

Summary of responses

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Llywodraeth Cymru
Welsh Government

Brexit and our land: Securing the future of Welsh farming

Mae'r ddogfen yma hefyd ar gael yn Gymraeg.
This document is also available in Welsh.

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Executive Summary

- i. On 10th July 2018, the First Minister and Cabinet Secretary for Energy, Planning and Rural Affairs published the Brexit and Our Land consultation. The consultation sought views on how the Welsh Government proposed to continue to support land managers after Brexit. The document set out proposals for a planned, multi-year transition and sought views on:
 - A new Land Management Programme consisting of an Economic Resilience Scheme and a Public Goods Scheme.
 - How the specific schemes that will deliver the support should be designed.
- ii. The paper explained the case for change and the basis on which Welsh Government proposed to continue to support farmers after Brexit. The consultation initiated the process of programme design, whilst further consultation and stakeholder collaboration will be undertaken to develop the new Land Management Programme.
- iii. Alongside the main Consultation Document, Welsh Government produced a Summary Leaflet and in partnership with Farming Connect hosted nine open meetings on the consultation.

Consultation responses

- iv. A total of 12,203 responses were submitted to the consultation. Of these responses, 11,160 campaign responses were submitted from seven unique campaigns. There were 1,043 substantive responses submitted to the consultation, of which seven were omitted from the analysis as they were either duplicate or blank. Hence 1,036 substantive responses remained for analysis in this Summary Report.
- v. Responses were received via three channels – the online form, postal and email.

Campaign responses

- vi. The views communicated by the campaign statements varied significantly. The campaign statements from farming unions strongly opposed the proposals, as they raised strong concerns about the challenges the farming sector will face in the wake of Brexit, should the proposed Land Management Programme be implemented. The 3,221 campaign responses received from the Farmers' Union of Wales completely rejected the proposals. The proposed replacement of the Basic Payment Scheme (BPS) with the Public Goods Scheme was deemed to be 'wrong'. The 2,846 campaign responses from National Farmers Union Cymru were rooted in concern, due to the uncertainty surrounding Britain's departure from the EU. The campaign statement stated that without knowing the design of future trade relationships or the regulatory landscape, it was difficult to know what businesses will need the Welsh Government to provide. Despite concerns that proposals were premature, NFU Cymru raised eight areas which they deemed important to focus on, as outlined in Section 3.
- vii. Campaign statements from the World Wide Fund for Nature, Royal Society for the Protection of Birds and Wildlife Trust Wales supported proposals within the consultation and strongly advocated the Public Goods Scheme. Reasons for their view centred around the opportunity that the proposed Public Goods Scheme offers to restore nature and enhance the environment.
- viii. The World Wide Fund for Nature campaign received 2,166 campaign responses. The campaign statement perceived the new Land Management Programme to be an opportunity to improve the natural environment by sustainable land management, supported by the Public Goods Scheme. The campaign statement outlined the benefits for the environment, with the view that "without a healthy and resilient environment, we won't have an economy and society which is sustainable and capable of delivering wider well-being".

- ix. The Royal Society for the Protection of Birds received 1,490 campaign responses. RSPB portrayed a passion for protecting nature and the environment throughout the campaign statement, with the view that the restoration of nature is crucial. The responses recognised that “if our environment is resilient, our economy, health and wellbeing are resilient too”, therefore benefitting all the people of Wales. RSPB stipulated that the Land Management programme must utilise public money to “help farmers and land managers to:
- manage the land sustainably,
 - restore nature and wildlife, and
 - provide invaluable benefits we all take for granted, like clean air and water”.
- x. The 1,308 campaign responses from Wildlife Trust Wales described the new Land Management Programme as a “once in a lifetime opportunity to fix the problems that past policies have created”. The predominant aim of these responses was to illustrate their support for the Public Goods Scheme.
- xi. In addition, 111 campaign responses were submitted by Ramblers Cymru that fully supported the Public Goods Scheme and 18 campaign responses were received from the British Horse Society. See [Section 3](#) for further details.

General response to the new Land Management Programme

- xii. Overall, substantive respondents predominantly raised concerns about the proposed schemes, perhaps reflecting the dominance of farming responses. The removal of the Basic Payment Scheme without a substitute was likewise commonly feared by respondents, who recognised the importance of these payments to farm viability and the land managers’ ability to maintain a living. The majority of respondents were of the opinion that some form of basic payment should be retained, perhaps through a third scheme to complement the economic resilience and public goods scheme.

- xiii. Some respondents generally agreed that farming and food production must be at the core of future agriculture policy in Wales and must play a much bigger part in the proposed schemes. There was consistent support for the inclusion of food production within the Public Goods Scheme due to perceptions of many negative implications of omitting it. Many respondents indicated the role that sustainable food production has in supporting the environment and therefore advocated a scheme which did not position food production and the environment as mutually exclusive.
- xiv. Confusion and opposition were consistently cited in regard to the consultation's definition of land manager. Respondents required clarity as to whether the farmer would receive any financial benefit, rather than the land owner as they were unsure who the termed land manager actually would be. Consistent concerns over the potential risk to tenant farmer encouraged calls for funding to be allocated to active farmers. The definition of land manager within the consultation was also seen as underplaying the role of farms and farmers in underpinning communities and the rural economy of Wales.
- xv. In addition, consultation responses to Question 1 explored the environment and welfare of wildlife. Many respondents offered strategies to address environmental concerns. A few respondents suggested that public services be put first, that the provision of ecosystems services should be the priority for the land manager rather than payment for farmers on less economically viable land.
- xvi. Respondents advocated the development of a combined scheme in which both sustainable economic resilience and public goods are included. There is a perceived opportunity to join up investments in productivity with a wider environmental focus, and therefore the two proposed schemes must be compatible and mutually reinforcing. It was felt that the proposed two scheme approach could support the continuation of environmentally destructive farming alongside pockets of land which are solely focused on environmental enhancement.

Respondents reported this division could potentially create a barrier to the delivery of multiple benefits across a landscape.

- xvii. The uncertainty in the current political landscape caused respondents to consistently advocate a delay in policy development and decision making until the post-Brexit climate is clear.

Substantive responses by question

Question 2

- xviii. Respondents were in agreement that active farmers should receive benefits and support for managing the land and therefore any new scheme must to be accessible to tenant farmers in particular. To ensure the tenant farmer has equal access to these schemes it is essential that the following changes are made:

- Significant changes to tenancy law in order to grant equal access to schemes.
- A minimum tenancy length should be applied to all land so that tenants are eligible for the schemes and have surety of income.
- Reform arrangements for farm leaseholds to offer additional protection for existing tenants and to encourage future farm tenancies.

Question 3

- xix. For schemes to work well in the future it is essential that they are both accessible and simple was suggested by respondents. They must benefit all farmers, provide a basic level of support and be clearly administrated. Subsidy caps were advocated by respondents as a method for ensuring land is used productively and payments do not disproportionately reward large land owners. A minority of those responding disagreed, wanting to see upper payment caps reduced and subsidies linked back to production and possibly focused on productivity per hectare.

- xx. Respondents assessed the Glastir scheme with mixed opinions and recommended that lessons should be learnt from existing schemes.

Question 4

- xxi. Restricting support solely to the land manager was seen as the most effective way to create economic resilience. This is primarily due to the vulnerability of land managers to external factors such as market forces, whereas it was perceived that supply chain businesses have the profitability to mitigate against this risk.
- xxii. Respondents felt that greater support was required for parts of the supply chain, but that any support should be limited. There was a particular desire within these responses to take steps to shorten the supply chains and support local supply chains.
- xxiii. Some of the responses expressed the view that a holistic approach would be more effective, and support should be available throughout the whole supply chain. A small number of respondents noted the need for Welsh Government to promote Welsh food and develop a thriving food culture in Wales. Respondents called for market regulation.

Question 5

- xxiv. The inclusion of Area 1: Increasing Market Potential was seen as important by consultation respondents. Both the maintenance of existing EU trade links and the development of international trade links were seen by respondents as essential to the competitiveness of the agricultural sector. Alongside this, there is also a need to grow the domestic market for Welsh food and drink.
- xxv. The move to Area 2: Improving Productivity must coincide with sustainable practices. The Welsh Government must fully understand the existing barriers and enablers faced by farmers to support the achievement of greater productivity.
- xxvi. The proposition of Area 3: Diversification, caused a number of concerns. One of these being that many farmers had already

diversified, with such markets becoming increasingly saturated and therefore allowing little room for more farmers to take action. In addition, diversification was seen as high risk, something which caused respondents to advocate the allocation of financial support to any farm engaged in diversification.

- xxvii. The dominant view with regard to Area 4: Effective Risk Management was that the BPS was an effective tool for risk management, with suggestions that the payments should continue.
- xxviii. Respondents agreed that Area 5: Knowledge Exchange, Skills and Innovation should be a priority going forward and younger, new entrants should be especially targeted within this area.
- xxix. Overall, the five areas were regarded as too “vague”, with calls for greater detail.
- xxx. There were also some holistic recommendations about environmental practices and sustainability, including the promotion of horticulture over animal farming, the promotion of renewable energy, soil health, water systems, set-aside land for wild flowers for bees, and that the areas should align with the Wellbeing of Future Generations Act.

Question 6

- xxxi. The dominant view was that Area 1: Increasing Market Potential, and Area 2: Improving Productivity, should be the priorities for any future scheme. Area 1 should be a priority given the uncertain future trading relationship with the EU and other global trading partners. Increased productivity should be linked to, or follow, increased market potential as increased food productivity is important to meet global demand. Area 4: Effective Risk Management was generally considered a higher priority than Area 3, but a lower priority than Areas 1 and 2. Most respondents mentioning risk management stressed the need to retain BPS payments as a way to mitigate market volatility.
- xxxii. Some respondents to this question suggested alternative priorities for the five areas. A dominant view (some of which referred to Risk Management) was the need to maintain either BPS payments on a

long term / permanent basis, or some other form of income for farmers. Another dominant view suggested that the environment should be a high priority for the scheme, for example by promoting sustainable grazing, the circular economy, reduced use of agri-chemicals, and alignment with the Sustainable Development Goals.

Question 7

xxxiii. Ideas for investment put forward by respondents consisted of six distinct proposals; future generations, schemes, training, schools, environment, and marketing. The majority of respondents felt that younger or future generations of farmers were at a considerable disadvantage compared to those in the industry in the past and therefore advocated more grassroots-level support to those entering the sector is required.

xxxiv. A small number of comments referred explicitly to the environment, stating that farmers should be framed as the “curators and cultivators of the landscape”, while another suggested that economic resilience should be driven by sustainable practices.

Question 8

xxxv. Proposals outlined within Parameter 1: scope of the scheme were deemed to be too restrictive, with the majority of respondents advocating a fuller list of public goods. Whilst a variety of public goods was suggested, the inclusion of food production within the scope of the scheme was consistently advocated. However, the public goods that were identified within the consultation received support due to the multiple benefits they could deliver. Respondents recognised that soil conservation has the ability to provide the foundation for the other public goods, specifically; decarbonisation, resilient habitats, flood prevention and air and water quality.

xxxvi. Respondents raised concerns with regard to Parameter 2: Open to all and shared the dominant view that the public goods contract should be made with the active farmer. An alternative view agreed that the scheme should be made available to all.

- xxxvii. The proposed utilisation of a spatial approach within Parameter 3: Opportunities for action was opposed by respondents. The accuracy and whether the approach is up to date was questioned by respondents. The use of project officers was consistently supported by respondents as a suitable alternative to spatial targeting.
- xxxviii. Parameter 4: Evidence based public goods provided a topic of contention amongst respondents. Some felt that a focus on outcomes was essential for real change and therefore should be encouraged. Others contradicted this by raising concerns that external variables, particularly weather, were an inhibiting factor to achieving projected outcomes. The difficulty of determining value was consistently raised by respondents. Ensuring value for money was seen as critical to the Public Goods Scheme, as previously, statutory agencies had been lacking in their approach to monitoring and enforcement, resulting in public money being invested without public benefit being gained.
- xxxix. Respondents felt strongly that Parameter 5: Additionality should recognise, maintain and reward existing contributions to the objectives. This parameter should not be used to penalise those already delivering high quality outcomes.
- xl. The provision of Parameter 6: Advisory support for land managers should, in the view of respondents, be independent form Welsh Government. Instead the use of third parties, the land manager themselves and project officers were widely advocated.
- xli. Additional changes to the Public Goods Scheme included:
- the terminology
 - the management arrangements
 - refining proposals in order to operate within the bounds of WTO rules.
- xlii. In addition, the Public Goods and Economic Resilience schemes should be integrated because farmers needed to see the benefit of environmental management to whole farm productivity, which was

supported by the Wales Environment Link, Dŵr Cymru and Natural Resources Wales.

Question 9

- xliii. Respondents consistently advocated the inclusion of income and reward, perceiving these factors to be essential to attracting land managers to a new scheme. There was a general agreement that the scheme must also be fair, accessible and simple. The predominant improvement to proposals, as suggested by respondents, was a greater focus on support for the active farmer.

Question 10

- xliv. Food production was the most consistently advocated additional public good by consultation respondents. Access, education, animal welfare, soil conservation, heritage and environmental management were also supported by respondents. This included a recommendation to support cutting of emissions, promoting sustainable sources of energy and backing electrical vehicle support. Multiple responses suggested that all public goods should first be considered by their impact of contributing to climate change. Some respondents were disappointed by the omission of health and well-being from the Public Goods Scheme. Responses cited the importance of a beautiful landscape to delivering multiple public health benefits while also considering the role that land managers play in social prescription services.

Question 11

- xlv. The potential exclusion of tenant farmers from the scheme due to the proposed long-term contracts was a dominant concern amongst respondents. The introduction of transferable contracts was consistently advocated as a method to overcome these concerns. The predominant disadvantage to the long-term contract was the large amount of uncertainty which surrounds the sector. Support for the longer-term view recognised the stability and security that such agreements would offer. Supporters cited the point that these

agreements would work better for major landscape features and were the most beneficial options to drive change and improvement in the environment.

Question 12

- xlvi. Respondents generally saw merit in the adoption of a collaborative approach to public goods delivery. It was advised that the employment of incentives would encourage collaboration. The dominant reason for opposing the collaborative approach was the conflict of interest that agreements would not be achieved. The role of Welsh Government in driving a collaborative scheme was seen by respondents as critical. Many respondents perceived Welsh Government to be best placed to encourage, promote and incentivise collaboration. The dominant reason for opposing the collaborative approach was the conflict of interest that such agreements would be unable to overcome.

Question 13

- xlvii. The dominant view amongst respondents was to employ a prioritisation method which takes into consideration what is best for both the land and the land manager. In doing so, support for a case by case approach was consistently advocated. As a general rule, it was suggested that prioritisation should focus on the areas with the greatest impact when measured against objectives. Respondents stipulated that priority should be given to the largest impact schemes. Various prioritisation systems and data can be utilised to determine the most appropriate action in a location.
- xlviii. The topic of achieving multiple benefits was an issue of contention amongst consultation respondents. In support of multiple benefits, respondents cited that they should be required from all publicly funded activities.
- xliv. Some respondents suggested specific areas which they deemed to be a priority for the scheme. The dominant perspective amongst these respondents was that flood risk alleviation should be the highest

priority, with carbon sequestration holding almost equal importance and biodiversity often placed as the third highest priority.

Question 14

- I. Whilst some respondents expressed the view that training and advice would be essential to the new scheme, others perceived it as an unnecessary expense that would reduce the overall budget available to support land managers. Respondents suggested utilising established channels that are respected by land managers for delivery and utilising different types of training (e.g. farmer-to-farmer, research, open days, one-to-one, public good delivery training courses, etc.)..
- ii. Topic areas for training and advice requiring the most attention in the views of respondents included: environmental, sustainability and renewable energy, animal welfare, disabled access to footpaths, legislation governing public access and guidance on measuring public good outputs.

Question 15

- lii. Respondents generally agreed that private sector involvement should be encouraged by evidencing return on investment. It was recognised that the private sector is primarily driven by profit and sound investment opportunities. Further methods suggested by respondents included providing information on how the scheme is monetised and managed, investing in an effective marketing plan and to communicate the profit enhancing benefits of the scheme. A number of respondents referenced public image as a key way of engaging private organisations.
- liii. Respondents typically stated that cost was the biggest barrier to private sector investment. Other barriers included regulation and the private sectors' lack of convergence with the public sector. A proportion of respondents were opposed to the idea of private sector involved in the scheme and a number felt it to be beyond the remit of the scheme.

