

The emerging context for domestic agricultural policy post Brexit

Rob Cooke (Natural England) and David Baldock/Kaley Hart (The Institute for European Environmental Policy)

Context

- For many the CAP (and CFP) have been totemic issues associated with our membership of the EU.
- After Brexit Agricultural Policy will be a domestic matter; devolved across the four countries of the UK.
- It will be subject to Parliamentary decision making, and budget setting and therefore will be less ring-fenced than perhaps it was as part of the CAP.
- Since the Referendum there have been many studies, models, opinions and analyses undertaken.
- These have no doubt helped shape the consultations, draft Bills and emerging policies, which I will attempt to summarise here.

Policy Context

	England	Wales	Northern Ireland	Scotland
Stage in the policy process	<p>‘Health and Harmony’ consultation closed (Feb-May 2018)</p> <p>UK Agriculture Bill and Policy paper published 12 Sept 2018</p>	<p>‘Brexit and our land’ consultation open (July-30 Oct 2018)</p>	<p>‘NI Future Agricultural Policy Framework’ consultation open (July-10 Oct 2018)</p>	<p>‘Stability and Simplicity’ consultation closed (June-Aug 2018)</p> <p>Strategy document published May 2018</p>
Key themes	<ul style="list-style-type: none"> • Public money for public goods 	<ul style="list-style-type: none"> • Economic resilience • Public goods 	<ul style="list-style-type: none"> • Productivity • Economic resilience • An environmentally sustainable agriculture sector • Supply chains 	<ul style="list-style-type: none"> • Natural capital • Production efficiency • Simplification during the transition

More Sustainable Agricultural Systems

Moving towards more sustainable agricultural systems which look after natural resources and promote natural capital is a theme that is articulated in all four countries' proposals to a greater or lesser extent. All four countries include a reference to the fact that looking after the environment / natural resources and productivity go hand in hand.

	England	Wales	Northern Ireland	Scotland
	England takes a long term approach to productivity recognising that “production today should not come at the expense of tomorrow’s productivity”, hence a focus on “safeguarding the assets that support domestic production”.	High-quality natural resources and healthy ecosystems considered to be the foundation of Wales’ productive capacity for food and forestry, as well as for the tourism sector.	Emphasis on the need for productivity growth in NI is strong although the consultation specifies that these gains cannot be at the expense of environmental sustainability and that these twin objectives should be delivered synergistically.	The future policy should aim at the twin objectives of enhancing Natural Capital and improving Production Efficiency. Soil health is proposed as a central Natural Capital element to protect as “food security for future generations [is] underwritten by the capacity of soils to function.”

Economically Marginal Farming

In Wales, Scotland and Northern Ireland - a clear focus on prioritising keeping farmers on the land and minimising any structural change, on ensuring that the farming sector is economically resilient to enable it to deal with climatic as well as market shocks, alongside measures to promote environmental management.

In England the Policy statement says that in recognising the dependency of many upland farmers on direct payments states that they will be well placed to benefit from new environmental land management schemes, which will reward them for the public goods they provide.

England	Wales	Northern Ireland	Scotland
<ul style="list-style-type: none">• Time-limited investments in farming equipment, technology and infrastructure to support innovation	<ul style="list-style-type: none">• Economic Resilience scheme (investments in physical and human capital)	<ul style="list-style-type: none">• Basic Farm Resilience Support• Income Protection or Anti-Cyclical Measures• Investment and Restructuring aid• Training credit scheme to encourage CPD	<ul style="list-style-type: none">• Income support schemes like LFASS and the Scottish Upland Sheep Support Scheme• Production Efficiency scheme• Farm investment support

Emerging Aspects (across UK) of an environmental land management scheme

- Environmental Baseline (and cross compliance)
- Less prescriptive outcome based approaches
- Future scheme design
- Future scheme payment approaches (Natural Capital)
- The importance of advice
- Tests, trials and pilots
- Transition and timelines – moving from CAP to the new system

Environmental Base line

- England, Wales and Northern Ireland stress their commitment to some form of environmental baseline. This is not obvious in the Scottish consultation document.

Approaches to supporting environmental land management

- Outcome focussed approaches are highlighted as desirable in England, Wales and Northern Ireland.
- Landscape-scale delivery is emphasised in Wales and Northern Ireland.
- Collaboration and cooperation between farmers and other stakeholders are also emphasised in all four countries.

Approaches to supporting environmental land management - Payments

- Wales and Northern Ireland expressed the need for payment levels to go beyond the income foregone and additional costs calculation, highlighting the need for an additional incentive element.
- In England, the policy paper is less explicit and refers to the need to “value environmental benefits appropriately” while “maximising value for money”
- A Natural Capital basis for payments has been proposed – more work is required to develop this

Advice- All four countries highlight the importance of advice.

England	Wales	Northern Ireland	Scotland
<p>Advice would be needed by farmers to develop their land management plans and to help review progress in delivering agreed outcomes, but it is not yet clear if this would be publicly funded or at the farmers' own expense.</p>	<p>A step change in the advice offer is foreseen.</p> <p>A greater degree of collaboration, involvement of private/other types of actors, e.g. National Park Authorities, is foreseen.</p>	<p>CPD, advice, facilitation and investment in research underpin the 4 areas on which the future NI agriculture policy would focus. It is a priority to develop a skilled farm workforce.</p> <p>Multi-actor approaches and collaboration in different areas is highlighted as important for environmental performance, productivity and supply chains.</p>	<p>Investment in knowledge transfer, advice and training are foreseen to develop digital skills, technical farming and land management skills, as well as careers in agriculture and related sectors.</p> <p>More collaborative ways for working to be promoted, including within the supply chain.</p>

Tests, trials and pilots

- All four countries anticipate using pilots and trials to test the new policy frameworks they are proposing before rolling them out at national level.
- This will start in:
 - The 2020–2021 scheme years in Northern Ireland and possibly Wales as well (although this is not clear)
 - In the Jan 2021-March 2024 transition period in Scotland
 - During the 2021-2027 Agricultural Transition period in England.

Transition

England	Wales	Northern Ireland	Scotland
<p>April 2019-Dec 2020 – Implementation period: no change in payments; CAP rules apply. Some simplifications could be introduced where feasible.</p> <p>Jan 2021-Dec 2027 – Agricultural Transition. Progressive reduction of DPs.</p> <p>2021-2024 – pilots for new ELMS.</p> <p>2022-2024 – Final CS agreements start.</p> <p>2025: full implementation of the ELMS.</p>	<p>April 2019-Dec 2019: no change in payments; CAP rules apply.</p> <p>Jan 2020 onwards: UK legislation applies so transition to new arrangements can begin. Ambition is to complete this process by 2025.</p>	<p>April 2019 - Dec 2021 - Transitional Agricultural Support Regime:</p> <ul style="list-style-type: none"> • 2019: no change in payments; CAP rules apply for 2019; • Jan 2020 - Dec 2021: limited changes introduced in 2020 and 2021 scheme years, piloting of new approaches. <p>Jan 2022 onwards: new arrangements of the Agricultural Policy Framework apply (a managed transition within this period is foreseen).</p>	<p>April 2019 - Dec 2020 - Implementation period: no change in payments; CAP rules apply.</p> <p>Jan 2021 - March 2024 – Transition period: simplifications and improvements to be introduced to CAP rules/system; piloting of new approaches.</p> <p>April 2024 onwards – start of the implementation of the new arrangements of the Scottish Agriculture Policy.</p>