

Cynulliad Cenedlaethol Cymru  
Y Pwyllgor Newid Hinsawdd,  
Amgylchedd a Materion Gwledig  
MCD mewn perthynas â Bil  
Amaethyddiaeth y DU

NHAMG (5) AB09  
Ymateb gan Yr Ymddiriedolaeth  
Genedlaethol

National Assembly for Wales  
Climate Change, Environment and  
Rural Affairs Committee  
LCM in relation to UK  
Agriculture Bill

CCERA(5) AB09  
Evidence from National Trust

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## **Submission from the National Trust in Wales to the Climate Change, Environment and Rural Affairs Committee, Welsh Assembly**

The National Trust (NT) exists to care for the special places of Wales so that they can be enjoyed everyone, forever. We place great importance on the conservation, management and enjoyment of the natural and historic environment both within and beyond our boundaries. We care for 157 miles of beautiful Welsh coast, 46,000 hectares of land, 97% of which is registered as agricultural, and ten of the fourteen peaks over 3000 feet. We are the guardian of 18 of Wales's finest castles, houses, gardens and industrial sites. We care for archaeological sites, designed and cultural landscapes, buildings, architecture and parks and gardens, 175 Scheduled Ancient Monument and 381 listed buildings. We currently have approximately 240 agricultural tenancies, 6000 volunteers and welcomed 1.8 million visitors to our properties in the last year. Two-hundred thousand National Trust members live in Wales.

We believe that the UK's withdrawal from the European Union presents an opportunity to establish an ambitious and environmentally responsible land management policy. Given the twin threats posed by the climate emergency and biodiversity crisis there is an urgent need to introduce a system in which sustainable and forward-looking land based businesses can thrive and deliver what the nation and the public want, within a framework of protection and restoration of all aspects of our precious natural and historic environment.

The current subsidy system is not delivering for farmers, society or the environment. Leaving the EU provides an unprecedented opportunity to revitalise our countryside in a way that meets the needs of people and the environment, for generations to come. The National Trust therefore supports the Agriculture Bill's introduction of a new environmental land management system for England based on the principle of public money delivering public goods and by extension we would like to see a similar basis for

Wales (a devolved matter). Specifically this should apply to benefits (public goods) such as adaptation to climate change, improved water quality, soil quality, heritage conservation and public access, for which no functioning market exists.

As the UK looks to urgently address climate change and biodiversity loss, the Agriculture Bill in England and similar instruments across the devolved nations, will be some of the most important tools to unlock and deliver practical solutions. However, these should not be seen as the totality of UK government food and farming policy. They must be supported by long-term funding, based on an independent assessment of need, alongside the provision of good quality advice for farmers, safeguards against the import of low standard food, and the enforcement of environmental standards and protections.

Given the urgent need for environmental restoration, there should be no delay in transitioning to a new system and there is a need to maintain a clear focus for public spending by not broadening the list of public goods. Productivity support must help deliver public goods.

We welcome many of the new provisions in the Bill and the overall commitment to a public goods model. Especially welcome are those provisions relating to multi-annual financial plans, and broad powers to ensure fairness in the supply chain, although we believe that these can be strengthened further. We also want provisions to ensure high standards of farming and land management, and better regulation. This is currently a major gap due to prospective loss of Cross Compliance within the Basic Payment Scheme.

Upland farmers are well-placed to deliver public goods, such as improving water quality, enhancing landscapes and managing upland streams to improve water quality and reduce flood risk. These farms can profit from a system based on public money for public goods, and should receive dedicated help to move to the new system.

### **National Trust view of devolved powers and UK frameworks**

We recognise that the UK will need to operate as a single market once it leaves the EU's single market and that this requires the UK government to have single rules on many regulations if it is to agree trade deals with other countries. However, we believe that powers which are currently devolved, including most environmental matters, should be passed on to the devolved administrations following departure from the EU. We believe that Westminster should not seek to re-reserve (ie. take back any powers which are currently devolved), that the subsidiarity principle should apply and that the distribution of funding for agriculture and land use should be on the basis of need, not population as with the Barnett formula.

There is thus a need to move to a shared UK framework, based on the following:

- Maintaining a set of common principles and ambitions/agreed framework across all four nations is highly desirable, to avoid a race to the bottom and to address cross-border issues (landscapes, rivers and ecosystems do not recognise political borders).
- Allow for UK to show commitment to international commitments that it has signed up to individually or as part of the EU.
- Ensure UK acts as a single market for the purposes of signing new trade agreements

Common principles should include commitment to strong and independent environmental governance, polluter pays principle, precautionary principle, subsidiarity. The common principles/framework should not be set at Westminster and 'imposed' on devolved nations so should be agreed jointly by all four countries - ie. all four nations should opt into 'pooling' their sovereignty. We would like to see this principles clearly set-out in the Bill.