Question 16

- liv. The dominant view amongst respondents was that the period taken to implement changes needed to be prolonged, however reasons for this diverged across the responses. It was felt that pushing Wales to complete the transition two years ahead of the rest of the UK will place farmers in Wales at a significant disadvantage. Alternatively, the view that the 2025 deadline was reasonable did garner considerable support amongst respondents. A smaller proportion of responses felt that a transition period that lasted until 2025 was too long and therefore would require implementation with greater immediacy. A number of comments were made regarding the transition. It was widely recognised that a phased transition was the most effective route to prevent a cliff edge scenario for farmers, businesses and the Welsh Government and many urged Welsh Government to be cautious and flexible during the transition period.
- lv. Some respondents raised concerns about support during the transition period. One common theme was that BPS should be retained or extended beyond 2025 to mitigate economic fallout and allow for adaption given the significant changes for businesses.
- lvi. Another theme extracted from the responses, was that it was difficult to determine whether the proposed transition date was suitable, due to the uncertainty caused by the Brexit deal.

Question 17

- lvii. The majority of the responses felt that if the BPS needed to be discontinued then it should be through a phased approach. This was deemed as the simplest and fairest approach. A dominant view amongst the responses was that an initial cap on payments should be introduced.

Question 18

- lviii. The dominant view was that the current BPS system should be retained and not amended, because it was already simple and efficient. It was commented, however, that it should be amended to

reduce the bureaucracy involved in applying for payments. An alternative view within the responses, was that the BPS system should be amended to reduce the bureaucracy involved in applying for payments. Within this, a view was that the current BPS requirements were too stringent. With regards to the payments, respondents suggested that they should be fixed at the 2018 rate, and reduced each year.

Question 19

- lix. Respondents raised significant concerns about the Land Management Programme negatively impacting on the opportunities for people to use the Welsh language. The programme was seen to negatively impact on the viability of rural businesses and communities, and hence to impact on rural Welsh-speaking communities. Loss of family farms in rural areas was a significant area of concern as it would negatively impact on the opportunity for persons to use the Welsh language, as raised by consultation responses. The Welsh Language Commissioner recognised the link between the Welsh Language and the economy, which is especially important in rural communities that rely on agriculture and tourism.
- lx. Welsh Government has the vision of “a million Welsh speakers by 2050”. Consultation respondents highlighted that this can only be achieved with a thriving rural economy that keeps people in employment in rural Wales, by directly supporting the family farm and Welsh speaking communities.
- lxi. A minority of respondents highlighted the positive opportunities for persons to use the Welsh language. If the programme is effectively designed and delivered to support farmers / local communities then the Welsh language can be enhanced. Consultation respondents raised that if the scheme is delivered in accordance with the Welsh Language Standards and specifically through a digital bilingual platform then there will be no specific issue in treating the Welsh language no less favourably than the English language.

Question 20

- lxii. Consistent themes which had been raised throughout consultation responses resurfaced within additional comments made by respondents. These themes included:
- concern over the removal of BPS
 - the option to postpone new programme development until there is greater certainty of the nature of Brexit.
 - further clarity on what is defined as a public good
 - the need to focus on food production
 - accessibility and flexibility should be embedded in the scheme's design
 - the importance of encouraging farmers and foresters to become self-reliant and market-oriented producers
 - the need for a simpler, more coherent regulatory framework
 - the need for an impact assessment
 - the possibility of developing a whole scheme approach (bring the Economic Resilience Scheme and the Public Goods Scheme together).

1. Introduction

1.1 On 10th July 2018, the First Minister and Cabinet Secretary for Energy, Planning and Rural Affairs published the Brexit and Our Land consultation. The consultation sought views on how the Welsh Government proposed to continue to support land managers after Brexit. The document set out proposals for a planned, multi-year transition and sought views on:

- A new Land Management Programme consisting of an Economic Resilience Scheme and a Public Goods Scheme.
- How the specific schemes that will deliver the support should be designed.

1.2 The paper explained the case for change and the basis on which Welsh Government proposed to continue to support farmers after Brexit. The Consultation Document outlined the following elements:

- Land Management Programme for Wales
- Economic Resilience Scheme
- Public Goods Scheme
- Transition, delivery and legislation
- Welsh Language standards
- Other comments.

1.3 Alongside the main Consultation Document, Welsh Government produced a Summary Leaflet and in partnership with Farming Connect hosted nine open meetings on the consultation.

1.4 Organisations and the public could respond to the consultation through three channels – online, postal and email.

1.5 There were 20 questions within the consultation that were split across the central areas of interest, as outlined above.

Summary structure

1.6 This summary of responses document includes the following sections:

- Section 2 - an overview of responses to the consultation

- Section 3 - an overview of campaign responses
- Section 4 - an overview of substantive responses to the Land Management Programme for Wales (consultation questions 1-2)
- Section 5 - an overview of substantive responses to the Economic Resilience Scheme (consultation questions 3-7)
- Section 6 - an overview of substantive responses to the Public Goods Scheme (consultation questions 8-15)
- Section 7 - an overview of substantive responses to the Transition, Delivery and Legislation (consultation questions 16-19)
- Section 8 - an overview of substantive responses to further comments to the consultation (question 20)
- Annex A. – the full campaign statements
- Annex B. – a list of organisational responses to the consultation
- Annex C. – a summary of eight consultation responses to explore the views about the Basic Payment Scheme.

2. Overview of Consultation Responses

- 2.1 In total, there were 12,203 consultation responses submitted to the Brexit and Our Land consultation.
- 2.2 Of these consultation responses, 11,160 campaign responses were submitted from seven unique campaigns. A breakdown of the number of campaign responses received is outlined in Table 1.1

Table 1.1 Summary of campaign responses to the consultation

Campaign Responses	Total
Farmers' Union of Wales	3,221
National Farmers Union Cymru	2,846
World Wide Fund for Nature	2,166
Royal Society for the Protection of Birds	1,490
Wildlife Trust Wales	1,308
Ramblers Cymru	111
British Horse Society	18

- 2.3 There were 1,043 substantive responses to the consultation. Of these, seven were invalid as they were a duplicate, incomplete response or blank. Therefore this summary report presents an analysis of the 1,036 substantive responses.
- 2.4 The substantive responses were submitted through several channels, including online form, an email form or through a generic response that did not directly respond to the questions. Over half (584) of the substantive responses were submitted through the online form, with 104 responses submitted through email or post utilising the response form. There were a further 348 substantive responses that were generic responses to the consultation submitted via email and post.
- 2.5 There were 117 substantive responses to the consultation in Welsh, 11 per cent of the total number of responses.
- 2.6 In the consultation, respondents were asked to indicate which sector represents their organisation. The majority of substantive responses were representative of the farming sector, as broken down in Table 1.2. The respondents had the opportunity to select multiple sectors, so the numbers are not mutually exclusive.

Table 1.2 Number of respondents selected by sector

Sector	Sector represents your organisation
Farming	521
Environmental interests	160
Tourism / hospitality	88
Other	82
Private sector	65
Forestry	59
Third sector	59
Food and timber supply chains	54
Public sector	34
Trade union / representative	5

Other responses came from a range of sectors, including angling, equestrian and paddlers.

Approach to analysing consultation responses

- 2.7 The analysis of the consultation responses has been carried out through two separate approaches, according to the nature of the responses submitted. Firstly, the campaign responses and secondly the substantive responses. This has been outlined in detail below.
- 2.8 The seven campaigns included standard campaign text, which is provided in full in Annex A. Campaign respondents had the opportunity to provide additional comments within their response, but a review of the campaign responses revealed that these comments provided context, but did not add to the content and therefore were not included within the analysis. The analysis of the campaign responses is in [Section 3](#) of this document.
- 2.9 All substantive responses submitted were collated into a central database. Each was reviewed against the relevant consultation question to draw out the dominant and alternative views that were coming through the responses. When consultation responses are discussed throughout the document, this is in reference to the substantive responses.

2.10 General responses which did not directly reference the consultation questions have been analysed and attributed to the relevant question, where appropriate. This means that they have been included with the other substantive responses throughout the document. Additional areas which were presented within the general responses and are not attributable to a particular consultation question have been summarised in Section 0.

2.11 Table 1.2 and Table 1.3 provide summaries of the responses that were received per consultation question. Table 1.2 comprises the questions which asked respondents to select either yes, no or unsure.

Table 1.2. Summary of substantive responses to closed consultation questions

Consultation questions	Yes	No	Unsure	Did not respond
Q1	194	306	169	367
Q2	495	41	112	388
Q5	234	137	235	430
Q7	434	97	88	417
Q8	226	198	189	423
	397	58	132	449
Q10	380	82	126	448

2.12 Table 1.3 provides a summary of the qualitative responses to each question.

Table 1.3 Summary substantive responses to open consultation questions

Consultation Question	Responses
Q1	505
Q2	499
Q3	619
Q4	628
Q5	432
Q6	515
Q7	532
Q8	529
Q9	582
Q10	493
Q11	576
Q12	485
Q13	506
Q14	552
Q15	445
Q16	577
Q17	517
Q18	438
Q19	530
Q20	577

2.13 In addition, Annex C presents further analysis of eight organisational responses to the consultation that concerned the Basic Payment Scheme, as requested by Welsh Government.

3. Campaign Responses

- 3.1 There were 11,160 campaign responses received, submitted through the seven campaigns from the farming unions and charitable organisations.
- 3.2 The views communicated by the campaign statements varied significantly. Those from farming unions strongly opposed the proposals, as they raised strong concerns about the challenges the farming sector will face in the wake of Brexit, should the proposed Land Management Programme be implemented. Charitable organisations supported proposals within the consultation and strongly advocated the Public Goods Scheme. Reasons for their view centred around the opportunity that the proposed Public Goods Scheme offers to restore nature and enhance the environment.
- 3.3 All seven campaign statements are presented in full within Annex A and are summarised below, in order of the number of campaign responses received.

Farmers' Union of Wales

- 3.4 The 3,221 campaign responses received from the Farmers' Union of Wales (FUW) completely rejected the proposals. The proposed replacement of the Basic Payment Scheme (BPS) with the Public Goods Scheme was deemed to be wrong by these respondents. Such changes were considered radical, especially in the context of Brexit, where "our food industries are facing the greatest uncertainty and disruption in a generation". FUW members warned against the "significant competitive disadvantage" that the removal of direct payments to Welsh farms would place on business, due to the continuation of these payments to main competitors in Europe and parts of the UK. The responses concluded that "the complexity, costs and risks inherent to the Welsh Government plans mean they should not be pursued, particularly at such a time of political and financial uncertainty".

3.5 Risks perceived to be associated with the proposals included:

- widespread disruption
- financial hardships
- the loss of farms and rural businesses.

National Farmers' Union Cymru

3.6 The 2,846 campaign responses from National Farmers' Union Cymru (NFU Cymru) were rooted in concern, due to the uncertainty surrounding Britain's departure from the EU. The campaign statement stated that without knowing the design of future trade relationships or the regulatory landscape, it was difficult to know what businesses will need the Welsh Government to provide. Despite concerns that proposals were premature, NFU Cymru raised eight areas which they deemed important to focus on, as summarised below.

3.7 The campaign respondents had the option to select which of the eight areas they felt were important. The breakdown of information was not made available to carry out any further analysis of the areas selected by consultation respondents.

3.8 Food production

- Securing a continued supply of safe, quality, fully traceable food is in the nation's interest.
- Farmers will continue to produce food whilst caring for the landscape and enhancing the environment.
- The BPS is invaluable in underpinning high-quality food production in Wales.
- 83 per cent of Welsh consumers supported the idea of a new domestic agricultural policy which provides funding to support farmers in supplying food to the nation.
- Recognise the current and future challenges that face global food production.

- Allow Welsh farmers to be able to compete with farmers in the rest of the UK and the EU.

3.9 Environment

- All farmers should be fairly rewarded for what they are already delivering.
- Farmers have the skills and experience to maintain and enhance the natural environment.
- Ensure policy is practical and achievable and designed in partnership with farmer representatives.

3.10 Productivity

- Provide funding to support investment in modern farm infrastructure, to ensure that businesses are well equipped to face the challenges and maximise the opportunities of a post-Brexit marketplace.
- Policy must recognise that farmers need a stable foundation and confidence to allow them to invest in their business.
- Policy must reflect that the primary role of all farmers in Wales is food production.
- Policy must be developed with a full understanding of the effectiveness of existing productivity measures in Wales such as Farming Connect, Sustainable Production Grant and Farm Business Grant Schemes.
- Ensure that every £1 invested by government in agriculture, delivers a return of around £7.40 as is currently achieved.

3.11 Transition

- Provide farmers with the time to adapt to life outside the EU.
- Welsh Government should ensure a sufficiently long transition period due to the lack of clarity surrounding future trading relationships.
- The Welsh Government should provide stability.

- Design future schemes in partnership with farmer representatives and pilot them to ensure that proposals are practical and achievable.
- Assess the impact of proposals on farming businesses and consider the impact of changes on the rural economy, language, culture, communities and the ability of Wales to be self-sustainable.

3.12 Active farmer

- Support those farmers who are actively involved in producing food for the nation.
- Include within the proposals the active farmer who does not own the land they farm.
- Support active food producers as they contribute to the Welsh food and drink supply chain, which is worth £6.9 billion to the economy of Wales and employs over 240,000 people.

3.13 Regulation

- Maintain the high standards that Welsh farmers operate at.
- Do not increase the regulatory burden as a result of Brexit, simplify it wherever possible.
- There is scope to rationalise and reduce the number of bodies that have a role in conducting farm inspections.
- The burden of regulation reduced the farmers' confidence in their business.
- Provide an opportunity to recognise good practice on a farm.
- Welsh farmers should not be disadvantaged compared to farmers in the other parts of the UK, Europe or in the rest of the world when it comes to regulation.
- The regulatory regime should be proportionate to the risks involved focussed on delivering the outcomes that the public wants, and not driven by process.

3.14 Funding

- Welsh Government should continue to hold the UK Government to account for the promises made during the referendum campaign.
- Wales should receive the same amount of funding despite Brexit and money should be ring-fenced for farming.
- A population-share based allocation in relation to agricultural funding, would be highly detrimental to Wales.

3.15 Parity of treatment

- Welsh Government must ensure that Welsh farmers are not disadvantaged post-Brexit as a result of differing support and regulatory burdens.
- The principle competitors will still be EU27, farmers do not want to see their competitive position eroded in relation to these countries.
- Re-consider the lack of direct payment provision within the consultation, and introduce such a provision in order to help preserve the competitive position of Welsh farmers.

World Wide Fund for Nature (WWF)

3.16 The 2,166 campaign responses from the World Wide Fund for Nature (WWF) welcomed the consultation, perceiving the new Land Management Programme to be an opportunity to improve the natural environment by sustainable land management, supported by the Public Goods Scheme. The campaign statement outlined the benefits for the environment, with the view that “without a healthy and resilient environment, we won’t have an economy and society which is sustainable and capable of delivering wider well-being”.

3.17 The WWF campaign statement strongly supported the Public Goods Scheme, with the belief that “public money should be spent on public goods”. The campaign statement also called for the majority of the programme’s funds to be committed to the Public Goods Scheme, therefore placing needs of nature at the core of the programme.

- 3.18 Other elements which the WWF campaign statement explored included:
- The protection and restoration of nature.
 - Government confidence in delivering the programme.
 - To support nature and family farming by managing all land sustainably.
 - To contain clear measures of success and set targets, to maximise the potential of the programme.
 - To ensure Brexit does not undermine Wales' current standing as a global leader of environmental legislation.

Royal Society for the Protection of Birds

- 3.19 The 1,490 campaign responses received from Royal Society for the Protection of Birds (RSPB) welcomed the proposals within the consultation. RSPB portrayed a passion for protecting nature and the environment throughout the campaign statement, with the view that the restoration of nature is crucial. The responses recognised that “if our environment is resilient, our economy, health and wellbeing are resilient too”, therefore benefitting all the people of Wales. RSPB stipulated that the Land Management programme must utilise public money to “help farmers and land managers to:

- manage the land sustainably,
- restore nature and wildlife, and
- provide invaluable benefits we all take for granted, like clean air and water”.

- 3.20 In delivering these benefits, it is critical that the measurement of activities underpins the programme to ensure meaningful change and Welsh Government stays true to the ambitions of the proposals.

Wildlife Trust Wales

- 3.21 The 1,308 campaign responses from Wildlife Trust Wales described the new Land Management Programme as a “once in a lifetime opportunity to fix the problems that past policies have created”. The predominant aim of these responses was to illustrate their support for the Public Goods Scheme.
- 3.22 Nature was a key factor throughout the Wildlife Trust Wales campaign statement, which claimed to be “speaking up for nature”. The response supported the use of public money to provide public goods and suggested that “we should invest in the restoration of our land and wildlife so that it can continue to provide us with all the things we need: wildlife habitats, flood and drought management, clean water and air, carbon storage and places for us all to enjoy”. Additional reasons why the Land Management Programme needed to be embedded into policy, which would allow nature to recover and survive included (as set out in the campaign response):
- “A healthy environment and an abundance of wildlife is vital in keeping us, and future generations, safe, happy, healthy and prosperous”.
 - Habitats are suffering from air and water pollution from unsustainable farming.

