

Rural Development Sub Committee RDC(3)-21-08 (p2)

Inquiry into the Axis 2 review of land management schemes - Evidence from RSPB Cymru

1. Introduction

- 1.1 The RSPB is Europe's largest wildlife charity with over one million members, with over 50,000 of them living in Wales. The Society manages one of the largest conservation estates in the UK, covering more than 100,000 hectares; 19,000 of these in Wales. Much of the RSPB's reserve land in Wales is farmed, including the 4,500 ha. Ty Llwyd farm in the Vyrnwy estate, which is managed as commercial organic farm in partnership with Severn Trent Water. We protect and enhance habitats such as upland and lowland farmland, heather moorland, coastal heath, wet grassland, estuaries and reedbeds, and our reserves help to protect many rare and threatened birds. Our advisory staff work with farmers, other environmental bodies and the Welsh Assembly Government to enhance the effectiveness of agri-environment schemes.
- 1.2 The RSPB's vision is for sustainable systems of farming that produce adequate supplies of safe, healthy food; protect the natural resources of soil, air and water that farming depends on; help to protect and enhance wildlife and habitats; provide jobs in rural areas and contribute to a diverse rural economy.

2 Summary

- 2.2 RSPB Cymru believes that revision of the Axis 2 schemes is urgently needed to address the catastrophic loss of farmland biodiversity, mitigate and adapt climate change and improve water management.
- 2.3 We believe that robust, outcome focused, Axis 2 schemes that can clearly evidence delivery of wider public goods and services, are one of the best ways of ensuring subsidy support in Wales in the longer-term context of declining Pillar 1 support payments.
- 2.4 Given the scale and complexity of meeting the environmental challenges, we believe that the whole Axis 2 budget should clearly be aligned to delivering on these outcomes. Even if all the resources of Axis 2 were primarily directed to these environmental challenges this would still be less than a quarter of the CAP budget in Wales.

- 2.5 There is a wealth of good practice already on Welsh farmland from which to develop new approaches to meet these challenges, and we should build on successful elements of the Tir Gofal scheme.
- 2.6 Careful consideration is needed to ensure continuity of the existing Tir Gofal agreements and to allow swift entry into the new scheme for all those who wish to enter. Transition measures will be needed to assist farmers in adapting to the changing support structures, though the end point should be clearly defined and deadlines set.

3 The environmental urgency

- 3.1 In line with international commitments, the Welsh Assembly Government pledged to halt biodiversity declines by 2010. Whilst this target was challenging when it was set, there is now universal recognition including from the Welsh Assembly Government that we will fail this target. Indeed all the available evidence suggests that the loss of farmland biodiversity is continuing. The latest Breeding Bird Survey 2007 data shows that we have yet to stop declines in widespread bird species such as starling (-53%), yellowhammer (-41%) and curlew (-33%) with just over 1000 breeding pairs left in Wales in 2006.¹ Lapwing, which had a population of over 15000 pairs in the 1970s, fell to 7500 pairs in 1987 and 1700 pairs in 1998 it is estimated that by today the population is well below 1000 pairs. The 2008 twite survey revealed only 13 pairs a probable decline by half in six years². For the first time this year there were no records of breeding corn bunting in Wales. If this trend continues it will be lost as a breeding species of the Welsh countryside We have no Welsh data on tree sparrow but believe the trend to be similar to the UK BBS trend (-44%).
- 3.2 This is a catastrophic loss in our biological resource, a diminishing of our natural and cultural heritage. We have a moral imperative to take action. Too many species have become functionally extinct in Wales and more will continue to do so, unless there is urgent intervention. If the Assembly does not take this opportunity, birds such as lapwing, once so common on Welsh farms only a few decades ago, look set to be restricted only to nature reserves before the end of next CAP review. This Axis 2 review represents the best if not last, realistic chance to these save these species on Wales farmland and the Welsh Assembly Government's only hope of making progress towards arresting declines in biodiversity.

