

## **SUSTAINABLE FARMING SCHEME CONSULTATION RESPONSE FROM COUNTRYSIDE ALLIANCE WALES**

March 2024

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- **The Countryside Alliance exists to represent and advocate on behalf of rural communities, and in responding to the Welsh Government consultation on the Sustainable Farming Scheme seeks to outline the key rural concerns with the policy direction.**
- **Welsh Government modelling found that the impact of the Scheme on Welsh agriculture could mean the loss of £125 million in farm income, 122,000 head of livestock and about 5,500 jobs.**
- **Agricultural support represents only 2% of the Welsh Government’s budget, yet a Yougov poll conducted for NFU Cymru in November 2023 found that 82% support the Welsh Government providing financial support to farmers to produce food.**
- **The opportunity presented by the UK’s departure from the Common Agricultural Policy should be pursued with greater ambition than the mere ‘managed’ decline of Welsh farming.**
- **Using the skills and experience of farmers is often the best way to improve biodiversity and secure the future of our vital natural resources. If farming in upland, and other marginal areas, were to be abandoned because of changes to support payments, there would be detrimental effects on the habitat in these areas and the species they support.**
- **The interests of a globally responsible Wales, which the Well-being of Future Generations Act 2015 obliges public bodies to pursue, would be better served by seeking to increase, not reduce, the number of livestock reared in Wales to its world-leading environmental and welfare standards.**

### **This consultation**

- **The Welsh Government’s consultation on the Sustainable Farming Scheme represents a key milestone in the most significant programme of change for the Welsh agricultural sector since the UK joined the Common Agricultural Policy in 1973. Its ramifications stretch beyond direct farming to touch all aspects of the food supply chain and rural life in Wales.**
- **The Countryside Alliance exists to represent and advocate on behalf of rural communities, and as such we are keen to serve as their voice in this process.**
- **We support and endorse the positions being presented in response to this consultation by NFU Cymru and the Farmers’ Union of Wales. We recognise, however, that as an organisation we lack their direct, field-based expertise in determining the real-world impacts of the Welsh Government’s proposals on working farms, farmers and agricultural workers.**

- As an alternative to responding to the direct questions to which answers are being sought in this consultation, we therefore propose to outline in this submission what we understand to be the key concerns as to the Welsh Government's policy direction that are now being felt and expressed within rural Wales.

### **Modelled impacts**

- Welsh Government research sought to model the impacts of its proposed Sustainable Farming Scheme. It found that the impact of the Scheme on Welsh agriculture could mean the loss of £125 million in farm income, 122,000 head of livestock and about 5,500 jobs.
- These losses are Countryside Alliance Wales's primary concern in relation to the Welsh Government's proposals, and they form the basis of our response to this consultation.

### **Food production**

- Agricultural support represents only 2% of the Welsh Government's budget, yet a Yougov poll conducted for NFU Cymru in November 2023 found that 82% support the Welsh Government providing financial support to farmers to produce food. Taking government priorities into account, 72% said that supporting Welsh farmers was a good use of public spending.
- Since the commencement of Russia's war against Ukraine, the resulting disruption to the global food supply and its impact on food prices, the issue of food security has rightly come into sharp focus.
- The UK Government's position is that while there is insufficient production capacity for self-sufficiency in food to be a realistic goal – and that other than under the worst circumstances there will always be scope for some degree of international trade in food – the UK does need to be more ambitious about producing and consuming more British food. Clearly there are questions about the fitness of agricultural policy in England to meet this objective (the policy itself being iterated over time), but Countryside Alliance Wales supports the intention.
- An agricultural policy that envisages, from the outset, a reduction in domestic food production would seem to be outmoded, and better suited to a pre-Ukraine environment of greater ambivalence on the issue.
- The opportunity presented by the UK's departure from the Common Agricultural Policy should be pursued with greater ambition than the mere 'managed' decline of Welsh farming.

### **Farm incomes**

- In general terms the Countryside Alliance supports the notion that farms, in addition to their primary role of producing food, can make a positive contribution to nature restoration and the health of the environment.

- Using the skills and experience of farmers is often the best way to improve biodiversity and secure the future of our vital natural resources. If farming in upland, and other marginal areas, were to be abandoned because of changes to support payments, there would be detrimental effects on the habitat in these areas and the species they support.
- Without adequate support there is a risk that farmers of marginal land will struggle to make a profit, even with income from diversification. Their work, however, often provides the most amount of public good in creating and maintaining some of Wales's most iconic rural landscapes. These support many of our rarest habitats and wildlife and are central to rural tourism, which across the UK as a whole is worth £19 billion a year to the economy.
- The detrimental impact on current farm incomes is further exacerbated by the relatively low levels made available by the Welsh Government of capital grants, which we understand have a maximum level of £50,000 in Wales compared with £200,000 in England. The Welsh Government should seriously consider reviewing the criteria and available rates attached to capital grants to promote diversification where possible.
- Some campaigners have taken to suggesting that existing land management should be withdrawn or scaled back as part of a policy of 'rewilding'. Supporters of 'rewilding' often see farming as an obstacle to conservation, but this ignores its benefit in many areas. As Natural Resources Wales states of lowland peatlands and heathlands, "*Decline in traditional grazing and other management practices are often apparent and lead to loss of valued features.*"
- Farmers have also expressed concern that merely to participate in the Sustainable Farming Scheme they will be expected to collect and share significant amounts of data, without any further payment recognising their provision of a product and service that will be of measurable financial value to the Welsh Government.

### **Well-being of Future Generations Act 2015**

- The Well-being of Future Generations Act 2015 requires commitment from all public bodies in Wales to pursue sustainable development with reference to seven well-being goals, three of which are:
  - A Wales of cohesive communities;
  - A Wales of vibrant culture and thriving Welsh language, whose description includes the protection and promotion of heritage;
  - A globally responsible Wales, described as requiring that actions taken to promote the economic, social, environmental and cultural well-being of Wales must take into account whether they are also contributing positively to global well-being.
- Reducing the profitability of the agricultural sector would negatively impact the cohesiveness of communities of people whose livelihoods depend on it. This is particularly true of family farms which, if forced to close, would disperse traditional farming families and lead to land coming under the control of non-farmers, likely from outside Wales.
- Welsh agriculture workers and farming families comprise a relatively high proportion of Welsh language speakers, and the sector makes extensive use of heritage practices. Reducing the profitability of agriculture would negatively impact these cultural practices. Further impacts can be expected throughout the food supply chain as well as those of other agricultural produce, such as wool and the craft producers who make use of it.

- Given that agricultural policy has no bearing on consumers' dietary preferences, the inevitable consequence of reducing livestock production in Wales would be an increased reliance on imports. Welsh agriculture enjoys among the highest standards of environmental and animal welfare performance in the world, which, while cause for celebration, does mean that the substitution of imports for domestic produce would have a deleterious impact on these indicators globally.
- The UK Climate Change Committee has repeatedly warned against the offshoring of agricultural emissions by means of import substitution for domestic produce.
- Increasing the reliance of Wales and the United Kingdom on imported food could also generate upward pressure on global food prices, with a resulting detrimental impact on the world's poorest countries and people.
- The interests of promoting a globally responsible Wales would be better served by seeking to increase, not reduce, the number of livestock reared in Wales to its world-leading environmental and welfare standards.

**For more information please contact:**

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