Ramblers Cymru

- 3.23 The 111 campaign responses submitted by Ramblers Cymru fully supported the Public Goods Scheme. Ramblers regarded the Land Management Programme as a “unique opportunity to implement a new approach, and Wales can lead the way in reinvigorating public understanding and usage of paths and access land”. The responses commended the appropriateness of the proposed parameters of the Public Goods Scheme and specified additional areas which are important to access. These areas included:
- “Ensure Land Managers deliver their existing legal obligations for unobstructed public access on rights of way”.

- Deliver permanent improvements to access which landowners are responsible for.
- Enhance the path network.
- “Be transparent, enabling better promotion of access opportunities to encourage public usage”.
- Work with Local Access Forums.

British Horse Society

3.24 The 18 campaign responses submitted via the British Horse Society campaign supported the proposed Land Management Programme with the inclusion of access provision in a Public Goods Scheme. The campaign statement stated the new programme should financially incentivise land managers to increase public access for equestrians, and reimburse land managers for capital works that create new equestrian routes. Especially, where there are gaps in existing rights of way networks and allow users to avoid dangerous roads.

3.25 A range of suggested improvements was raised and these can be seen in the full campaign statement in Annex A. Summarised below are some of the suggested improvements to the bridleways:

- Improvements in path widths.
- Improve accessibility of gates to comply with the Equality Act, and are easily accessible by equestrians, and those with disabilities.
- Improved way marking and signposting.
- Provision of parking spaces for horse trailers.
- Management of bridleways.

4. Land Management Programme for Wales: Consultation Questions 1-2

Land Management Programme for Wales

4.1 Chapter 4 of the Consultation Document sets out the five guiding principles for future support, which form the basis of the proposed Land Management Programme for Wales. The five principles are:

- Principle 1 – keep farmers, foresters and other land managers on the land.
- Principle 2 – food production is vital.
- Principle 3 – builds a prosperous and resilient Welsh land management industry.
- Principle 4 – future support will encompass the provision of additional public goods.
- Principle 5 – all land managers should be able to access new schemes.

4.2 This chapter of the Consultation Document also introduced the two proposed schemes – Economic Resilience Scheme and Public Goods Scheme. In addition, the document sets out the context of Wales' legislative framework.

Question 1

4.3 The first question of the consultation was: We propose a new Land Management Programme consisting of an Economic Resilience Scheme and a Public Goods Scheme. Do you agree these schemes are the best way to deliver against the principles?

4.4 Respondents were asked if they agreed these schemes were the best way to deliver against the principles, with the response options of yes, no and unsure. Of the substantive respondents to Question 1, 194 agreed these schemes were the best way to deliver against the principles, 306 did not agree and 169 were unsure. The respondents were able to leave comments regarding the proposed schemes.

- 4.5 There were 505 substantive comments in response to what alternative approaches to the Land Management Programme would be best.
- 4.6 Consultation responses predominantly raised concerns about the proposed schemes. Specific issues included the essential need for basic payments for land managers, that there should be a focus on food production, that specific criteria will be required on land manager eligibility for funding, and that decisions should not be made at a time of such uncertainty, due to Brexit. Each of these points is explored in more detail below.
- 4.7 The need for a BPS for land managers was raised throughout the consultation responses. Respondents were of the opinion that some form of basic payment should be retained, perhaps through a third scheme. Respondents noted the need for a basic living wage for the principal farmer to avoid poverty and remain viable at this time of uncertainty, especially for older farmers as they are less likely to take advantage of new schemes. One respondent stated, a “total abandonment of some form of guaranteed income stream will decimate the farming industry”. Consultation responses acknowledged the need for financial support to be paid directly to farmers, due to low and volatile market prices, and the need to maintain machinery. Respondents felt there needed to be a stable income stream available, especially until the new trading situation is clear and farmers can re-model their businesses accordingly.
- 4.8 Some respondents made reference to the impact that the removal of BPS would have on specific types of farm and that any future payments should be capped for large landowners. Farms thought to be most affected by the loss of direct payment were:
- weather dependent farms
 - family farms
 - small or medium sized farms
 - tenant farmers

- farms in "less favoured areas".

- 4.9 It was suggested these farms would have to intensify or farmers would have to abandon their land, leaving it fall into decline, with a subsequent impact on loss of skills and farming communities. One respondent stated the removal of BPS would fail to support all farmers and it was the "worst scheme proposed in the history of Welsh farming." There was additional concern regarding land owners and land managers being turned into "park keepers". One respondent felt that the new payment proposals did not focus enough on the core principles of farming for sustainable food production and needed to support farmers to increase yields by investing in new technologies and farming practices, which farmers would be unable to do if BPS was removed.
- 4.10 Respondents feared that investors and speculators would take advantage of the schemes by buying land as pension investments and tax allowances, reducing land availability to the farming sector. Another area for concern was that the removal of the BPS focused on short term economic interests over the value for future generations, so did not align with the Wellbeing of Future Generations Act. National Parks Wales reiterated the need for both schemes to accommodate social and environmental factors, in line with the Act.
- 4.11 There were many suggestions regarding what future schemes for direct payments could include. The majority of respondents agreed that some sort of direct payment to farmers should continue. Respondents felt it was fiscally responsible and viable, as research by the NFU has suggested "when considering the fact that for every £1 invested in farms, there is a return of around £7.40 delivered." Others felt the continuation of direct payments was supported by consumers, as found in a recent YouGov survey. One respondent outlined the phased withdrawal of BPS being undertaken by the Scottish Government and Northern Ireland. They suggested managing the transition in a similar manner to not disadvantage the industry. Another respondent referenced figures from The Wales Farm Income

Booklet 2016/17 by Aberystwyth University, which suggested lamb and beef production in Wales is not sustainable without BPS. They were of the opinion that the demise of the Basic Payment would turn the grassland asset into a maintenance liability, reduce the supply of meat, increase prices and therefore worsen the trade gap.

4.12 Specific considerations for funding included:

- Financial support should be paid directly to farmers so they make the choice how best to use it to suit their business.
- Greater capping by using a tapered system.
- Protecting common land due to its importance as a grazing, ecosystem and recreation resource.
- Subsidy-free schemes so the younger generation no longer rely on Welsh Government.
- Full rural development programmes that recognise the need for homes, access to services and quality of life for families.
- Universal or living wage for farmers to eliminate the risk of poverty.
- Establishing a mechanism to recognise the unique value of outputs through the use of traditional Welsh cattle.

4.13 Support and payment for the production of food came through as a central theme of consultation responses to Question 1. The majority of respondents suggested food production should play a much bigger part in the proposed schemes. There were mixed responses on whether this should be on locally produced, healthy, high standard food, or whether agricultural support is to provide cheap and plentiful food. Respondents suggested that food production is in itself a public good and therefore should be recognised within the Public Goods Scheme.

4.14 Many respondents highlighted the importance of producing high quality, healthy food for the people of Wales. The response from Wales Environment Link suggested there is a need to embed sustainability into farm businesses to “ensure their capacity to

produce sustainable food for their community and future generations”. Wider responses felt this should be at the core of the Welsh agricultural policy. They suggested the programme should consider what is needed for a healthy diet and make sure that the production of this in Wales is supported. A respondent recommended Principle 2¹ should be revised to “production of healthy food for the people of Wales is vital”, as current population data estimates that Wales is producing around only one quarter of a portion of fruit and vegetables per head of the population. There was concern from respondents that the focus was on the environment, not on the production of food. One respondent stated that farmers are first and foremost food producers, and that they wish to continue to produce world-leading food, whilst caring for the landscape and environment. The RSPB however, highlighted that in some parts of Wales current land management practices are damaging the very building blocks essential for sustaining food production and that we need to support our ecosystems in order to continue to produce food.

- 4.15 Another concern regarding food production was the use of the term “land managers” within the documentation. This raised concerns about eligibility of funding. Respondents asked whether it would be the active farmer that receives the financial benefit, rather than the land owner, especially when grazing licences are in place. Respondents, including NFU Cymru, felt there was a need to ensure the payment is reaching the person that is doing the farming. In addition, there were significant concerns about the financial support being open to all land managers, as this would open up subsidies to local authorities, Natural Resources Wales and other organisations, rather than supporting the agricultural industry of Wales.
- 4.16 Many respondents outlined that food production has to be prioritised, particularly within the Public Goods Scheme. Respondents felt the

¹ Principle 2: Food production is vital for our nation and food remains an important product from our land. That means continuing to support the economic activities of farmers where it is sustainable and financially viable to do so.

separation of profitable production and public goods could have the following implications;

- Encourage the continuation of destructive and unsustainable land management practices to marginalise those who are providing sustainable, non-food services.
- Lead to notable economic implications within the rural economy, thereby creating negative social impacts to often already vulnerable communities.
- Increase reliance on imports, which could have broader negative global and domestic environmental and welfare impacts.
- Lead to increasing amounts of land falling out of farming use. It might be that certain schemes like renewable energy are much more profitable for farmers and lead to a loss of habitats for wildlife that require grassland.
- Result in the de-stocking of Wales' upland areas (80 per cent of Wales' land mass) and catastrophic down-stream effects as incomes reduce.

4.17 Though the focus of the respondents' views was that food production was the priority, many thought that farming and the sustainable production of food would in turn support the environment.

4.18 In addition, consultation responses to Question 1 explored the environment and welfare of wildlife. A number of respondents referenced the current efforts of farmers to support the environment, which they felt was not considered within the principles. A respondent stated that "Welsh farmers are already producing excellent, mainly grass-fed livestock, whilst managing our beautiful countryside", "without farmers shaping, caring and farming the land our countryside would look a lot different to which it does now, this would in turn damage a lot of habitat for wildlife". It was also asserted that water quality had been improved by farmers.

4.19 There were numerous responses that considered the balance between providing food and public goods. Respondents felt a

common-sense approach was essential and that although farmers' primary role was food production, they consequently managed the land. Others had a stronger opinion that environmental matters should have a high priority and therefore a separate category should be included within the schemes, such as 'Care of the Environment'. One respondent suggested farms should have a minimum of 10 per cent of their land dedicated to wildlife protection through wide field margins, restored ponds, wetland areas and sown wildflowers. Another felt that payments based on the variety of habitat or species present on farm would provide rewards through delivering ecological benefits, despite pressures to manage the land less sensitively. Hybu Cig Cymru suggested a universal environmental reward scheme with basic reward and measures relating to water, soil and air quality, minimising carbon emissions and biodiversity and higher reward for more enhanced measures such as re-establishment of peat bogs.

- 4.20 Many respondents offered strategies to address environmental concerns. A few respondents suggested that public services be put first, that the provision of ecosystems services should be the priority for the land manager rather than payment for farmers on less economically viable land. This would then naturally become part of the country's economic resilience. Other respondents felt that the current scheme will struggle to address environmental and social problems, as they are often in conflict with the attitude of maximising short-term economic gain. More specific suggestions included a grant scheme for more efficient equipment and to relax planning regarding renewable energy sources / alternative income streams (e.g. holiday lets), to keep young people in farming.
- 4.21 A few respondents to Question 1 specifically mentioned wildlife. The main opinion was that good land management has no exploitative relationships. One respondent felt Wales had high welfare standards and another that if crops, meat and other produce are farmed correctly then wildlife would flourish. The RSPA consultation response stated they were "disappointed that the welfare and health of animals

for food production is not being classed as a public good in the Welsh Government proposals for a reformed agricultural payment system."

- 4.22 When discussing implementation of the scheme, a number of respondents mentioned eligibility. The majority felt that the schemes should only be open to active farmers and should not include forestry or other land managers. They felt all support needs to be directed to the working farmer, especially in small family farms to retain skills and support young farmers.
- 4.23 There were a number of respondents that were concerned that the proposed scheme would put Wales at risk of being unable to compete with the UK and rest of Europe. Respondents felt that the any scheme proposed should enable Wales to perform in line with the rest of the UK and not disadvantage Welsh farms. It was thought that the proposed schemes did not consider economic resilience or future challenges that face food production. One respondent stated that "complete overhaul of the farm subsidy scheme would be disastrous to all businesses involved in agriculture and the wider community" due to the current climate of uncertainty. There were calls for the status quo to remain until the post-Brexit position is clear.
- 4.24 There was additional apprehension about the uncertainty of Brexit. Several respondents recommended that farmers should be fully supported during transition and a decision should be made after the new trading situation is clear as to whether the farm subsidy scheme should be altered. One respondent recommended schemes must be evolutionary compared to the current direct payments and change over a longer period of time. They felt five years to finish direct payments was irresponsible of Welsh Government as it would destroy the rural community, with a Brexit "bad or no deal looking more and more the case". Respondents stated changes should be made gradually as farming is in its nature a long-term process, or to carry on the direct payments as they are. Organisations such as RSPB and the Welsh Ornithological Society supported change, however, stating that

maintaining the status quo was not an option and would not guarantee value for public money or the future of farming and wildlife.

- 4.25 Many respondents proposed a combined scheme which rewards management and delivers both sustainable, economic resilience and public goods e.g. a whole farm management scheme. Respondents recommended a scheme that would include both public good and societal good and which was integrated with both the WFGA and Welsh food policy. Paramaethu Cymru National Organisation advocated “a single integrated scheme, with no payments for environmentally destructive practices, rather than the proposed two scheme approach with different payments for Economic Resilience and Public Goods, as that could support continuation of environmentally destructive farming alongside just small sections of land set over for nature, with both receiving public funding support.” Other suggestions ranged from a transitional funding shift towards organic and agroecological systems to subsidies for active farmers per kilo/litre of food they produce.
- 4.26 A two-scheme approach was criticised as one scheme could negate the other. It was suggested that farmers could spilt their land into areas for intensive, environmentally destructive agriculture and areas set aside for environmental purposes, with public funds supporting both of these areas. It was also thought this could happen with more and less favourable land for example, lowlands for intensive agriculture and uplands being farmed for public good. It was thought these practices could lead to a reduction in food production or even agricultural abandonment. Respondents suggested that special care must also be taken that no economic scheme options are damaging to public goods. The Agricultural Law Association wrote that access to both schemes was important to support a sustainable approach to food production and environmental land management in tandem.
- 4.27 The Conwy County Borough Council response stated, they are “disappointed that so little emphasis has been given on other Rural Development schemes that support the wider rural communities such

as LEADER”. Their response acknowledged a need for further consideration alongside of the UK Shared Prosperity Fund and for Welsh Government to strengthen this element within any new proposal, to support sustainable rural communities.

- 4.28 A small number of respondents were in support of the continuation of a quality assurance mark. They advocated a quality assurance mark which would set goals for a farm based on public goods provision and quality food or timber production. Some suggested this could be offered at a basic and advanced levels.

Question 2

- 4.29 The second question of the consultation was: Does the Welsh Government need to act to ensure tenants can access new schemes?
- 4.30 Respondents were asked if Welsh Government need to take action to ensure tenants can access new schemes, with the response options of yes, no and unsure. Respondents were then asked within Question 2, if yes, what action would be best?
- 4.31 The majority (495) of consultation responses to Question 2, agreed that action needs to be taken to ensure tenants could access new schemes, with 499 comments describing what action would be best.
- 4.32 The dominant view was that the active farmer should receive the benefits and support for managing the land. One respondent quoted that one third of agricultural land in Wales is tenanted and as such their ability to access Government support is important. Respondents felt that any new scheme needed to be accessible for tenant farms and allow the flexibility for them to tend the farm and its environment without restrictions. This was supported by the Tenant Farmers Association Cymru, who reiterated the importance of tenant farmers not being excluded from accessing support from the two schemes on the basis of the terms of their tenancy agreements or the legislation that underpins the tenancy. The Joint Food Sovereignty Responses felt eligibility should be based on the Farming Connect definition of

550 hours. NFU Cymru was particularly concerned that the tenanted sector be recognised, so they are not disadvantaged. Further, that there would have to be significant changes to tenancy law in order to grant equal access to schemes.

- 4.33 Respondents went on to say that landowners should not benefit from simply owning the land and that tenanted farms should be assisted to access these schemes without fear of a landlord benefitting. Respondents raised concerns that without robust capping and assurances within the goods schemes the risk could be that landowners in Wales could financially benefit, whilst large areas of our countryside lay dormant with minimal management. It was stated that funding should be based primarily on sensible outcomes of sustainability and environmental protection and that no-one should receive subsidy simply for having an acreage. Several respondents commented that owners' consent should be given, due to the potential long-term nature of the schemes, such as tree planting. Respondents pointed out that the length of farm business tenancies varied and should be granted on a longer-term basis to allow farmers to take advantage of long-term management decisions. A respondent noted that a minimum tenancy length (perhaps five years) should be applied to be eligible for the schemes. A respondent noted that the schemes should be 100 per cent equitable to all to provide equal access to anyone owning or renting the land, as supported by the Tenant Farmers Association Cymru.
- 4.34 An additional consideration around tenant farmers accessing schemes was fears of inflated rents. There was concern from a few respondents that rent values might rise as a result of additional income. It was suggested that there could be a separate reward for landowners allowing their land to be actively farmed in the context of tax advantages as opposed to being taken out of the agricultural fund. Alternatively, it was thought that landowners should not be provided with additional income or incentives which could help to reduce land values and not enable young farmers to own their own land.