4 Issues with current Axis 2 schemes

4.1 **Tir Gofal:** RSPB Cymru is a strong supporter of Tir Gofal and most of the farms which have successfully brought about recovery in wildlife at the farm-scale are participants of this scheme or its predecessor Tir Cymen. We believe that the fundamental limiting factor has been that lack of funding has limited the number of entrants and the benefits have

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¹ The population status and hatching success of curlews *Numenius arquarta* in Wales in 2006I.Johnstone, J. Dyda & P.Lindley

² I Johnstone et al, RSPB, in prep., 2008

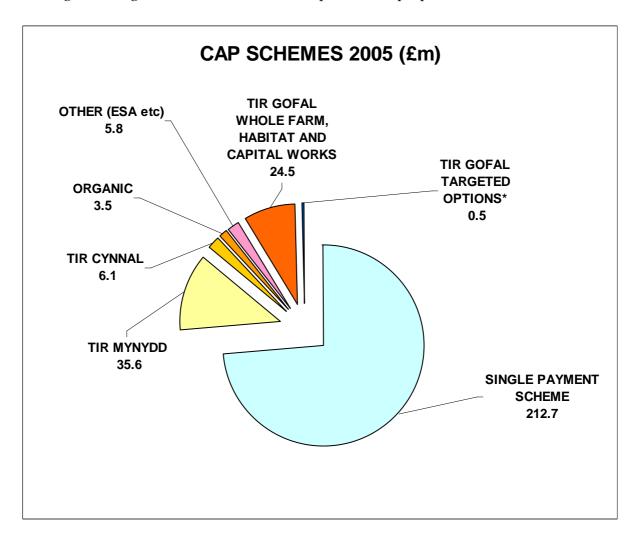
been too scattered across Wales to approach any critical density. Additionally, there is a lack of targeting of the right prescriptions to the right areas - e.g not all the prescriptions needed for lapwing recovery are in the places where lapwing still occur. Finally, the role of the project officers should not be underestimated - where skilled project officers have been able to use the scheme flexibly in discussion with the farmer, we have seen the best results. The failure to monitor species outputs means that these conclusions are based on anecdotal evidence and desk based study. However, there is evidence from England that targeted agri-environment schemes can facilitate recovery.³

- 4.2 **Tir Cynnal**: RSPB Cymru supported the principle of an entry level agri-environment scheme however, this scheme suffers from having been designed for administrative simplicity over securing any tangible environmental outputs.
- 4.3 Tir Mynydd: Whilst providing an important income stream to farmers in the LFA, this scheme does not by its design guarantee any environmental outputs. It is essentially an additional income support payment (alongside the Single Farm Payment) that only accidentally secures environmental gains. RSPB Cymru believes that keeping the uplands of Wales farmed is the only way to secure biodiversity recovery in these areas (as well as the other key environmental outputs). We are therefore looking to identify ways to redeploy the Tir Mynydd payment in ways that secure environmental outcomes but that will also provide a secure income stream to hill farmers.

³ Peach, W.J., Lovett, L.J., Wotton, S.R. & Jeffs, C. (2001) Countryside stewardship delivers cirl buntings (*Emberiza cirlus*) in Devon, UK. *Biological Conservation* 101, 361-373

5 Current allocation of resources

Although these figures are for 2005, the broad picture and proportions are the same in 2008.



Data sources:

Farming Facts and Figures Wales, Welsh Assembly Government, 2008 Rural Development Plan for Wales 2000-2006, Annual Report, 2005 Tir Gofal Scheme Handbook (Payments), Countryside Council for Wales/Welsh Assembly Government, 2003

6 What should the new schemes look like?

6.1 Principles

The RSPB has identified four principles on which the Axis 2 schemes should be based. In our view, only Tir Gofal currently delivers on these principles

6.2 <u>Delivery of wider public goods:</u> Public money should be used to pay for the demonstrable delivery of dealing with the consequences of market failure and providing tangible public

^{*}An indicative figure based on estimated take-up of options.

- goods, such as actions to deal with climate change mitigation/adaptation; the management of water quantity and quality; protection and enhancement of biodiversity.
- 6.3 <u>Sustainability:</u> Sustainable development requires the integration of environmental, social and economic objectives for *simultaneous* gain. The schemes should deliver the public goods described above in such a way as to support the social and economic health of rural communities.
- 6.4 <u>Value for Money:</u> We must make the most effective use of the limited resource in Axis 2 by integrating measures to achieve multiple objectives and adopting a more holistic approach to land management.
- 6.5 <u>Adapting to evolution of the CAP post-2013:</u>. It is very likely that Pillar 1 funding will decline markedly, leaving farmers in Wales to respond primarily to a mixture of Rural Development signals and market forces. It is possible that in the future CAP funding could be based almost entirely on Rural Development measures.
- 6.7 It is the RSPB's view, that the long-term interests of Welsh farming will be best served by using the Axis 2 measures to help farmers adapt and prepare for the changes that lie ahead. We will also need to ensure that the Axis 2 measures are defensible in Europe and therefore we must ensure that they clearly deliver the outcomes identified and that we can evidence this by putting in place an outcome monitoring programme.