The framework should set standards, but should be sufficiently flexible to allow for implementation at the devolved level, in ways which reflect national differences. The details needed in the framework may depend on the nature of future trade agreements (eg whether UK strikes out on its own or just mirrors EU regulations). The framework should set out that funding for environment and agriculture should be allocated on the basis of need, drawing on research carried out with RSPB and Wildlife Trusts<sup>1,2</sup>

### **Specific comments – our comments in blue**

**Clause 17: Duty to report to Parliament on UK food security**, as defined by five factors. We note that food security often becomes conflated and confused with the idea of self-sufficiency or 'food

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<sup>1</sup> Rayment, M. (2017). Assessing the costs of Environmental Land Management in the UK. Commissioned by the RSPB, National Trust and Wildlife Trusts. Accessed from: <https://www.nationaltrust.org.uk/documents/assessing-the-costs-of-environmental-land-management-in-the-uk-final-report-dec-2017.pdf>

<sup>2</sup> Rayment, Matt. (2019). Paying for public goods from land management: How much will it cost and how might we pay? Final Report A report for the RSPB, the National Trust and The Wildlife Trusts. 10.13140/RG.2.2.11704.49929

sovereignty'. Put simply, if the aim is food sovereignty, then the aim of policy should be to reduce food exports. If the aim is food security, then the policy should be to have good relations and a trade policy to support imports and international supply chains, but not at any cost. In terms of the ability of the UK to respond to a global crisis that interrupts global food networks, then a more optimal approach is to support farmers and other land managers to deliver other outcomes during ordinary times - for instance farming for environmental results - but retaining their ability to increase production if a crisis was to emerge.

Protecting and enhancing the asset base, like soil, pollinators and water, will therefore be fundamental to retaining our ability to produce food well into the future, with less reliance on imported or unsustainable inputs.

If reports are mandated, they should go both to Parliament and to Welsh Government as cooperation will be essential in dealing with issues around food security and food and farming are devolved matters.

**Clause 27: Fair dealing obligations of business purchasers of agricultural products** Powers for UK Secretary of State to impose obligations on business purchasers of agricultural products in relation to contracts they make for the purchase of such products from qualifying sellers, including mandatory terms. It is difficult to see how this would work on a UK basis as Welsh Government view this is a devolved matter, as it is confined to the agricultural sector. However, we are open to receiving and considering more information on how this might work.

**Clause 31: Fertilisers** Powers on Ministers to regulate content of fertilisers and of material intended for the feeding of animals. We expect Welsh Ministers to use these powers to help support a proposed Clean Air Act for Wales.

**Clause 32: Identification and traceability of animals.** Powers relating to collecting, managing and making available information regarding the identification, movement or health of animals, or the means of identifying animals. Welsh Government view that these are devolved matters as they relate to the agricultural sector, animal health and animal welfare. We support this view.

**Clause 33: Red Meat Levy: payments between levy bodies in Great Britain.** Repatriation to Wales of levy payments (approx. £1m pa)

collected when Welsh livestock are slaughtered in England. We welcome this clause and believe that investment from the repatriated levies should be used to develop local supply chains in support of the Sustainable Farming Scheme in Wales.

**Clause 44: Duration of provision in relation to Wales.** Ensures that the specific provisions expire at the end of 2024. The clause also allows Welsh Ministers, by regulations, to make transitional, transitory or saving provisions in connection with this section. It is preferable that the transition timeline for Wales corresponds with that of England.

**Clause 46: Data protection - no comments**

**Clauses 47 to 54 (and Schedule 7).** General and final provision about regulations, including procedures and related matters including powers to make consequential. More information is needed in order to answer this. We are concerned about potential asymmetry of powers in UK Gov/Welsh Govt.

**Schedule 3 and clause 34: Agricultural tenancies. Amendments to the Agricultural Holdings Act 1986 and Agricultural Tenancies Act 1995.** The bulk of the amendments are intended to update and modify provision for agricultural tenancies in the 1986 Act to provide more flexibility, remove barriers to investment and improve the practical operation of the 1986 Act in relation to agricultural tenancies. We recognise the conflict in the current landlord - tenant relationship in terms of payment schemes and welcome the ambition for long term payment schemes which can support public goods delivery, particularly those considered 'non-agricultural' activities. There is work to be done on this.

**Schedule 5 and clause 43.** We are concerned that this offers potential for delayed transition which is an unacceptable outcome.

**Schedule 5, Part 1: Financial support after exiting the EU.** Provides powers for the Welsh Ministers to make regulations to modify, after exiting the EU, retained EU law relating to the basic payment scheme, and include powers to simplify or improve the basic payment scheme or to terminate greening payments. We welcome this in principle, in the context of our views on devolved matters and UK wide frameworks.

**Schedule 5, Part 2: Intervention in Agricultural Markets.** Provides powers for Welsh Ministers to provide financial assistance to support agricultural producers in Wales whose incomes are being or are likely to be adversely affected by exceptional market. We are concerned that these powers require further qualification regarding the specific terms, duration and alignment with England to ensure

that the transition to a public goods scheme is not delayed or the UK internal market distorted. It is not clear if the England and Wales markets will be viewed separately and therefore whether ministers can make different determinations of exceptional market conditions.

**Schedule 5, Part 3: Collection and sharing of data** Provides powers for Welsh Ministers to require a person in, or closely connected with, an agri-supply chain to provide information about any of the person's activities connected with the supply chain so far as the activities are in Wales. We welcome these powers with a proviso that the information collected is consistent with the aims of achieving sustainable land management (sustainable management of natural resources) and the proposed Sustainable Farming Scheme. We think there is merit in considering the provision of data by an individual to be akin to a public good but only if the data relates to true public goods, not food production.

**Schedule 5, Part 4: Marketing standards and carcass classification.** Welsh Ministers can regulate the standards which apply to certain products marketed in Wales and carcass classification by slaughterhouses in Wales. We would see these integrated with standards in sustainability measures.