- 4.35 Additional actions were raised by tenant and active farmers in response to Question 2, which have been outlined below.
- Respondents suggested that at present it is the grazing licences that are preventing the farmers accessing support.
 - Giving payments to re-wild land should not be worth more than payments to farm land; the incentive should be to produce food.
 - A couple of respondents raised concerns about the schemes benefiting land owners to provide a retirement payment.
 - The schemes were said to need to incentivise older farmers and producers to retire earlier and pass onto the next generations where traditional ways are challenged and tested.
 - There is a need for a digital by design solution to pre-populate information and automatically link applicants to suitable schemes based on previous support and history of interest or data.
 - There is a need for a simplification of the existing range of support schemes and a policy presumption of entitlement by applicants rather than burden of proof falling to them each time - see Denmark taxation and NI payments schemes.
 - Renting land is already an additional economic burden that prevents long-term and environmental management of the land.
- 4.36 Furthermore, active farmers wanted to keep their current definition rather than active land manager. The term active land manager was considered too open, would not protect Welsh family farms and was not linked to the production of food.
- 4.37 The majority of land owners felt consent should be given to their tenant farms to participate in long-term schemes as their land could be altered in a way that may not fit their long-term or successor land manager's plans. One respondent suggested landlords and tenants needed to collaborate towards common goals as it is not in the landlord's interests to have unviable or unsuccessful tenants.
- 4.38 The dominant view of tenancy periods was that current leases were too short and offered little security. It was stated that in recent years

there had been a rise in agricultural tenancies being let for five years or less and tenancies including a house and buildings falling short of 10 years. Respondents felt the current terms of tenancies did not provide a reasonable basis to promote resilient and sustainable farm businesses. They felt the Welsh Government needed to significantly reform the arrangements for farm leaseholds both to offer additional protection for existing tenants and to encourage future farm tenancies. Longer term tenancies were said to allow farmers to take advantage of long-term management decisions, including the proposed schemes.

4.39 There was concern that landlords would be reluctant to grant longer-term tenancies, however. Land owners suggested that long-term contracts (e.g. for tree planting) were an option, however this should not restrict shorter term or unwritten tenancies and opportunities should be available for them in some guise. They stated farmers seemed unaware that should the landowner not be able to claim any future or similar payments then rents would increase accordingly.

4.40 Respondents had a number of suggestions to support the implementation of the scheme, which are summarised below.

- For Welsh Government to support tenants in accessing new schemes by ensuring tenancy agreements had provisions incorporated into them to allow tenants to use the land appropriately and that the schemes could be rolled over for future tenants.
- A clear, jargon free communications campaign which would make people more aware of what they are entitled to after Brexit.
- Emailing tenants with a link to information about new schemes.
- Ensuring there is not bias to digital users and messaging is accessible to all tenants.
- Reducing paperwork and centring compliance around farm visits.

5. Economic Resilience Scheme: Consultation Questions 3-7

5.1 The Economic Resilience Scheme has been proposed to provide “targeted investment to land managers and their supply chains, in particular to support high-quality food production”. The Scheme is expected to be based on businesses having a credible business strategy and the potential to offer return on investment. It will apply to support across five key areas:

- Increasing market potential
- Improving productivity
- Diversification
- Effective risk management
- Knowledge exchange, skills and innovation.

Question 3

5.2 Question 3 asked respondents: From your experience of current programmes, what do you feel would work well for the future?

5.3 Of the 1,036 substantive responses to the consultation, 619 offered a response to this question. There was a wide range of responses to the question, which were not limited to the Economic Resilience Scheme as the responses covered areas from the opportunities of future proposals to the effectiveness of existing support. Some of the main topics raised are discussed below.

5.4 The majority of respondents felt that future schemes, first and foremost, should be more accessible and simpler. There was a strong acknowledgement that the success of any future schemes is reliant on their uptake. Therefore, it should be designed to be clearly understood and accessible to maximise opportunities. One respondent stated that “Current schemes are way too complicated and involve a large number of people purely in the administration of the schemes”. Wales Organic Forum suggested the new programme

is an opportunity to address the current failings, such as a non-prescriptive approach that will allow for habitat creation through collaboration with neighbours, a surplus on the cost of capital work, reintroduction of the Project Officer approach, and incentivising innovation.

5.5 Respondents expressed the farmer requires a scheme which takes up the minimum of his time and is straightforward to manage. This sentiment was echoed by many respondents, particularly in regard to alienating older farmers who struggle to deal with bureaucracy and administrative demands. A number of respondents felt that a basic level of support was essential to ensure that farmers could continue to operate and subsequently access other programmes. NFU Cymru stated that it “is clear that the future approach should be designed to benefit all farmers and not the few; work across all sectors and they need to be simple and straightforward to apply for”.

5.6 Responses considered the current use of extension services and their use in any future schemes. Generally, the views expressed considered that such services, although well intentioned, failed due to a lack of coherence, lack of focus at the point of interface and the channelling of funds to consultants rather than more productively to farmers themselves. Others also considered the lack of flexibility, particularly in regard to IT-based courses, to be a hindrance to the improvement of all agricultural workers. A number of responses offered opinions on the service provided through Farming Connect with feelings towards it mixed. Those who spoke positively of the programme considered that it was a valuable tool to help support farmers move their business forward and was effective in providing consultancy to improve farming practices. It was cited by a number of respondents as an effective way to share knowledge and network within the farming community. Those who spoke negatively of the scheme considered it to be inflexible and far too wide reaching to truly deliver for the sector.

- 5.7 A considerable number of comments assessed the Glastir scheme with mixed opinions. A majority of responses highlighted the success of the scheme particularly in regard to environmental improvements, capital works, supporting the wider local community and the Soil Association supported the adoption of the whole farm approach. The effective support system in place for Glastir is one reason for its success, suggested the Soil Association. But some felt that any future scheme needed to learn from the failings of Glastir; in particular, its lack of flexibility, its inability to account for local conditions, and threats of financial penalties. One respondent felt that “The bureaucracy and complexity within Glastir is too much... it can sometimes be overwhelming for one business and very difficult to follow”.
- 5.8 A number of respondents wanted to see a cap on subsidy and an active farmer requirement, to ensure that land was used productively and was not unfairly rewarding large land owners. A minority of those responding disagreed, wanting to see upper payment caps reduced and subsidies linked back to production and possibly focused on productivity per hectare. There was some scepticism that businesses further along the supply chain (such as processors and supermarkets) would have access to support, as it was felt that these were already making a bigger margin than primary producers. The requirement to make payments first and then receive funds was also considered restrictive and a particular issue for owners of smaller farms.
- 5.9 There were also concerns that any new schemes should recognise those who were already operating in an environmentally beneficial manner and that existing good practice should be considered as well as the scope for improvement. Many of the responses considered that schemes need to reward those that focus on environmental outcomes but that this should not undermine previous outcomes to improve ecosystems, animal welfare and reducing carbon output.
- 5.10 Dŵr Cymru response highlighted the need for “greater emphasis on evidence-based outcomes” with a higher proportion of compliance

visits to confirm that promised investment has been made and delivered the expected outcomes. However, Dŵr Cymru expressed it will be important Welsh Government are not prescriptive about the sorts of investment the land manager should make, as it will stifle innovation and potential risk of oversupply.

- 5.11 Many felt that any payments should be linked to activity. Future schemes should therefore be based on food/livestock outputs linked to the area farmed with a few respondents adding that an additional scheme should provide farmers the opportunity to enter their land or portions of it into specific management or environmental schemes. There was also support to target new schemes to active farmers as to prevent those who were wrongly claiming available subsidies.
- 5.12 In addition, responses highlighted the importance of consistency across borders and in particular with the rest of the UK, the ineffectiveness of capital grants in supporting young farmers and new entrants and the need to establish viable farms that are not reliant on some form of BPS.
- 5.13 Other areas identified in Question 3 are summarised below.
- Wales specific consideration is required about the need to develop both the Economic Resilience Scheme and Public Goods Scheme in tandem, and the benefit of tying in with SoNaRR, Area Statements and ERAMMP, as highlighted by Natural Resources Wales.
 - Support for new entrants and young farmers – both from within and outside the sector.
 - Soil Association reiterate the need to ensure that the true cost (resources used to achieve the productive and wider outcomes, such as carbon sequestration and emissions) of productivity is recognised and valued. They strongly support a separate scheme to support organic farming.
 - Actions to improve prices for produce and achieve stable returns particularly identifying export markets, stabilising price volatility

and better marketing, as highlighted by the Tenant Farmers Association Cymru.

- A scheme to provide financial, technical and business advice to help businesses become economically, environmentally and socially sustainable.
- Support for all farmers through a transparent and egalitarian system, not for a few farmers through an opaque and unreasonable system.
- A scheme that respected the knowledge of farmers. One respondent said, “Allow farmers to manage the land with only the minimum of regulation and a strong sense of common sense”.
- Improving marketing and margins for organic and locally-produced foods.
- Support for diversification to produce food, energy and public goods. A response regarding diversification considered it as “arguably one of the paramount concerns for future resilience. This should include skills development and the potential for both tourism and environmental contributions”.
- National Parks Wales acknowledged the need for the consolidation of existing codes of good practice with a closer working relationship between scheme managers and planning controls.
- Support during periods of bad weather.

Question 4

- 5.14 The fourth question of the consultation asked: Do you agree with the focus of the Economic Resilience Scheme being on growing the market opportunities for products from the land throughout the supply chain, rather than restricting support to land management businesses only?
- 5.15 There were 1,036 consultation responses to Question 4. There were 628 comments from the substantive responses. Consultation

responses had a mixed view on whether the Scheme should support growing market opportunities for all products throughout the supply chain, or restrict the support to land management businesses only.

- 5.16 A greater number of respondents felt that restricting support solely to land management businesses was a more effective way of creating economic resilience. There was concern that support should only be for the people working the land, as they consider themselves more exposed to market volatility and supply chain businesses are already profitable so would not require further support. Many of the responses considered that primary producers did not have the same power that others within the supply chain enjoyed and therefore supported the establishment of co-operatives in an attempt to advance collaboration between small farmers to become more economically resilient. There was also considerable fear that any schemes that benefited other producers within the supply chain would have a significant impact on the economic viability of primary producers. The Countryside Alliance stated that “The funding allocated to Wales was intended for agricultural use however, under the proposals there is an opportunity for Natural Resources Wales, for example, to bid for funding which is wholly inappropriate as they are a Welsh Government funded body”.
- 5.17 Respondents considered there to be a need to ensure the market is regulated and that more is done to control the power of supermarkets (e.g. food labelling, prominence not given to overseas products, treatment of primary producers, etc). A concern that was raised numerous times was the ability of these multi-national corporations to find loop holes in the funding and exploit it. One response felt that "The economic resilience scheme needs to focus on the land itself rather than the post-gate supply chain. There is real danger here that processors, retailers etc. will be rewarded for works to increase supply chain profits at the expense of primary food production".
- 5.18 A large number of respondents felt that greater support was required for parts of the supply chain, but that any support should be limited. There was a particular desire within these responses to take steps to

shorten the supply chain. One of the responses stated that “farm to fork is the right way to go but we are a long way from incentivising this approach”. Respondents that agreed support should be across the supply chain acknowledged that it was important to continue to focus support on both primary production and the other elements of the supply chain. There was an acknowledgement that there are multiple interdependencies within the supply chain, so there is a need to ensure the balance is right. Particular emphasis was placed on supporting local supply chains, with Welsh farms currently challenged by the lack of capacity close to home. Encouraging small scale abattoirs, dairies, grain storage and food processing plants within a local setting would, in the opinion of many respondents, significantly improve the industry by ensuring that Welsh produce can be handled locally. In addition, Confor acknowledged that its support is available for the food/agriculture processing sector, it should also be available for the timber processing sector, but a focus should be on production rather than processing.

- 5.19 Some of the responses expressed the view that a holistic approach would be more effective, and support should be available throughout the whole supply chain. The respondents who agreed with this proposition felt that the Welsh Government was right to recognise that the future viability of farming businesses was as much related to the strength and security of the supply chain, as to production levels. This sentiment was echoed by a few who felt that primary producers underestimated the importance of having a stable, resilient market. Other respondents supported a holistic approach cautiously stating that “Welsh Government need to ensure that any support provided to grow market opportunities does not lead to unfair competition, particularly where larger entities in the supply chain could undercut smaller businesses”.
- 5.20 A small number of respondents felt there was a need for Welsh Government to promote Welsh food and develop a thriving food culture in Wales. A number of ideas were suggested, such as

promotion of Welsh chefs, increase in farmers' markets, top quality restaurants and gastro pubs, and food shows. One respondent stated the need for more funding to develop an appreciation of the Welsh food proposition and increased value added in Wales. This could be developed through education programmes within schools. A respondent noted that financial support is required to market products, and we need to develop our own brand in Wales, to showcase what makes us different from the rest of the UK. Natural Resources Wales response highlighted the opportunity for the Economic Resilience Scheme to align with a nation brand that supports sustainable brand values in the land management sector, to facilitate the integration of high-quality products and the way our natural resources are managed with better integration of regulation, incentives, and best practice across the sector. However, another respondent noted it would be effective to pool resources and work with the other UK nations.

Question 5

- 5.21 Question 5 asked respondents whether the five proposed areas of support were the right ones to improve economic resilience, and whether there were any areas which should be included that were not.
- 5.22 Of the 984 respondents to the consultation that responded to Question 5, 234 answered that the proposed areas were the right ones to improve economic resilience, 235 were unsure, and 137 answered no. In the open question, 432 respondents provided amendments to the proposed areas of support, or suggested new areas to be included.
- 5.23 Most responses that mentioned Area 1: Increasing Market Potential agreed with the Consultation Document, in that it is important to include this within the scheme. Comments included that it is important to develop international trade links (outside of the EU) due to economic growth elsewhere. Similarly, others commented that it was

important to maintain EU trade links due to existing exports and imports. A large number of responses mentioned the need to grow a domestic market for Welsh food and drink. Some organisations raised concern over the development of clusters for producers and along the supply chain, citing that it may put retailers in control over producers, and that there has not been a history of success with developing such links in Wales thus far. A small number of respondents mentioned that existing bodies in Wales that aimed to promote Welsh food and drink were not doing so sufficiently. A minority disagreed with the proposition, stating that a focus on exports could be a disadvantage to small producers, and that subsidising agricultural exports could have adverse consequences for farmers in developing countries.

5.24 For Area 2: Improving Productivity, a large number of respondents commented that there was a risk that increased productivity may conflict with sustainable practices (e.g. use of resources, insecticides). A dominant view was that any move towards increasing productivity must coincide with sustainable practices – for example, to maintain soil health. Another view was that there was limited scope to improved productivity because farmers had already undertaken measures to become more productive, that geography impeded the extent to which productivity could be increased, and that there were existing schemes in Wales aiming to achieve this. Similarly, NFU Cymru commented that to achieve greater productivity within the sector, Welsh Government needs to fully understand existing barriers and enablers currently faced by farmers. Another view point within the responses, was that “profitability” is more important than “productivity”, and stated that farmers had increased productivity, but increasing costs of developing an output had squeezed profits. Other respondents mentioned the need to provide support and / or training for new technology and methods to increase productivity.

5.25 Area 3: Diversification received a large number of comments from the consultation respondents. Many of these raised concerns about this proposition, but for several different reasons. One view, within a

number of responses, was that many farmers already have a diversified business, and the markets for new farmers to do so were (or were becoming) “saturated”. This was mentioned in particular in relation to tourism (such as developing B&B’s on farm property). A related point was that diversification could be high risk – a significant amount of upfront investment may be required, with no guarantee of making this back. In NFU Cymru’s response it was similarly noted that support for diversification should include finance rather than only guidance and advice. Another viewpoint in relation to Area 3 was that farms in the uplands in particular may find it particularly difficult to diversify. Another view against this proposition was that that food production and land management should be the primary aim of the Economic Resilience Scheme, and that diversification may undermine this aim.

- 5.26 Some responses suggested that diversification carried the same risks of environmental harm as increasing productivity (Area 2), and suggested that all diversification should maintain sustainable practices. This was particularly mentioned with regards to renewable energy - many recommended that Welsh Government review or simplified the process, and take steps to make planning permission more favourable to such developments. Similarly, a small number of responses suggested that horticultural production should be encouraged, as opposed to animal stock, to reduce CO2 emissions and in reaction to consumers moving towards plant-based diets. Others, commented that development of infrastructure was needed to enable diversification in rural areas – such as broadband and mobile data coverage.
- 5.27 Area 4: Effective Risk Management also received a large number of specific comments. A dominant view was that the BPS was an effective tool for risk management, and it was suggested that the payments should continue. For example one response mentioned that it was “extremely concerning” that BPS was not included within the proposals, and another stated that the five proposed areas were

insufficient without continued BPS to support primary production. Related to this, some commented that there needed to be a take up of measures to protect against commercial risk – mentioning changes to imports and exports post Brexit. Another view, including within WTW’s response, was that climate change should be recognised as a risk due to the effect it will have on farming outputs, alongside the role that land managers and Welsh Government have in helping to mitigate this. RSPB Cymru suggested such support should focus on interventions that allow farmers to mitigate risk effectively based on robust evidence (advice, and data). One respondent for example, said they did not feel paragraph 5.41 provided “any real assurance”. A smaller number of respondents expressed the view that animal health should be a priority in the scheme – with specific mentions of TB.