7 Priority outcomes

- 7.1 Restoring and enhancing biodiversity: All the actions that have taken place so far have yet to make the significant impact necessary to tackle the declines additional effort is needed. Targeted action to address species loss on all farmed land is required, alongside improved management of designated sites. The protection and enhancement of biodiversity is identified as an international and national priority⁴ yet we are still failing in Wales to devote the appropriate level of resource required.
- <u>7.2</u> <u>Water</u>: Significant improvements have been made to water quality over the past two decades. Additionally, water management is particularly suited to a landscape scale approach when operated on a catchment basis.
- 7.3 Climate change adaptation and mitigation: Organic soils and peat can act as a carbon store and land management measures can protect this stored soil carbon. Many upland areas, particularly degraded blanket bogs, are a major source of greenhouse gases. We believe that Cross Compliance and good practice should prevent organic soil degradation where it is related to unsuitable management activities. We must stop further degradation of these areas and it may be possible to restore blanket bog so that it becomes a carbon sink in the longer term however, the evidence base is not yet well enough developed Restoration of blanket bog is still a valuable biodiversity outcome but climate change mitigation outputs are likely to be secondary at least in the short to medium term.

⁴ EU Strategic Guidelines and Wales Environment Strategy

8 Additional outcomes

- 8.1 Socio-economic outputs. Studies on the socio-economic impacts of both Tir Cymen⁵ and Tir Gofal schemes⁶ have shown that they are both effective at providing a reliable farm income, creating significant contractor work and stimulating the local economy.
- 8.2 Retaining and developing skills in the countryside: Managing the land for both food and environmental outputs is a labour intensive process requiring a skilled workforce. One outcome of agri-environment schemes should be to help the rural workforce adapt to the changing expectations placed on land managers. The role of training and project officers in effecting this change in approach and skills set is a vital investment.
- 8.3 Access and amenity: Direct experience of the natural world is more limited today than ever. The links between public health and the environment has long been recognised and increasingly there is a body of research to support this⁷. Farmers can provide a significant contribution to the public health and equality agenda through provision of a quality landscape with access routes and wildlife spectacles which can be promoted for tourism benefits. Provision of educational access facilities on farms can also help build better understanding between consumers and food producers.

9 Scheme structures

- 9.1 An outcome led scheme with clear priorities and objectives linked to a comprehensive monitoring programme.
- 9.2 An all Wales element: Given the extent of the three environmental priority outcomes for Wales listed above, we believe that there will be actions to be taken in all areas of Wales. Indeed RSPB believes that prescriptions that help reverse declines in widespread species must available throughout Wales to ensure that we have mechanism in place to tackle declines in widespread species such as yellowhammer and tree sparrow.
- 9.3 A higher tier element: Some of the environmental problems are on a scale or level of difficulty that they will require greater intervention. We envisage that this would include action for species such as lapwing and for cooperative action from farmers and land manager to create new habitats such as wetland features and management of common land. The areas for higher tier action should be determined by the priority outputs required not by geographic targeting to certain soil types or designated sites.
- 9.4 Focusing the right actions in the right places: To meet the spending principles and delivery priorities outlined above there is a clear case for greater focusing of the right

⁶ Socio-economic Evaluation of Tir Gofal -Agra CEAS Consulting Jan 2005 and the Role of Tir Gofal in Stimulating work for Land based contractors in Wales - Agra CEAS consulting May 2006

⁵ Socio-economic Assessment of Tir Cymen - ADAS March 1996

⁷ Bird W 'Natural Fit (2004) Natural Thinking (2006) The RSPB www.rspb.org.uk/policy/health/index.asp

actions on the right places. This is particularly true of actions for biodiversity⁸ where there is demonstrable evidence that concentrating management activity on those key species most likely to benefit can achieve significant results. Work has already been done to identify Key Areas in Wales for a number of priority species within Tir Gofal and this approach could be expanded and formally included as part of the new scheme. Identifying a suite of priority actions within each area will allow development of a menu of options for farmer in that locality that will ensure that each agreement is delivering priority outputs. Given the number of the delivery priorities it is very likely that there will be a range of options under each agreement.

