeted support to new entrants.

This paper has been put together by WEL, in partnership with the Nature Friendly Farming Network.

The **Nature Friendly Farming Network** unites farmers who are passionate about wildlife and sustainable farming.

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Wales Environment Link (WEL) is a network of environmental, countryside and heritage Non-Governmental Organisations in Wales. Our vision is a healthy, sustainably managed environment and countryside with safeguarded heritage in which the people of Wales and future generations can prosper.

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