5.28 There were limited comments in regard to Area 5: Knowledge Exchange, Skills and Innovation. Most respondents who did mention this area agreed that it was a priority going forward. A large number of responses commented that younger and new entrants to the sector should especially be targeted. Some responses suggested specific courses or institutions – with several positive comments about existing support provided by Farming Connect. Other courses and institutions mentioned included:

- the Nuffield Trust
- community woodlands for volunteering opportunities
- existing agricultural societies, discussion clubs and similar organisations as a means of disseminating information (e.g. funding for speakers)
- a shift away from open-days, towards more practical based learning, where farmers can experiment with new ideas and techniques
- demonstration projects so farmers can make an informed decision about which courses to join and skills to learn (suggested by Dŵr Cymru)

- information and advice about the history and heritage of the land being farmed (suggested by Dyfed and Gwynedd Archaeological Trusts)
 - Investment or tax credits to support R&D (suggested by Agricultural Law Association and RSPB Cymru)
 - Continuous Professional Development should be included as a compulsory element of the scheme (suggested by WTW).
- 5.29 A minority view did not agree with the proposition. One commented that Area 5 should be removed due to the diverse skills needs of each farm, and another view was that public money should not be spent on the education of those working in the private sector. Some comments suggested that Farming Connect could be improved.
- 5.30 A series of comments was made agreeing with the five areas, as they covered the scope of the sector – however within these, a large proportion said that the areas were too “vague” and needed greater detail in order to respond appropriately. Likewise, a number of comments suggested that it was difficult to answer without knowing what the future of the UK’s relationship with the EU would be.
- 5.31 A number of comments stated that the areas should include more emphasis about the role of culture in Welsh land management – such as the Welsh language, and importance of small communities. Similarly, some comments suggested that differences between the types of farms and farmers had not been recognised within the five areas (upland and lowlands, tenant farmers and owned sector, small and large).
- 5.32 There were also some holistic recommendations about environmental practices and sustainability, including the promotion of horticulture over animal farming, the promotion of renewable energy, soil health, water systems, set-aside land for wild flowers for bees, and that the areas should align with the Wellbeing of Future Generations Act. Similarly, a number of respondents mentioned animal health and welfare, particularly around Foot and Mouth Disease and TB. One

suggested that measures such as reducing the use of antibiotics should be included. Furthermore, a large number of responses mentioned that the five areas should prioritise food production and / or food security.

5.33 Some responses suggested specific additional areas:

- an area focussed on young people and new entrants to the sector (suggested by the FUW)
- improving environmental performance, to ensure all production is sustainable, for example based on soil quality, fresh water habitats and levels of ammonia in the air
- expansion of Key Strategic Sectors to ensure the forest industries aren't neglected
- two other proposed areas:
 - a sixth area should be a constructive way out of the sector for those struggling to earn an income. This respondent mentioned that there is a disproportionate risk of suicide in the sector, and the abolition of BPS is likely to cause distress to farmers.
 - a seventh area could be a national strategic fund to increase competitiveness within the sector.

5.34 Other issues covered by responses included:

- the structure of the five areas could be rearranged to include “on holding” support, and “wider system”
- support for woodland creation requires action in overcoming existing barriers
- that the proposed areas do not discuss in detail the future trade relationship with the WTO
- that the five areas do not provide anything new from existing strategies for the sector
- that the term “land managers” should not be used in reference to “farmers”

- a Welsh Universal Basic Living Income to ensure economic resilience during the transition to a fully sustainable land management.

Question 6

- 5.35 Question 6 asked respondents which of the five proposed areas for support are the priorities for funding and the sequence of delivery. It asked whether certain measures were needed in advance of others.
- 5.36 A total of 515 consultation respondents answered this question. The responses generally did not distinguish between priority of sequence or funding allowance – and therefore the summary discusses the areas in terms of priority more generally.
- 5.37 Within the responses, the dominant view was that Area 1: Increasing Market Potential, and Area 2: Improving Productivity, should be the priorities for the scheme. In relation to Area 1, reasons that it should be a priority included that developing new trade was important given an unclear future trading relationship with the European Union and other global trading partners. Likewise pointing to the uncertainty of export markets, many respondents (such as from NRW, and Nature Friendly Farming Network) suggested that domestic markets should be strengthened – such as for Welsh Lamb.
- 5.38 A dominant view was that increased productivity should be linked to, or follow, increased market potential. Some respondents suggested that increased food productivity was important to meet global demand. Several responses (including from the Wales Animal Health and Welfare Framework Group) suggested that quick gains can be made through increasing animal health. One respondent, for example commented that illnesses can prevent growth and stated that BVD can cost farmers £46.50 per year, per cow. A minority view placed Area 2 as a lower priority – stating that it would follow from investment in other areas (primarily Area 5). Another view was that Area 2 carried risks to the environment.

- 5.39 Some responses placed Area 3: Diversification as the priority, but the dominant view, where it was mentioned, was that it was a lower priority than the other Areas (particularly Areas 1 and 2). Reasons for this included that agricultural subsidies should be retained strictly within the sector, that there is already a saturation of diversified farms in Wales, and that not every farm is able to diversify. Where respondents considered the Area 3 priority, reasons included that Wales was dominated by red meat and should diversify into forestry and horticulture sectors, for both economic and environmental benefit. Other reasons given included that tourism can support working farms, and that it can support renewable energy.
- 5.40 Area 4: Effective Risk Management was generally considered a higher priority than Area 3, but a lower priority than Areas 1 and 2. Most respondents mentioning risk management stressed the need to retain BPS payments as a way to mitigate market volatility, and that many farming businesses are reliant on existing payment schemes for income. A dominant view was that many farms will not survive without BPS payments. Another view was that effective risk management was important given the uncertainty of the outcome of the Brexit negotiations. Wales Organic Forum stated, “Effective risk management should be the priority with payments that recognise the value of existing practice and help safeguard the environment and support the management of livestock and land”. Some responses linked Area 4 to Area 3, suggesting that diversification can help mitigate any risks to the agricultural sector more broadly.
- 5.41 A few respondents placed Area 5: Knowledge Exchange, Skills and Innovation, as the priority above the other areas – however the dominant view was that Area 5 was secondary to Areas 1 and 2. Where Area 5 was considered the priority, innovation and the need to bring younger generations into the sector were emphasised. Some respondents emphasised the need to provide knowledge and training to enable farmers / land managers to deal with the steep post-Brexit

learning curve. Other responses referred specifically to how skills and training would be implemented. Suggestions included:

- advisors would be needed within the scheme, to decide where knowledge transfer would be more effective than a grant
- higher education institutions have the existing infrastructure to speed up knowledge transfer within the sector
- guidance in the achievement of public goods will help ensure wider take up of the scheme
- farmers should have more formalised CPD opportunities
- Wales maintains partnerships with wider countries, institutions and organisations, particularly educational establishments and technology centres

5.42 Some respondents to this question suggested alternative priorities for the five areas. A dominant view (some of which referred to Risk Management) was the need to maintain either BPS payments on a long term / permanent basis, or some other form of income for farmers. In NFU Cymru's response, they state that empirical modelling is needed to demonstrate how the Economic Resilience scheme "can mitigate for the gap" of ending direct payments. Linked to this was a number of responses that suggested greater financial support should be provided for smaller farm businesses. Another dominant view suggested that the environment should be a high priority for the scheme, for example by promoting sustainable grazing, the circular economy, reduced use of agri-chemicals, and alignment with the Sustainable Development Goals. A large number of responses commented that the areas cannot be prioritised because they should be decided on a case by case basis, due to the different needs of individual farms. It was commented by some that treating each aim in isolation risked the creation of unsustainable budgets due to an artificial division of tasks. Several responses mentioned the need and opportunity to develop the woodlands and forestry sector in Wales within the scheme.

- 5.43 Other suggested priority areas included:
- animal health
 - plant health and disease control (including invasive weed control)
 - climate change adaption and mitigation
 - support for small and family farms
 - addressing the decline of local abattoirs
 - transparency in the supply chain
 - introduction of procurement policies that promote Welsh produce.
- 5.44 A minority of responses was directly opposed to the scheme – stating that direct payments should continue to farmers, and the suggested priority areas did not allow for this.

Question 7

- 5.45 Question 7 asked whether Welsh Government should be investing in people, to bring new ideas, skills and people into land management and the supply chain in Wales.
- 5.46 Of the 1,036 substantive respondents, a clear majority of 434 responded yes, 97 said no and 88 were unsure. The question then asked those who responded yes, to provide suggestions on how best to deliver the investment and there were 532 comments.
- 5.47 A number of ideas were recommended by respondents to deliver investment in land management and the supply chain in Wales. These could be collated into six distinct proposals: the future generation, schemes, training, schools, environment, and marketing.
- 5.48 The majority of respondents felt that younger or future generations of farmers were at a considerable disadvantage compared to those in the industry in the past. The ability to forge a career within the sector was considered difficult or undesirable due to the lack of support when establishing and developing their business. A number of responses noted the barriers that younger people face, which were amplified for those who did not come from a farming family and

therefore did not own land. The respondents felt that more grassroots-level support was required to assist those entering the sector. Opportunities to match landowners with new entrant farmers, organising study trips to encourage knowledge exchange with land managers from all parts of the globe and improving the profitability of farming were suggested. Social Farms and Gardens suggested that supporting new entrants into agriculture could be done by supporting “Small scale farms, including Care and CSA farms, (which) are managed / owned by a much higher proportion of women and young people compared to the mainstream”. Similarly, other comments noted that older farmers are a barrier for the succession of future farmers, with many unwilling or unable to sell or lease land. Some respondents considered that incentives such as a retirement scheme or new methods of short-term tenancy for older farmers would alleviate such issues, thereby releasing land.

- 5.49 A number of schemes were suggested by respondents to support the provision of skills in land management in Wales. A large number of responses felt that Farming Connect had been a great success in providing support for business prospects for land managers and similar schemes would be welcomed. Other proposals included an apprenticeship scheme and a land use advisory scheme. Respondents also proposed the establishment of a national land bank and rural development zones, as an incentive to boost investment and benefit the wider rural economy. One of the responses contemplated how land management was likely to change stating "The foundation skillset for the future land manager is likely to need to be broader and more transferable (problem solving, negotiation, entrepreneurship, optimising technology, marketing etc.) and there is a strong argument to be made that greater cross fertilising of ideas with the wider student and education networks is necessary". Almost all of the responses acknowledged the importance that any such schemes have on supporting farmers as they adapt to a changing financial and environmental climate.

- 5.50 Other comments related to the provision of training and upskilling for current and future farmers. Some considered that existing services and institutions in Wales are failing to match their needs, with one commenting that such schemes “rely too heavily on narrow definitions of industry-specific, accredited skills and don’t allow for experience or expertise gained within the land-based sector”. Many had similar sentiments, believing that an approach that prioritised the knowledge and the skills of farmers that had been crafted through generations would be more beneficial. National Parks Wales supported seeing the people as an asset that is equally as valuable in the global and domestic change, so need to offer technical business support integrated with regional and local policy programmes. A greater focus on supporting peer exchange was frequently suggested and supported by the National Beef Association.
- 5.51 Most of the responses highlighted the important role that schools and colleges have in the provision of skills in land management. Supporting colleges and mature students was a particular priority but many stated a desire for agriculture and food production to be included on the national curriculum at both primary and secondary school. One comment felt that innovative farms should be twinned with schools to further new skills education. Another commended the work of Cows on Tour that successfully demonstrated the farming industry to school children and a desire to find similar methods of engaging with a wider public.
- 5.52 A small number of comments referred explicitly to the environment, stating that farmers should be framed as the “curators and cultivators of the landscape”, while another suggested that economic resilience should be driven by sustainable practices. One comment noted how protecting the environment and landscapes of Wales was an important consideration when attempting to boost tourism.
- 5.53 A few mentioned the importance of marketing to encourage new recruits to the industry. One of the comments suggested a desire for agriculture to be portrayed as a rewarding sector to be employed in.

6. Public Goods Scheme: Consultation Questions 8-15

6.1 The proposed Public Goods Scheme aims to enable land managers to be paid for the production of outcomes for which there is currently no market, but the potential to deliver significant benefits to the people of Wales. The six parameters of the scheme outlined in the Consultation Document are:

- Parameter 1 – scope of the scheme; which public goods
- Parameter 2 – open to all; ensuring all land managers have the opportunity for eligibility
- Parameter 3 – opportunities for action; taking a spatial approach
- Parameter 4 – evidence-based public goods; ensuring value for money
- Parameter 5 – additionality; a focus on active land management
- Parameter 6 – advisory support for land managers; how to provide appropriate guidance.

Question 8

6.2 The eighth question of the consultation asked: we have set out our proposed parameters for the Public Goods Scheme. Are they appropriate? With the response options of yes, no and unsure. Respondents were then asked: would you change anything? With the same response options. Question 8 concluded by asking respondents, if yes, what? (would they change).

6.3 Of the 1,036 consultation respondents, 189 of said respondents did not deem the parameters to be appropriate answering 'no', 198 were 'unsure' and 226 found the parameters appropriate, answering 'yes'.

6.4 When respondents were asked whether they would change the proposed parameters 58 answered 'no', 132 answered 'unsure' and 397 answered 'yes'. The responses of those who wished to change the parameters are summarised below.

Parameter 1: Scope of the scheme

- 6.5 The dominant view amongst consultation respondents, was the need to include additional public goods within the scope of the scheme.
- 6.6 Some respondents, including the National Sheep Association Cymru, found the proposed scope too restrictive and advocated a fuller list of public goods. Importance was also placed upon keeping the scope of the scheme flexible, as flexibility will allow for unchartered areas to become available under the scheme. Wildlife Trust Wales provided an alternative view by stating their agreement with all areas within the proposed scope.
- 6.7 Respondents suggested a variety of additional public goods to include, of which food production was persistently advocated. The other public goods suggested are summarised in Question 10 (see paragraph 6.49 onwards). Food production was perceived as essential to life and therefore the greatest public good. Some found the omission of food production to be flawed, citing (economic) survival and the environmental benefits of self-sufficiency as reasons for their view. One respondent called for the acknowledgment of food production as a public good, citing recent Defra figures which showed a fall in Britain's production of its own food – down to 61 per cent. Wales YFC members also opposed the absence of food production and felt “strongly that the secure production of safe, high quality food is a right that every member of Welsh society should be entitled to and without the guaranteed home-grown source, this cannot be assured”. It was also identified that if both England and Scotland recognise food production as a public good, Welsh farming will be at a disadvantage and this could potentially “eradicate Welsh businesses”.
- 6.8 An alternative view was presented by the National Trust, who welcomed the recognition that environmental and social public goods may now outweigh commodity food production. In contrast to the dominant view, this response commented that “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”.

- 6.9 The public goods identified within the consultation received support due to the multiple benefits they could deliver. Respondents recognised that soil conservation has the ability to provide the foundation for the other public goods, specifically; decarbonisation, resilient habitats, flood prevention and air and water quality. The Sustainable Soils Alliance “urge[s] the Welsh Government to recognise soil’s impact on these other goods/indicators, and ensure that any strategy for soil health and recovery is not siloed in regulatory, evaluation or budgetary terms”. One respondent provided the alternative view that soil conservation should be a matter of farm self-interest, a regulatory and resilience issue rather than a public good. A further response supported the inclusion of decarbonisation and climate change adaptation, recognising the need to protect woodland carbon stores and increase tree cover connectivity in Wales.
- 6.10 The lack of an objective definition or common perception of what the term public good actually is, caused respondents to consistently question the scope of the scheme. One respondent recognised that public goods will mean different things to different people and therefore, it was seen as important that the topic was open to public debate to determine these priorities and ensure that public goods are not dictated by pressure groups or fractional interests. This issue of perception also surfaced around the heritage and recreation public good, where many respondents regarded heritage as a public good in its own right and suggested that the two be separated.
- 6.11 The scheme intends to deliver a wide range of public goods, but respondents consistently perceived there to be a focus on environmental outcomes. The dominant view conveyed that it was right to put the protection and enhancement of the environment at the centre of the scheme. The National Trust held this view, recognising that “agriculture accounts for a tenth of all UK greenhouse gas

emissions” and to achieve more sustainable land management would provide a range of benefits in terms of rural economic growth, ecosystem services and rural tourism. WWF Cymru agreed that environmental outcomes must take priority and responses suggested a close alignment between land use and climate change mitigation policy. An alternative view presented by the Welsh Animal Health and Welfare Framework Group regarded the scheme to have too narrow a focus on environmental outcomes.

