

# Sustainability Committee

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## National Assembly for Wales' Sustainability Committee's Inquiry into Carbon Reduction in Wales: Rural Land Use Management and Carbon Reduction

### Response from the Farmers' Union of Wales

#### Introduction

The Farmers' Union of Wales welcomes this opportunity to contribute to the Sustainability Committee's inquiry into carbon reduction in Wales; with particular reference to the role agriculture can play in achieving the Assembly's targets for carbon reduction.

#### Questions

#### **Q1. Is the proposed 3% annual reduction target by 2011 'in areas of devolved competence' sufficient to enable Wales to make its full contribution to meeting UK-wide targets? If not what targets should be put in place?**

The FUW remains unclear as to how the 3% annual reduction target was initially conceived and what scientific basis and baseline data were used to determine this figure.

The FUW is also unclear on the contribution the 'areas of devolved competence' make to carbon emissions in Wales, but, given the size and scale of industry such as power generation, which is outside the Assembly's remit, it would seem that, unless similar or greater reductions are achieved in these areas, the overall contribution to UK targets is unlikely to be achieved.

The FUW is concerned that, in delivering its targets for carbon reduction, the Assembly should ensure that the impacts of carbon emissions outside Wales are considered during the process.

The FUW also believes that, while developing its carbon reduction strategy, the Assembly should retain close contact with other devolved regions so that a holistic UK approach can be taken to carbon reduction which does not threaten the viability of agricultural production or the wider rural economy.

#### **Q2. Should the emission reduction target be based on consumption or production or both? (I.e. should it take into consideration the carbon dioxide generated in Wales (production) or the carbon dioxide emissions that Wales' residents are responsible for, regardless of their source (consumption)?**

Whilst the FUW acknowledges that targets based on production would probably be easier to track and allocate in terms of meeting superficial targets, this method totally fails to consider the wider impact of products which are imported into Wales for consumption or exported from Wales in terms of energy or primary food products.

As Wales continues to have energy intensive, but global, industries such as steel production, it is inherently unfair to consider the impact of production without due consideration of the total consumption.

Similarly, Wales is a major producer of electricity which contributes significantly to carbon dioxide emissions, but the majority of which is consumed outside the region.

Calculating carbon dioxide emissions using the production approach, puts Wales at a major disadvantage in terms of per capita emissions and this is unlikely to improve unless a more realistic consumption based approach is adopted.

Whilst the FUW acknowledges that the UN Convention on Climate Change uses this methodology and it is therefore the preferred method of calculating carbon emissions, it believes that the Assembly should strive to capture the data required to adopt the 'consumption' approach so that agriculture is not disproportionately affected by reliance on production figures which ignores the emissions of food imported into the region.

#### **Q3. What particular challenges do rural land managers in Wales face in reducing carbon dioxide emissions from their activities, and how can these challenges be overcome?**

At the farm level, carbon emissions mainly arise from the use of fossil fuels and manufactured inputs, although there are also the by-products of animal digestion and the cultivation of soils.

Although agriculture is only directly responsible for around 1% of CO<sub>2</sub> emissions, the sector has an important role in mitigating CO<sub>2</sub> emissions from other sources through carbon sequestration in soils and timber, and by the production of energy crops to replace fossil fuels.

There are many opportunities for farmers, in terms of available land and skills, to grow and utilise bio-diesel to offset fossil fuels. There are also opportunities to utilise anaerobic digestion plants, not only to offset carbon emissions when linked to energy and heat generation but also to reduce other greenhouse gases, such as methane from slurry and manures, the digestate of which can be used as a fertiliser and soil conditioner.

Another efficiency measure which could be adopted by land managers is the installation of farm scale wind or hydro power units, which would also contribute to a reduction in CO<sub>2</sub> emissions.

The main barrier to these efficiency measures is currently, the high start-up cost of these operations, and this, coupled with public perception issues and planning constraints, has meant that uptake to date has been slow.

**Q4. To what extent has the Welsh Assembly Government been successful in utilising the powers available to it in order to reduce carbon dioxide emissions in rural land use?**

The Union is unaware of any Welsh Assembly Government initiatives aimed at reducing carbon dioxide emissions specifically for rural land use.

**Q5. What opportunities does the Welsh Assembly Government have to help rural land managers?**

Given agriculture's reliance on fossil fuels for food production, any measures which will encourage the use of renewable energy sources, anaerobic digestion, and energy efficiency measures, will help rural land managers reduce their carbon dioxide emissions.

The FUW also believes that the Assembly could, in consultation with stakeholders, develop a communications strategy to raise awareness and communicate wider climate change issues to land managers, directing them to relevant carbon calculators, advice and guidance.

Consideration must also be given to the contribution farming makes to carbon storage, and the recent Axis 2 consultation provides an opportunity to develop measures within broader agri-environmental schemes to encourage optimum management to retain and even enhance these carbon rich soils.

**Q6. Could alternative targeting of Welsh Assembly Government financial resources lead to greater carbon dioxide emissions reductions within the context of rural land use than are currently being achieved? If so, where could additional resources lead to the greatest impact?**

The Welsh Assembly Government recently initiated a review of land management measures, part-funded by Europe under the Rural Development Regulation.

Historically, the UK has received a poor allocation of Rural Development resources and, whilst the recent CAP health check requires member states to amend existing measures to deliver climate change objectives, the amount of money available to fund these measures is unlikely to increase.

As current agri-environment schemes were not developed to meet new objectives for climate change and water management etc, there are opportunities under the current review to adapt and enhance agri-environment provision to reflect these new priorities.

However, the FUW believes that, unless the Assembly makes extra resources available to meet these obligations, other measures within the Rural Development Plan could be put at risk, which could affect the profitability of the sector and ultimately the wider rural economy.

**Q7. What examples from other administrations (devolved, UK and overseas), where other means have been used to achieve reductions in carbon dioxide emissions from rural and use, could be adopted in Wales under current powers?**

The FUW has no comment to make on this question.

**Q8. In the context of the Government of Wales Act 2006, which further means of reducing carbon dioxide emissions from rural land use could only be achieved with the introduction of further legislative competence for the National Assembly for Wales?**

The FUW believes that, within the context of 'devolved competence', the current regulatory framework is sufficient to make a positive impact on reducing carbon dioxide emissions. For example, a relaxation in planning regulations to encourage renewable energy installations would be a positive move. Also, incorporating energy efficiency advice and planning opportunities under the Farming Connect scheme would help farmers understand the importance of calculating their carbon footprint and also highlight the cost savings possible by adopting efficiency measures.

The Assembly could also look at the provision of capital grants to encourage bio-digesters and alternative energy installations.

**Q9. How can land managers in rural areas contribute towards the WAG 3% reduction targets and how much reduction in carbon dioxide in Wales could realistically be achieved through improved land management?**

Whilst the FUW believes that land managers can make a contribution towards meeting the Assembly's reduction targets, the actual contribution will vary from farm to farm based on current management systems.

As indicated in the Stern Review on the economics of climate change, there are a wide range of activities farmers can adopt which will reduce agricultural emissions, although it is unlikely that farmers will be willing to adopt practices which, whilst having a wider social benefit will require them to bear the costs. In order to encourage the technological innovation required to contribute to the wider public good by reducing emissions, Government intervention is required to pump prime the development and research required to encourage uptake and adoption of options which help mitigate CO<sub>2</sub> emissions.