- 9.5 <u>Packages of prescriptions: -</u> a new approach to packaging up prescriptions to achieve maximum environmental outcomes, either on an individual farm or between a group of neighbouring farms. To deliver biodiversity targets the year-round requirements for particular species need to be provided within the entire area over which they range. This has been adopted as project officer guidance since 2006 within Tir Gofal and should be formalised in any new scheme.
- 9.6 Outcome or results led prescriptions: Prescriptions should be written in an outcome focused way so that where possible the prescription can be met through any of a range of appropriate management actions that best suit farmers businesses and allow for regional and climatic differences from farm to farm. This has some implications for both the cost of monitoring and evaluation, but is likely to produce more effective results as well as better farmer buy-in and understanding of the prescription.
- 9.7 Project officer support: well-trained project officers must support both the all-Wales element and the higher tier scheme so that the agreements are tailored to achieve the environmental outcomes in ways that work for farm businesses. This is essential to ensure that individual agreements deliver on the ground. Project Officers are vital in bringing about changes in attitudes in the farming community, as it is these individuals who enter into dialogue with farmers about the scheme priorities and how these can best be met on each farm. This one-to-one discussion is an opportunity which gives farmers the chance to learn more about the scheme objectives and discuss best practice from other farms the Officer has visited. The Assembly Government should view Project Officers as an investment in preparing farmers for the CAP reform agenda rather than an administrative cost in the scheme.
- 9.8 Advice and training: This should be easily available for all agri-environment participants. Good quality environmental advice and training is important at all levels across all scheme delivery objectives, but is especially important at entry level to ensure participants fully understand the standards required and the reasoning that underpins them being asked to undertake certain types of action.

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⁸ The list of species and habitats defined as of principal importance in Wales as required under S42 of the Natural Environment & Rural Communities Act 2006 (and set out in Going Wild in Wales' WAG 2003 and to be revised 2007)

- 9.9 Increased uptake of the priority prescriptions. Many of the most valuable prescriptions for biodiversity are in the optional category of Tir Gofal and there are large payments for capital works such as boundary maintenance. It is time to review the balance between the compulsory and optional actions and increase the uptake of the most beneficial prescriptions. We believe this could be done by making it compulsory for each participating farm to do a minimum number of prescription packages for relevant priority species/habitats.
- 9.10 <u>Monitoring and evaluation</u>. Integrated monitoring should be built into the design of the new schemes. The European Commission has already signalled that such information is likely to be required to produce a better evidence base and a review of the effect of agrienvironment schemes across Europe has highlighted the need for better monitoring
- <u>9.11</u> Research support. There is need for ongoing research into the causes of declines that is relevant to the Welsh agricultural situation. This is vital to ensure that the latest research is applicable and can be used to inform Welsh policy making. With the majority of this type of research being commissioned by central UK government it is important that Welsh aspects are adequately considered in the research briefs.

10 Appraisal of the Welsh Assembly Government proposals

- 10.1 RSPB Cymru does not believe that Option 1a or 1b addresses the need to realign the budgets within Axis 2 so that all the resources can be focused on delivering environmental outputs. There is universal acknowledgement that the environmental challenges are so urgent that we cannot risk further delay by choosing either of these options. Furthermore tweaking the current arrangements once again will not prepare the farming industry for the inevitable CAP reforms post 2013.
- 10.2 Whilst we can see the attraction of a highly focused Option 3, we do not support the strong geographical targeting nor the 'silo-ed' nature of the priorities into tiered schemes. RSPB Cymru argues that there must be a Wales-wide agri-environment scheme in order to ensure that biodiversity declines across Wales can be addressed and we should be looking for multiple outcomes from schemes.
- 10.3 Overall RSPB Cymru believes that Option 2 best fits the structure that we believe is required, although the Assembly Government's proposal needs considerable further development and consideration before it is fit for purpose. We support the structure of an all-Wales scheme and a higher tier scheme which can facilitate more in-depth actions on a landscape scale. We also support the integrated budget for schemes that is proposed in this option. We do not agree that biodiversity outcomes should be restricted to designated sites in the top tier scheme. Option 2 needs considerable further development of the detail of the objectives, outcomes, prescriptions and structures and the effectiveness of the scheme at meeting priorities will largely be determined by this detail.
- <u>10.4</u> We strongly support the restoration of peat soils and blanket bogs as this will have clear biodiversity and water management benefits but urge caution that more research is needed to establish the greenhouse gas benefits of restoration before carbon revenues can

be clearly secured. We do not think that actions to safeguard carbon soil stores should be restricted to the advanced tier and biodiversity actions to the basic tier - rather that the complexity of the action required to meet the priority should determine whether it forms a basic or advanced tier action.

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⁹ Carbon Management by Land and Marine Managers, Natural England Research Report NERR0, 26 November 2008.