Parameter 2: Open to all

- 6.12 Respondents raised concerns with regard to Parameter 2 and shared the dominant view that the public goods contract should be made with the active farmer.
- 6.13 Respondents put forward multiple reasons for restricting the Public Goods Scheme to just the farmers themselves. Some held that the contract should be with the active farmer rather than the land manager, as they take on the entrepreneurial and financial risks of the contract. FUW Montgomeryshire recognised that the EU are strengthening active farmer rules, meaning that Wales would be at a disadvantage and would not be on a level playing field with other home nations if this scheme was approved.
- 6.14 Many warned against the potential for businesses to buy up the land and benefit from the scheme despite their limited contribution to the rural economy. The FUW stated that “when coupled with the proposal to replace the Active Farmer rule with an open to all policy, the abandonment of payment capping would exacerbate the degree to which private individuals and large landowning bodies could take money away from farming families and rural communities”. In consideration of this, the FUW advocated the implementation of a payment cap into the scheme, which would be below the current level and take full account of labour costs.
- 6.15 Along with many respondents, CLA Cymru cited that funding for public bodies should not be within the remit of the Public Goods

Schemes, as they are Government owned. One respondent described such an activity as “funnelling money back into local government [which] is short sighted for the greater Welsh economy”.

- 6.16 An alternative view agreed that the scheme should be made available to all. A respondent believed that this would allow for a sustainable land management policy which looks at all land and all potential land management types, leading to “a more holistic approach to advice, delivery and outcomes”. Others agreed on the basis that eligibility for the scheme should not be exclusive and determined by factors such as acreage.

Parameter 3: Opportunities for action

- 6.17 The dominant view amongst consultation respondents consisted of opposition to the spatial targeting approach. Many, including the FUW (Montgomeryshire branch), questioned how up to date and accurate spatial mapping was. The use of field or project officers was consistently supported by respondents. It was felt that digital mapping served as no replacement for the on the ground assessments carried out at the appropriate time of year by appropriately qualified people. Engagement with the landowner in decision making was seen as crucial, something which the use of field officers would facilitate. A respondent advocated the role of the land manager in investigating and designing the projects they run, this would ensure that public goods projects would fit with other land management activities and would be attractive to farmers.
- 6.18 NFU Cymru suggested the use of a tiered approach when determining the opportunities for action. In doing so, common public goods should be identified and supported through a base-tier approach with the accompaniment tier of targeted, bespoke agreements which would be fewer in number and deliver a range of specialised outcomes.

6.19 Campaign for National Parks provided an alternative view, citing the importance of spatially targeting priorities to ensure that schemes would deliver public goods in the most appropriate locations.

6.20 A portion of respondents opposed the consultation proposal that “existing options must be taken up”, with the view that farmers must be free to choose whether to take up an action or not.

Parameter 4: Evidence – based public goods

6.21 The outcome-based approach was an issue of contention. Respondents consistently acknowledged the importance of the evidence-based approach set out in Parameter 4. The focus on outcomes was regarded as essential for real change, with one respondent asserting that “expectations should be high with challenging targets”. Another participant suggested tailoring the public goods contracts so that the commercial viability of farm outputs was at risk if the Public Goods Scheme was not adhered to. This support was contradicted by other respondents’ concern, where the farmers’ vulnerability to external variables, particularly weather, was persistently cited as an inhibiting factor to achieving projected outcomes. Many warned against the potential harm that this Parameter could cause land managers, due to their susceptibility to such externalities. By focussing on outcomes, NFU Cymru argued that the consultation would embed volatility into a mechanism which seeks to provide stability and deliver rural resilience.

6.22 The FUW recognised this potential to harm the individual land manager, citing the possibility of discrimination between farm businesses. The organisation stated, “that under a Public Goods Scheme the payment a farmer may be able to receive will depend on the area they farm in and what is present on the farm – possibly also the degree to which neighbours are willing to cooperate – opening up the potential for huge discrimination between farm businesses in terms of accessing the only payment scheme available to the

industry”. This is something that many individuals described as a “postcode lottery”.

6.23 Respondents identified the following issues, which require attention prior to the implementation of Parameter 4.

- Determine measurement methods. Some Public goods are extremely hard to measure at a very local level, such as water purity or visual aspect. The scheme needs to ensure that the easy to measure factors do not dominate. Set agreed metrics for establishing the effect of different measures and utilise a body that can adjudicate when there is disagreement (Welsh Local Government Association).
- Give priority to monitoring. Respondents consistently supported the use of an effective monitoring process. Welsh Water cited that monitoring will ensure investment decisions are based on sound evidence. Many warned against the use of Glastir as a model for monitoring public goods.
- Develop baselines. The Agricultural Law Association regarded it as essential that the baseline against which any enhancement initiative was measured, was properly defined. One respondent suggested that PONT could have a role in establishing baselines.
- Respondents, including the National Trust, stipulated that the scheme must include aims, priorities, targets and milestones.

6.24 The difficulty of determining value was consistently raised by respondents. Ensuring value for money was seen as critical to the Public Goods Scheme, as previously, statutory agencies had been lacking in their approach to monitoring and enforcement, resulting in public money being invested without public benefit being gained. A respondent recognised that existing valuation evidence used a variety of units, timeframes and scales and therefore a coherent approach was needed. This respondent called for payment rates for the public goods to reflect both the beneficiary’s value and the cost of production and delivery, ensuring that the land manager was appropriately compensated. NFU Cymru called for more information to provide an

understanding of the methodology by which public goods and their proxy outcomes were to be identified and the process by which values would be determined.

Parameter 5: Additionality

- 6.25 Of those who referred to parameter 5, there was general agreement that existing contributions to the objectives should be maintained, recognised and rewarded. NFU Cymru expressed disappointment with the Welsh Government assertion that aspects beyond economic products are largely undelivered by the private sector, citing this as inaccurate and misleading given the clear evidence of a range of goods and services being delivered by farmers in Wales. CLA Cymru suggested the use of a maintenance or continuation parameter to support the recognition of improvements that have been made and the work needed to maintain this. Respondents felt strongly that additionality should not be used to penalise those already delivering high quality outcomes, with concern that those actively engaged in previous public goods schemes could not carry on adding forever.
- 6.26 A respondent questioned Parameter 5 in relation to low intervention farming. Some farmers wished to use low intervention techniques to restore natural processes, but they would not attract payment under this parameter despite delivering a range of public goods from their land.
- 6.27 The importance of keeping the scheme open was reinstated by respondents. One respondent perceived the delivery of public goods to be too rigid and advocated keeping the scheme open to different delivery solutions for different farms. Others stressed that the scheme should not be prohibitive for all to access and should be applied to those who wished to make strong commitments to the Public Goods Scheme.
- 6.28 Others suggested options for funding arrangements, which included:
- to penalise damaging activity and reward changes which make a real difference

- to make change compulsory
- to require cross-compliance to be a condition of any grant.

Parameter 6: Advisory support for land managers

- 6.29 The dominant view amongst respondents was the need to keep the advisory support independent of Welsh Government. Respondents raised concerns that Welsh Government have lost expertise and recommended utilising broader sources of expertise such as third parties. Similar opposition surrounded the use of Farming Connect who “have no understanding that things devised on paper sometimes for different reasons cannot be replicated in the field”, according to one individual.
- 6.30 Farmers should be recognised as assets in land management, they already possess the necessary skills and knowledge to deliver a range of public services, as raised by respondents. One respondent recognised that farmers know their land better than any advisors and Water of Wales added that the scheme should not be prescriptive, but enable land managers to optimise their situation, skills, interest and demand. In recognising farmers as assets, respondents specified that there needs to be a tailored approach to support. Coed Cymru and CLA Cymru also agreed that advisory support needs to move away from limited opportunities as not all land managers access advice in the same way.
- 6.31 The use of case officers for advisory support was consistently advocated by respondents, a delivery method which offers the tailored approach which many called for. Despite this, the capacity of staff in delivering entirely new and bespoke contracts was a key concern, something which NFU Cymru described as an impossible task in the time available.

Additional Changes

- 6.32 The terminology of the scheme was consistently questioned throughout responses. The term public goods was regarded as too ambiguous and meaningless; something which might limit the efficacy

of the implementation of the scheme. Respondents called for the use of simple terminology or a common, peer-reviewed definition.

Clarification and distinction between public goods, private goods and the term common pool resources was required by respondents who recognised the complexity of drawing firm lines between them.

Respondents put forward the use of 'Environmental Enhancement Scheme' instead of Public Goods Scheme.

- 6.33 Additional changes to scheme management arrangements were put forward by respondents. National Resource Wales advocated embedding scheme delivery into the natural resource delivery framework and the use of natural resource policy priorities to inform land management and use in Wales. The administrative burden associated with environmental schemes proved to be problematic, with respondents and the FUW's response warning against large quantities of administration, particularly "during such a period [which] would add significantly to the workload of Government, and do so at a time when essential and pressing work associated with Brexit is already causing significant strains".
- 6.34 The consultation proposal to move beyond the current cost incurred, income forgone calculation was an issue of contention amongst respondents. The FUW called for a reconsideration of the proposal to make payments over and above these calculations as this would breach WTO rules and possibly lead to trade embargoes against the United Kingdom, therefore having a detrimental impact on Welsh farmers. NFU Cymru welcomed the proposal as this would allow farmers to be fairly rewarded for the goods they provide, with the caveat that the new policies and payment levels were designed to operate within the bounds of WTO rules.
- 6.35 Other changes and opposition to the scheme included:
- The Public Goods and Economic Resilience schemes should be integrated because farmers needed to see the benefit of environmental management to whole farm productivity, which

was supported by the Wales Environment Link, Dŵr Cymru and Natural Resources Wales.

- Some raised the issue of political uncertainty and warned against change until the Government was better informed about the political landscape.
- More information and clarification on the schemes and how they would be delivered, measured and paid.
- Introduce payment capping into the Public Goods Scheme.
- The FUW called for the clarification of the impact that the proposals would have on the tax status of the farm business.
- The Australian Government indicated that agricultural policy should focus on the provision of food and not be directed as a vehicle to address all manner of environmental issues.
- Further public debate and consultation was required.

Question 9

6.36 The ninth consultation question was: This scheme is meant to offer land managers the opportunity to access a significant new income stream as the BPS comes to an end. How could we improve what is being proposed to attract land managers whilst still achieving our vision and objectives? The 582 responses received are summarised below.

Critical success factors

6.37 Respondents provided areas which they predicted to be essential to attracting land managers and the ultimate success of the scheme. The dominant theme throughout responses was the importance of income and reward. To present the scheme as an opportunity with better rewards which provides a reliable and valuable income stream was deemed critical to encourage anyone to voluntarily change practices. In recognition of the discontinuation of BPS, WWF Cymru stated that “it is logical that a strong incentive to attract land managers will be to ensure that the PGS [Public Goods Scheme] provides a

similarly significant and reliable income". The Wildlife Conservation Trust regarded the clear communication that delivering public goods will pay the bills in the short, medium and long term is essential for the scheme to work. There was a strong theme of economic resilience, with many citing that the scheme must be economically viable to make it worth doing.

- 6.38 There was a general agreement amongst respondents that the scheme must be accessible, fair and simple, components which would make the scheme an attractive opportunity. CLA Cymru stipulated that flexibility and pragmatism within the scheme design will enable positive relationships. The FUW added the need to ensure the scheme is accessible to tenant farmers whilst involving minimum bureaucracy. Respondents mirrored this view and advocated a scheme where simplicity and ease was inherent. In doing so it is essential to keep rules and objectives realistic and simple whilst providing support and guidance for activities which are not normally undertaken by land managers. Many called for the scheme to be easily administered, allowing for minimum bureaucracy and maximum facilitation. Some advised the Public Goods Scheme to learn from Glastir where too much bureaucracy was involved.
- 6.39 Land managers need help and support to engage in the scheme, according to respondents. As previously mentioned, the use of accessible advisers and project officers was advocated. To appoint project officers with a breadth of experience will aid land managers in realising the potential to diversify and ensure that the correct options are selected, therefore reducing the burden placed solely on the land manager. NFU Cymru drew upon experiences in New Zealand, where a number of farmers suffered mental health issues due to the impact of major agricultural reform. The implementation of Rural Support Trusts in New Zealand, was advocated by NFU Cymru who called for a similar comprehensive support network in Wales.
- 6.40 Education is essential to changing the mindset within the sector and therefore promoting greater attraction to the scheme. It was regarded

that to achieve the shift toward the Public Goods Scheme, conventional land managers will have to change their practices, something which could be encouraged through education surrounding the topic of environmental value.

6.41 In accordance with the consistent theme, respondents called for the inclusion of food production to attract land managers to the scheme. A respondent cited a willingness within land managers to join agri-environmental schemes in parallel to producing food and suggested that future policy should capitalise on this, ensuring that food production and the environment are not seen as mutually exclusive.

6.42 Other suggestions that were deemed critical for attracting land managers were long term projects and landowners investment in the vision

Improvements

6.43 The predominant improvement to the proposals outlined within the consultation, suggested by respondents as essential for attracting farmers to the scheme, was a greater focus on support for the active farmer. General agreement surrounded limiting the scope of the scheme to just the active farmer and therefore allowing sufficient funds to be available to the farmer. Some questioned why land managers are being considered within proposals, as this would imply that large scale institutions and estates are more able than present farmers. Alternatively, the scheme should support those whose income is solely from the land and cap the amount received per business.

6.44 Working with the active farmer would significantly improve the proposed scheme. A respondent stated that “it’s essential that farmers and land managers, with their close knowledge of the land and experience, are partners in the design of the public goods measures appropriate and feasible for the land they manage”. The National Trust also supported this improvement, advocating the role

of the land manager in co-designing the new scheme; the organisation perceived this as a way to engage more farmers.

- 6.45 Respondents called for greater clarity to be embedded within the proposals, as they currently left too many questions unanswered. Some were disillusioned by the lack of indication of the income secured from joining the scheme, and therefore called for clarity regarding the amount of money and share of resources to be allocated to the schemes.
- 6.46 The outcome-based approach could result in large sectors of the landholding community disengaging from the scheme. A respondent recognised that some land managers would not wish to commit to a funding stream which attracted such risks, where outcomes may not transpire due to actions outside of their control. This response invited the Welsh Government to explain how an outcomes-based scheme can be reconciled with the risks associated with such an approach. RSPB recognised that action-based payments remain important, particularly when looking to achieve high-level uptake of the scheme.
- 6.47 Other improvements included:
- encourage apprenticeships for young people who have fresh ideas.
 - flexible contract durations to accommodate changes in farmers' priorities.
 - cap the amount of funding received per business as this would be a basis to build businesses
 - widen the scope of the scheme
 - review how the core principles are implemented into the consultation
 - more emphasis on cross-compliance.
- 6.48 Additional suggestions for the attraction of land managers to the scheme were put forward, as detailed below.
- Produce a Government-backed brand for produce such as a gold standard label.

- Fund the land manager through a basic management payment, volatility payment and payment for the delivery of environmental outcomes.
- Create a think tank made up of 10 Welsh Government representatives and 15-20 of Wales' progressive and forward - thinking farmers.
- Focus on food production that delivers environmental enhancement, to address issues for public good such as organic farming, woodland and biodiversity creation.
- Do not separate the two schemes.
- Create demonstration projects to evidence quick wins and heighten interest and engagement.
- Wildlife Trust Wales suggested a mechanism for structuring the Public Goods Scheme which included natural resource restoration, natural resource maintenance and natural resource improvement.

Question 10

- 6.49 The tenth question asked: are there any other public goods which you think should be supported. Respondents were given the response options of yes, no and unsure. Respondents were then asked, if yes, why? Of the 1,036 respondents, 448 did not answer the question, 82 said no, 126 were unsure, and a majority of 380 responded yes. Answers to the second element of the question will be summarised within this section.
- 6.50 The consideration of food production / security, access, education, animal welfare, top soil, heritage and environmental management were the most consistently cited for the additions to the Public Goods Scheme.
- 6.51 Food production was overwhelmingly the most consistently advocated public good. As previously expressed, many opposed the omission of food production from within the proposals, considering it the most

important public good. Respondents felt that it was their primary responsibility to produce food and that doing so in Wales reduced reliance on exogenous factors that might increase in volatility due to Brexit and climate change. One respondent stated that there is “surely no better public good [than food production], contributing to the nation’s health and wealth”. Some of the respondents also felt that incentivising healthy food production would encourage healthier and more sustainable diets, therefore contributing to the well-being goal of a healthier Wales. A respondent suggested that the Public Goods Scheme should include food production as “the best possible outcome for the public is that we are able to be as close to self-sufficient in sustainable indigenous food production as possible, not only for economic reasons but for carbon and biodiversity on a global scale”.

