



Environment Policy Essentials: Embedding sustainable land management across Wales

Effective land management is fundamental to the health of our rivers, our environment, our economy and thriving communities. With 90% of Wales as farmland, we must manage this in partnership with farmers. After leaving the EU, Wales had the opportunity to set up a bespoke Sustainable Farming Scheme (SFS), established in January 2026.

As of June 2026, 905,545 hectares of farmland entered the SFS; 384,399 ha remain on the Basic Payment Scheme, which will close at the end of 2028. The Universal Layer has been set, and the 'upper layers' have begun but not been finalised.

The Welsh Government must quickly bring forward an effective and adequately funded range of Optional and Collaborative layer actions to:

- maximise opportunities for farms to be paid to deliver nature recovery at scale;
- support sustainable food production; and
- sustain a resilient rural economy whilst creating climate-resilient systems that will provide for us into the future.





In tandem with managing other farmland habitats, such as species-rich grassland, it is essential that the Welsh Government works with farms to increase appropriate tree and hedge cover, recognising the significant benefits it brings to farms and the wider rural landscape.

Trees in the right place – especially in agroforestry systems – improve soil health, enhance water management, provide shelter for livestock, support biodiversity and create opportunities to diversify farm incomes, whilst strengthening resilience to climate change. Ambitions for woodland creation have been set, but we are still a long way short of achieving this vision, particularly if net zero is de-prioritised.



What tools do we have?

- The Agriculture Act 2023, which set up the framework for the SFS, was designed to meet four Sustainable Land Management (SLM) Objectives on food production, climate change, ecosystem resilience, and rural culture and the Welsh language.
- NRW management agreements for designated sites, via the Environment (Wales) Act 2016 and the Wildlife and Countryside Act 1981.
- The Water Resources (Control of Agricultural Pollution) Regulations 2021 sets measures to reduce water pollution from agricultural sources. We need to implement recommendations from Dr Bolton's independent, expert review.
- The Welsh Government supports woodland creation through multiple mechanisms, including the Woodland Investment Grant to continue developing the National Forest for Wales.





What can MSs call for to ensure healthy land management?

- **Align funding with ambition:** Prioritise investment in the Optional and Collaborative layers, where the majority of environmental benefits will be delivered. The recent Glastir Evaluation clearly states this approach is essential if the SFS is to make a meaningful contribution to environmental priorities.
- **Build a clear advice and support pathway for farmers transitioning to new ways of working:** A coherent advice framework will support farmers to progress both their Universal Layer outputs and additional upper layers with a whole farm approach. This should include improved digital tools, high quality one-to-one advice, and the introduction of a Code of Practice and competency framework for advisors. We set out recommendations in our Framework for Nature Advice brief.
- **Establish a robust monitoring and indicators framework:** To assess the progress and effectiveness of the SFS against statutory commitments where farming must contribute, e.g. nature restoration, public access and water quality.
- **Enable effective collaboration at landscape scale:** This is best achieved in the Optional and Collaborative layers of the SFS. See our suggestions in our Landscape Habitat Packages paper.
- **Develop an effective regulatory baseline:** Agricultural regulation must be effectively and universally enforced to halt nature loss and provide the essential foundation upon which public funding and voluntary measures can deliver sustainable land management. This includes the development of a National Minimum Standards framework. The SFS must help support a reduction in pollution; see our Water Briefing for more.



Wales Environment Link (WEL) is a network of environment, countryside and heritage Non-Governmental Organisations in Wales. Our vision is a thriving Welsh environment for future generations.

This paper represents the consensus view of a group of WEL members working in this specialist area. Members may also produce information individually in order to raise more detailed issues that are important to their particular organisation.

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