- 6.52 Many mentioned access when answering Question 10, but views with regard to this public good were varied. Some advocated wider access to land, to encourage and allow for recreation; stressing the importance of having a minimal impact on the land while supporting activities that have various health and environmental benefits. A respondent saw the Public Goods Scheme as an opportunity for the much-needed link and integration between the legislation that governs common land, its active management and legal registration. It was also suggested that similar access rights should be granted with regard to rivers. Others advocated the issuing of payments to land managers who have footpaths on their land to help maintain and repair them. Discontent was expressed toward the poor treatment of these footpaths by the public particularly in regard to litter, dog attacks on livestock, and trespassing. This is why respondents supported the farmer’s adoption of the maintenance role of footpaths, as they would be able to monitor and address these issues.
- 6.53 Respondents called for the inclusion of widespread education within the Public Goods Scheme. Many felt that educating the public was vital, as it creates respect for the food production process, the

environment, and the ecosystem. Developing a greater understanding of the sector was also considered a key feature to support the countryside as a community, with one respondent commenting that “we need more citizens of Wales to understand how nature works, to develop a love and respect for the land and not to exploit it”.

- 6.54 A large number of respondents considered animal welfare to be a key public good, which is currently missing from the proposed scheme. These responses particularly focused on rewarding those that attempt to protect biodiversity as well as controlling Invasive Non-Native Species. One respondent considered the failure to acknowledge the importance of animal welfare within the Public Goods Scheme to lack understanding of the public and ecological health implications associated with poor animal welfare standards. A respondent suggested that “There is a strong Public Goods argument for seeing and supporting our National Parks as National Arks”.
- 6.55 Some respondents felt that preservation of topsoil needed greater consideration within the scheme; suggesting that the role of soil was not being considered in its entirety. Natural Resources Wales stated that “Soils are the one factor that integrates all of the main elements that influence landscape, climate, geology, topography and land-use, along with vegetation... Soil conservation needs to consider the full range of ecosystem services that soils support such as biodiversity, habitats, nutrient cycling, water flow and quality regulation, recycling of organic waste materials to land”. This is particularly pressing considering, as one of the respondents cited, the FAO (Food and Agricultural Organisation of the United Nations) believes that if current rates of degradation continue all of the world's top soil could be gone within 60 years.
- 6.56 Environmental management was mentioned by the majority of respondents. This included a recommendation to support cutting of emissions, promoting sustainable sources of energy and backing electrical vehicle support. Multiple responses suggested that all public

goods should first be considered by their impact of contributing to climate change.

- 6.57 A number of responses supported the inclusion of heritage within the Public Goods Scheme. Of these responses, most called for the separation of heritage and recreation, advocating heritage as a public good in its own right. Historic Houses agreed that there is greater scope for heritage than proposed in the consultation. Respondents considered the protection and improvement of historical sites and features to be an important task but also felt that preserving rural vitality, social cohesion and Welsh culture would safeguard future communities.
- 6.58 Some respondents were disappointed by the omission of health and well-being from the Public Goods Scheme. Responses cited the importance of a beautiful landscape to delivering multiple public health benefits while also considering the role that land managers play in social prescription services.
- 6.59 A small number of the responses suggested that organic farming should be included within the Public Goods Scheme. One respondent considered it to “deliver on pre-cited public goods such as good water quality, mixed grazing and cropping, healthy soils of high carbon content and a bio-diverse fauna”. Individuals also recognised that organic farms have 50 per cent more abundant wildlife, with a third more species on average, figures which were published by the Soil Association.
- 6.60 Additional suggestions for public goods included:
- the forestry and timber industry
 - social infrastructure, to support productivity and tourism
 - introduce Brand Wales for selling, exporting and trading our produce with our global partners
 - the welfare of pollinator populations
 - ancient woodlands
 - air quality

- carbon funding scheme
- generation and electric power, and
- suckled beef production.

Question 11

- 6.61 The eleventh consultation question was: a number of public goods could potentially take several years, sometimes decades, to be fully realised e.g. carbon sequestration through broad leaf trees. To deliver on these, land managers may need to enter into a long-term contract. How do you see such agreements working? What do you see as the benefits or disadvantages to such agreements? The 576 responses to this question are outlined below.
- 6.62 The dominant view amongst respondents was the concern that tenant farmers would be excluded from the scheme. The scheme was seen as unfeasible due to the shorter lets that tenants hold, which often last three years, meaning that they cannot commit to such long-term contracts. Radnor YFC indicated that owners will be more likely to dispense with the tenant and take on the contract themselves. Such concern led to the persistent support of transferable contracts which are tied to the land.
- 6.63 Most respondents realised the importance of transferable contracts, where the landowner should be legally obliged to pass on agreements to future owners. CLA Cymru advised the use of legal opinion to understand the consequences of long-term contracts on the sale of land and transferring of the benefits associated with the public goods contract. There was a general agreement that the public good contract should be attached to the land, not the individual, something which will bring greater ease in terms of transferability. A respondent suggested the use of a conservation covenant, a voluntary agreement with the landowner and a responsible body which goes with the land, in perpetuity.

Disadvantages

- 6.64 The issue of political expediency contributed to the many disadvantages mentioned in relation to long term agreements. Respondents felt that future changes in government would disrupt longer term contracts. Meat Promotion Wales recognised this risk, citing that “Government priorities could alter over time, and changes in Government may not continue to support the same outcomes”. This would leave the land manager particularly vulnerable, as they will be investing time and capital into a scheme which might not exist until its fruition. Support formed around the potential collaboration with other agencies who would be responsible for ensuring the agreement is continued, despite any changes in the political landscape.
- 6.65 Strong sentiments of uncertainty caused opposition to the long-term contract. The issue of climate change was raised by respondents, who noted that we do not know the pressure on production land when moving into a volatile weather environment. One individual who recognised such uncertainty stated, “the last thing we want to do as business and farmers is to sign our land up to a scheme which ties our hands behind our backs”. Some regarded Question 11 to be irrelevant given the uncertainty of Brexit’s implications. Wales is unsure of what funding will be received after 2022 and a reduction in funding will limit the Welsh Government’s ability to honour such long-term schemes. A small portion of respondents alluded to matters of the increasing population and food shortages which would add to the uncertain future of the sector.
- 6.66 The loss of productive land was seen as a key disadvantage to the public goods contract. It was recognised that once woodland is planted and is classified as woodland in the national inventory then it cannot be removed (this would be considered as deforestation under the Forestry Act) and therefore productive ground would be lost. FUW Montgomeryshire branch questioned whether farmers would be subsidised for this loss of land. In relation to the above (6.65), respondents recognised the shortfalls of reducing productive land,

which will be required in years to come when there will be an intensification of food production.

- 6.67 It was felt that long term contracts do not always suit the economic climate and the cost of setting up schemes was consistently predicted to outweigh the payment. A respondent indicated that the conversion of agricultural land to woodland could generate negative net present values for many farmers. One respondent illustrated the scheme's incongruence with the current economic climate by comparing the management of 600 acres of trees which provides half a job with a 600-acre dairy farm which provides four or five jobs and therefore contributes more to the economy.
- 6.68 An aversion to long-term commitment was another dominant concern. These respondents regarded long-term contracts as a disincentive, due to the dynamic nature of farm businesses which need to alter their activities to evolve with changing market demands.

Benefits

- 6.69 The longer-term view of contracts was commended by respondents who acknowledged the stability and security this offers to businesses. Respondents regarded the guaranteed income of such contracts as a key benefit, allowing land managers to have a period of financial security. The long-term income would enable long-term planning, something which respondents advocated, particularly during a time of political turbulence. This was supported by the consultation response from Confor that "welcome this approach being adopted in Wales as part of a well-supported wider integrated land use policy and framework for delivering public goods funding".
- 6.70 Supporters cited the point that these agreements would work better for major landscape features and were the most beneficial options to drive change and improvement in the environment. The National Trust "recognises the principal benefit of long-term management agreements to deliver long term land management change through investment". The commitment to achieving long term goals which

would be embedded within the long-term contract was commended by respondents, who deemed it to be the most sensible approach.

Essential Features of the long-term contract

- 6.71 Respondents saw such agreements working if they were to include various features. Alongside the provision of transferrable contracts which are tied to the land, the addition of a break clause was predominantly advocated. The many uncertainties surrounding the sector and the inability for tenant farmers to commit to long-term contracts were reasons for respondents' advocacy of the inclusion of the break clause. The provision of maintenance payments was consistently supported, where many stressed the importance of being funded from the first year and throughout the contract. Many respondents, including WWF Cymru, stipulated that funding should be allocated through a significant contribution to initial capital costs, a smaller yearly management payment, then ending with an outcome-based payment.
- 6.72 It was suggested that appropriate and broad metrics would need to be agreed in order for these contracts and the Public Goods Scheme to work. The agreement should be based on sound scientific evidence which would facilitate prioritisation and include ongoing monitoring through the use of metrics. This would deliver sustainability, improve farm productivity and communicate value for money to the taxpayer so that the business case for continued land management funding would be strong.
- 6.73 Many respondents felt that flexibility should be inherent in the long-term contract. It was seen as essential that the agreements were flexible so that in the event of unexpected occurrences such as ash dieback or animal diseases, schemes could be re-assessed and where possible directed into alternative approaches. The FUW warned against the inflexibility of previous schemes, such as Glastir, where compliance with contractual terms took precedence over biodiversity. Respondents advocated agreements tailored to the

individual farm with the opportunity for land managers and Welsh Government to pause and review the contract and mutually agree contract revisions to ensure that outcomes could remain relevant and attainable.

- 6.74 There was a divergence in opinion regarding the duration of the proposed agreements. Some perceived the longer the contract the better, citing stability and the potential for greater outcomes as reasons for their view. Others identified that the longer the contract, the less take up there would be due to factors such as market changes. The FUW recognised that there are some actions which would provide benefits in terms of public goods which would not require lengthy contracts. NRW acknowledged that long term agreements may be unpopular with land owners and “therefore being able to offer a range of contract lengths may be an advantage”.
- 6.75 Other suggested features are outlined below.
- Lantra Wales advocated the need for skilled Field Officers who are able to spot any long-term pitfalls of “over committing” land to public good purposes.
 - The provision of education and support to the land manager is essential to the successful implementation of the long-term contract.
 - The use of a Management Plan which is the precursor of any agreement decision which provides clarity on objectives; interactions with adjoining land; issues, threats and opportunities; monitoring of outcomes and site condition.
 - Options in law such as land owners paying different tax levels.
 - Rigorous inspection of schemes.
 - Payments should be linked to the market (index linked) as it is impossible to predict what the value of any public goods will be in years to come.

Question 12

6.76 The twelfth question was: a collaborative approach to delivering public goods may in some instances provide better value for money than isolated activity. How could the scheme facilitate this approach? How could public and private bodies contribute to such partnerships?

6.77 The 485 responses to this question are summarised below.

Support for the collaborative approach

6.78 Respondents generally saw merit in the adoption of the collaborative approach. The perceived better value for money that such an approach would yield was the dominant reason for supporting collaboration. The Wales Animal Health and Welfare Framework Group recognised that a collaborative approach, where public and private bodies work together to provide better value for money and shared outcomes, would be advantageous. Others highlighted the vital importance of collaboration in ensuring the scheme would achieve the desired results. By working together, the sector has the ability to make a substantial and sustainable contribution to overall environmental impact. One respondent agreed that “collaboration is both desirable and necessary to improve the provision of environmental benefits at a wide scale”. Other reasons for supporting this approach included:

- the approach’s alignment with national policy (particularly the Wellbeing of Future Generations Act)
- the prevention of duplication
- facilitation of shared learning.

How to facilitate a collaborative approach

6.79 The dominant view from consultation respondents was the need to employ incentives to encourage collaboration. Many recognised that collaboration was challenging across all sectors and therefore incentives should be used to encourage the proposed approach. Suggestions were made for utilising greater financial incentives or allocating bonuses to those involved in group working as a means of encouraging collaboration. NRW recognised that the proposed

scheme should “incentivise delivery of outcomes at the appropriate scale and promote collaboration between land managers”.

- 6.80 A defined approach to collaboration was seen to be needed. Respondents advocated various methods in which collaboration could be implemented. The utilisation of landscape-scale partnership was widely supported, due to the perception that such an approach was likely to achieve the best outcomes. United Utilities cited that “partnership working on a significant scale is the key to successful delivery of environmental outcomes”. Such large-scale delivery was also supported in the form of catchment areas, an approach which has produced good work to date according to the Organic Growers Alliance who called for its continued expansion, and the New Zealand Government who supported the use of collective approaches in mitigating local challenges. The Brecon Beacons Mega Catchment was provided as an example, where organisations come together and share a common aim. By working at a landscape scale, the work of farmers is connected in each area and therefore “contributes more effectively towards environmental outcomes, rather than creating fragmented areas of good quality habitat within biodiversity deserts”, according to the Nature Friendly Farming Network.
- 6.81 An effective prioritisation method is key and the suggested methods for achieving this are summarised in Question 13 (see paragraph 6.92 onwards). A successive bottom-up approach to follow prioritisation was put forward by some respondents. Such an approach sees farmers, communities and businesses working together to present a proposal on how they could deliver public goods collectively, therefore facilitating collaboration.
- 6.82 Other suggested approaches included:
- the use of cooperatives
 - the use of networks or localised forums
 - an organic approach across several farms

- collaboration with universities who will research the most efficient use of land in different areas.

6.83 Effective collaboration currently exists, as evidenced by respondents who advocated the use of similar models within the Public Goods Scheme. Sustainable Management Schemes were consistently supported as an example, where the BRICs project was advocated due to its ambitions to develop sustainable farming measures across a range of sectors through strong partnership working. The farmer cluster model, as promoted by Cycling UK was perceived to be particularly beneficial. Other examples included:

- Farming Connect Venture Programme
- Payment for outcomes pilot scheme in Wensleydale
- Collaborative approaches steered by environmental NGOs such as the Pumlumon Project and Pontbren Project.
- Tir Cymen and ESA schemes
- Pembrokeshire Machinery Ring.

6.84 Delivering the scheme on an individual holding level was an alternative approach put forward by respondents. It was advised that the scheme should allow scope for the project to be started individually with neighbours joining later. The National Trust and Butterfly Conservation Wales felt that collaboration could be achieved by providing local targeted advice to achieve multiple, independent actions with a single theme. An alternative view held by Conwy County Council indicated that the flaws of previous agri-environment schemes, where projects were being developed in isolation, resulted in very little environmental benefit being achieved.

6.85 Effective governance arrangements are vital to the successful implementation of the collaborative approach. CLA Cymru regarded governance arrangements and the problems of common resource management to be greatly overlooked. The organisation claimed that “This needs to be properly addressed in any future scheme design if the concept of public goods and management of common benefits is

to be successfully delivered”. Others echoed these concerns with calls for transparency. The collaborative approach requires clarity from all partners in terms of accountability and responsibility. It is essential that agreements between bodies are well constructed to ensure that all parties know what is expected of them.

6.86 The role of Welsh Government in driving a collaborative scheme is critical. Many respondents perceived Welsh Government to be best placed to encourage, promote and incentivise collaboration. WWF Cymru required Welsh Government to adopt a leadership role with the ability to identify what outcomes are necessary and incentivise activities.

6.87 Other essential features to the facilitation of a collaborative approach include:

- advisory support to encourage cooperation
- the promotion of trust, respect and fairness in all aspects of the scheme
- flexibility which breeds progressive activity
- collaboration driven by the land manager.
- the communication of project officers who will administer the scheme

Contribution of public and private bodies

6.88 Public and private sector collaboration was a key issue of contention. The benefit of such collaboration was consistently recognised with respondents deeming this as necessary in certain situations such as water quantities or the provision of access. The Centre for Sustainable Land Use at Bangor University indicated that the importance of bridging organisations within collaborative initiatives is evidenced in multiple settings. Despite this, respondents warned against certain aspects of public and private sector collaboration. Doubts over the willingness of public and private organisations to

collaborate were raised, with feelings that the gulf between environmental bodies and farmers is wider than ever.

6.89 The capacity which public bodies fulfil within the scheme was also disputed amongst respondents. Importance was placed on the public sector role in defining the strategy. Respondents felt that public bodies should facilitate the definition of priorities and mobilise ideas in relation to the public estate. It was advised that bodies such as NRW and Ramblers should be leading the move toward collaborative working as they have the necessary data to facilitate this. Despite this support, the inclusion of public bodies was considered to diminish the attractiveness of the scheme with many opposing their access to funding. Public bodies were regarded to have a lack of commercial awareness and to be inherently wasteful and therefore they should not have access to the scheme's funds. The FUW stated that "while opportunities to collaborate and work in partnership should be explored and developed under any future policy, it is important that the involvement of NGOs or other bodies is not set as a requirement, and that action is taken to ensure partnerships are equal and genuine and not dominated by some bodies".

6.90 NFU Cymru professed that they would like to work with Welsh Government and anyone with "a passion" for Wales' food, landscape and environment. They added that "by working together we can realise our vision for a productive, progressive and profitable Welsh agricultural industry that delivers jobs, growth and investment for Wales".

Opposition to the collaborative approach

6.91 The dominant reason for opposing the collaborative approach was the conflict of interest that such agreements would be unable to overcome. The impossibility of arriving at a consensus among neighbouring farmers was thought likely to inhibit a collaborative approach in many areas. This approach was also regarded as

complex and burdensome in terms of administration and work load.

Additional reasons for opposing the approach included:

- from previous experiences, collaboration does not work
- the current situation regarding access is not conducive to collaboration
- the risk of creating a completely unfair scenario where a number of land managers are prevented from benefitting due to a neighbour who refuses to participate.

Question 13

6.92 The thirteenth consultation question was: some actions can deliver multiple public goods in the same location. For example, peat bog restoration can have benefits for carbon sequestration and flood risk reduction. However, some locations could be suitable for multiple public goods from different activities. For example, one location may be suitable to either plant trees for carbon sequestration, or to revert to wetland for biodiversity. How could locations for single, multiple or competing benefits be prioritised?

6.93 The 506 responses to this question are summarised below.

Prioritisation methods

6.94 The dominant view amongst respondents was to employ a prioritisation method which takes into consideration what is best for both the land and the land manager. In doing so, support for a case by case approach was consistently advocated. Such an approach would focus on the land, be farmer led and utilise local knowledge, if it is to be in line with the key principles for prioritisation that respondents prescribed.

6.95 It is important that the scheme focuses on land. Respondents recognised that by identifying priorities by the individual area, this would ensure that the right action is carried out in the right place. Such an approach would ensure that the land manager selects the

option which suits the area, something which is of particular importance when considering that different areas demand different priorities. One respondent gave the example of those who are located in flood risk areas and who should therefore take actions to mitigate this risk, whilst acknowledging that this is not a specific priority for the whole of Wales. This focus on locality was mirrored in the support for utilising local knowledge when determining priorities. Respondents acknowledged the clear role for local expertise in prioritising location-specific needs and solutions for the delivery of public goods.

- 6.96 Respondents consistently required prioritisation to be land manager led. It was deemed inappropriate for the Government to dictate how the private land owner should use their land. Respondents agreed that land managers should be given a choice to select the options which best suit their situation, business and interests. Many recognised that the individual land manager knows what is best for their land and should also be encouraged to choose options and outcomes based on their interest. The FUW members “believed that the economic value for farmers and local communities should be the primary consideration in terms of assessing priorities and deciding between current practices and possible alternatives”.
- 6.97 The use of Project Officers was thought to be essential to facilitating the widely supported case-by-case prioritisation approach. The Project Officer should be required to have expertise in public goods, but also good local knowledge as this would allow them to assist and negotiate the best outcome with the land manager.
- 6.98 Various prioritisation systems and data can be utilised to determine the most appropriate action in a location. Though respondents opposed the proposed spatial targeting, describing it as “postcode lottery”, the use of Area Statements was advocated as a key means of spatial prioritisation. NRW and the National Trust advocated the use of Area Statements, as they define strategic area-based priorities and therefore inform location-specific decisions. A scoring “points based” system was also consistently put forward by respondents. The

Woodland Strategy and Advisory Panel warned that this “scoring system would need to be kept under review and if provision of certain public good was deemed to be falling behind expectation then the scoring could be adjusted to reflect this”.

- 6.99 Other suggestions for a systematic or evidence-based approach to prioritisation included:
- national datasets such as Office of National Statistics, Ordnance Survey and productivity data
 - Natural Capital Accounting as a way of presenting information about the value of the environment
 - GIS based data
 - Integrated Estate Management Plans, as utilised by the Ministry of Defence.
 - National Park Management Plans
 - SoNaRR (The State of Natural Resources Report, 2016) to highlight the priority habitats to be considered on a Wales based level.
 - The LUCI (Land Utilisation and Capability Indicator) ecosystem services model, which can be used to map areas providing a range of environmental goods and services.
- 6.100 As a general rule, it was suggested that prioritisation should focus on the areas with the greatest impact when measured against objectives. Respondents stipulated that priority should be given to the largest impact schemes. A respondent advocated the development of an “Assessment Matrix” which prioritises the benefits with the greatest impact. Others agreed with this approach whilst adding the need to prioritise on a value for money basis. This can be measured by utilising economic calculations such as; cost of land reclamation, cost of planting trees and benefit of leaving it as a habitat.
- 6.101 The topic of achieving multiple benefits was an issue of contention amongst consultation respondents. In support of multiple benefits, respondents cited that they should be required from all publicly

funded activities. An alternative view recognised that actions with multiple benefits are not necessarily better than those with a single benefit. A minority felt that in cases of multiple, competing benefits, Welsh Government should have the power to make the final decision, based on wider policy and financial considerations. Wildlife Trust Wales called for this consideration of national policy, by indicating that bespoke solutions to local circumstances should cumulatively deliver national priorities.

6.102 Some respondents suggested specific areas which they deemed to be a priority for the scheme. The dominant perspective amongst these respondents was that flood risk alleviation should be the highest priority, with carbon sequestration holding almost equal importance and biodiversity often placed as the third highest priority. Other suggested priorities included:

- animal health and welfare
- health, pollinator and tourism benefits
- woodland creation
- public access
- rare public goods.

Alternative priorities

6.103 A small number of respondents expressed that food production is the only way forward, supporting the notion that if farming is thriving then conservation will follow. One respondent opposed prioritisation entirely, having argued that “the proposed public goods you have stated are nearly all environmental objectives and to try to say one is more important than another is ridiculous”.

Question 14

6.104 The fourteenth question was: given that support for the delivery of public goods will be a new approach in Wales, there will be a requirement for a significant amount of training and advice for the

sector. How best could this training and advice be delivered? Which areas of the sector need the most attention?

- 6.105 552 substantive responses to this question were received and the responses are summarised below.
- 6.106 Some respondents queried the wording of the question itself and the suggestion that a public goods scheme represents a new approach: “I don't see that delivery of Public Goods is a new approach - is this not what farmers have been delivering for years through schemes such as Glastir Advanced, Glastir Woodland Creation, Tir Gofal?”
- 6.107 Several respondents felt unable to comment on required training and advice, without having more detail on the scope and definition of public goods and how the scheme would work.
- 6.108 Whilst some respondents expressed the view that training and advice would be essential to the new scheme, others perceived it as an unnecessary expense that would reduce the overall budget available to support land managers: “Once again you will need an army of so-called advisors who will be taking most of the money.”
- 6.109 In terms of delivery agents, the predominant approach put forward by respondents consisted of utilising established channels that are respected by land managers: “A focus on retaining existing, trusted advisers would be crucial through any transition and beyond.” Although a range of other organisations were suggested², Farming Connect was consistently advocated by respondents, on account of the experience and existing structures and systems that the organisation offers: “What is wrong with the extensive Farming Connect system that already exists? Do you need to waste money on a new system?”
- 6.110 Conversely, a minority of respondents opposed the use of Farming Connect, citing that the organisation is bureaucratic and unhelpful: “At

² Including Glastir, Natural Resources Wales, Farm Liaison Service, National Farmers' Union, Young Farmers Clubs, Farmers' Union Wales, National Parks Authorities, The Soil Association, The Sustainable Food Trust, Countryside Alliance, Rivers Trusts/ Afonydd Cymru, the LEADER administrative bodies, Menter a Busnes.

present the training and advice provided for forestry through NRW and Farming Connect is woefully inadequate. This requires substantial overhauling and investment, which should be done in consultation with the experts and practitioners in the private sector and universities."

6.111 Other key points in relation to the agents that would deliver training and advice included:

- Call for training and advice to be delivered by those with cross-sector experience to cater for the training needs of land managers of diverse and diversified estates.
- A suggestion that different specialist organisations could provide different types of support, based on the needs of individual land managers³.
- The need to separate the regulatory role carried out by some bodies (for example, Natural Resources Wales) and any advisory role that they might carry out as part of a public goods scheme.
- The suggestion to invest in farmer-to-farmer collaboration modelled on the Innovative Farmers Network.
- The need for advice to be impartial: "Advice and training should be delivered by individuals who are genuinely neutral and are not bound or steered by the legal or charitable objectives of the organisation they work for." (Farmers Union of Wales)
- The value of bringing in the expertise of existing businesses such as National Botanical Gardens of Wales, National Trust Wales and Centre for Alternative Technology.
- The suggestion that land managers already delivering public goods should be paid to train other land managers.

³ For example, Welsh Archaeological Trusts (advice on management of the historic environment), River Trust (advice on soil management, riparian corridors and water quality) and the British Vet Association (advice on animal health and welfare standards, responsible use of medicines, biosecurity).

- The value of reforming the curriculum taught at agricultural college, to include the concept of public goods in the context of farming and land management.
- 6.112 A range of delivery methods for training and advice were suggested by respondents. Some called for a combination of approaches, as suggested by the Campaign for National Parks, "a range of routes for providing training and advice will need to be supported and this may vary across different types of farms. This may include formal training delivered through agricultural colleges, advice through current, trusted advisers such as agronomists, or less formal routes such as through peer to peer networks."
- 6.113 Respondents expressed different views on the efficacy of online training. Unreliable or lack of broadband provision in some parts of Wales and significant numbers of (typically older) land managers who are not computer literate were cited by respondents as reasons against the use of online training. The flexibility and time efficiency of accessing training online was seen to be advantageous, however: "Online training [is how training and advice could best be delivered]. I run the farm on my own, I will not have time to attend training."
- 6.114 A strong theme within the responses was the need for training and advice to be bespoke to the needs of individual land managers: "We advocate a mix of formal and informal knowledge transfer models, networking, peer to peer, tailored to the needs of individual businesses."
- 6.115 It was regarded that the provision of "quality and trusted one-to-one advice, and one-to-many advice is essential to achieving and maximising the outcomes of environmental land management." as stated by the Wildlife Trust Wales.
- 6.116 Specific suggestions for types of training that could be delivered include:
- Farmer-to-farmer and peer-to-peer learning.

- Research and innovation, such as field labs developed by the Innovative Farmers Network.
- Open days and farm walks to demonstrate best practice.
- One-to-one on-farm advice.
- Public goods delivery training courses delivered on farms⁴.
- On farm demonstrations and discussions.
- Training that is similar to the current Farm Assured Welsh Livestock farm inspection process.

6.117 Respondents tended to interpret the second part of this question⁵ in one of two ways. Some identified specific sub-sectors or groups of the rural economy that need most attention in terms of training and advice (i.e.: the recipients of the training). Others suggested topic areas for training that should be prioritised (i.e.: the content of the training).

6.118 In terms of recipients, suggested sub-sectors requiring most attention included:

- Upland sheep and cattle.
- Red meat sector: “The red meat and dairy sectors require the most attention. They each cause significant environmental harms and have done for far too long. They are also intrinsically highly conservative.”
- Intensive dairy, pig and poultry.
- Food production.
- Forestry and woodland management.

6.119 Some respondents identified demographic or geographic groups or individuals to be prioritised, such as:

- Older farmers who may not be aware of how they could benefit from a public goods scheme.
- Younger farmers “who are the future generation and typically more likely to apply for support through a public goods scheme.”

⁴ It was suggested that these could run in a similar way to Tir Gofal habitat training courses run by Farming & Wildlife Advisory Groups, IBERS and Pembrokeshire College.

⁵ Which areas of the sector need the most attention?

- Managers of uplands: "The Welsh Government should specifically recognise the greater level of public goods associated with uplands and other marginal agricultural land and make sure land managers in these areas receive specific support throughout the transition period."
- Part time farmers "who never attend any educational meeting or indeed any other meeting."
- Small family farms, where there may be a lack of capacity to research and benefit from a public goods scheme.
- More intensive farms, with the greatest opportunity for progress: "[training] must be targeted towards those that need it most, i.e. farmers and land managers that are causing environmental harm, where integration of productivity and environmental goals is essential, and where high-quality environmental outcomes are sought."
- Any project officers and other relevant Welsh Government staff involved in administering the public goods scheme.
- The general public (in relation to land access).

6.120 Topic areas for training and advice requiring the most attention in the views of respondents included:

- Environmental: soil management, riparian corridors, drainage, water quality, farm land birds, unimproved grassland, farm economics management, nutrient use, use of pharmaceuticals, sustainable land management, wet woodlands, hedgerows, upland moss/heather/Molinia moors, slurry management.
- Sustainability and renewable energy: climate change mitigation, green energy micro-generation, land-based carbon reservoirs, (for example peat bogs), reed beds in ditches and field ponds⁶.
- Animal welfare: "animal health and animal welfare must be recognised as important public goods and rewarded through any proposed public goods scheme." (British Vet Association)

⁶ To assimilate carbon and filter contaminated water.

- Disabled access to footpaths.
- Legislation governing public access and its management.
- Guidance on measuring public goods outputs.

6.121 It was suggested that training should be delivered through a broad framework contract that is regularly refreshed.

Question 15

6.122 The fifteenth Question 15 was: Private investment in the purchase of public goods is already happening, but at a relatively small scale. How could the new scheme promote greater involvement from the private sector? What are the barriers to this type of investment?

6.123 The 445 substantive responses to this question are discussed below.
How to promote greater private sector involvement

6.124 Respondents generally agreed that private sector involvement should be encouraged by evidencing return on investment. It was recognised that the private sector is primarily driven by profit and sound investment opportunities. WWF Cymru suggested Welsh Government should be clear on what the scheme would offer potential investors over the lifetime of a contract and to clearly quantify the intended effects of the intervention. Respondents also suggested utilising tax breaks. The FUW suggested that without legal incentives or requirements progress in developing such markets could be slow. In addition, land purchase incentives that would alleviate prohibitive costs could be considered.

6.125 Further methods suggested by respondents included providing information on how the scheme is monetised and managed, investing in an effective marketing plan and to communicate the profit enhancing benefits of the scheme. Respondents suggested raising awareness of programmes that were already successful such as:

- Water Resilient Community in Rhondda Fach
- Independent Environmental Advisory Panel

- Black Mountains Land Use Partnership
- EcoStable Slopes project
- PLANED's Building Resilience into Catchments ("BRICS") research project
- Brecon Beacons Mega Catchment project⁷.

6.126 A number of respondents referenced public image as a key way of engaging private organisations. One respondent suggested educating organisations on climate change and another recommended encouraging organisations to participate as part of their Corporate Social Responsibility. One respondent stated that private firms are looking for ways to increase their public image and access to readymade avenues and collaborative opportunities would enable them to do so.

6.127 Other suggestions included:

- Welsh Government to put both a framework and supportive regulation in place.
- Establishing a set of concessions on a farm where small enterprises could be set up on areas of the land.
- More flexible support to well established charitable organisations.
- Co-operatives to act as intermediaries (such as The Fruit and Vegetables Aid Scheme).
- Greater recognition for certification schemes (such as organic or forest management).
- Small scale investment from outdoor activity providers towards access improvement and the like.

Barriers to investment

6.128 Respondents typically stated that cost was the biggest barrier to private sector investment. This was thought to be due to the perceived lack of financial return or the perception of limited value (unless tied to tax benefits), that investors may have. In addition, one

⁷ List provided by Dŵr Cymru

respondent stated that the reward is small/insignificant compared to the paperwork involved.

- 6.129 Other barriers included regulation and the private sectors' lack of convergence with the public sector, which behaves in a risk averse and bureaucratic manner. Alternatively, one respondent indicated a need for a clear legislative framework within government agencies such as forestry, which the respondent believes will draw in the private sector.
- 6.130 A number of respondents were unsure as to what the barriers were but felt it was unclear why the private sector would invest or would only invest if obligated to do so. One respondent stated you could not forecast a business future without facts on the deal of Brexit.

Opposition to private sector involvement

- 6.131 A proportion of respondents were opposed to the idea of private sector involved in the scheme and a number felt it to be beyond the remit of the scheme. Members of the Farmers Union for Wales noted that the purchase of public goods implies that what is being purchased is not in fact a public good.
- 6.132 There were concerns that:
- The approach would be unsustainable as private investors want short term payback from the investment.
 - Private organisations would buy land in order to capitalise on public funding, reducing numbers farming and deskilling rural areas.
 - Regulation would not be strict enough to mitigate the impact that PFI could have.
 - Agriculture would be downscaled to counter pollution made by corporations, leading to a "countryside full of trees and cities full of pollution".
 - Excessive reliance on private funds may skew decisions about which activities received the most support.

6.133 Some felt that if private bodies want to get involved, they should buy land and should not invest in family owned farms. Others felt there was no demand for this and numerous respondents felt they could not answer due to the lack of clarity of the definition of public good.

7. Transition, Delivery and Legislation: Consultation Questions 16-19

Question 16

- 7.1 Question 16 asked consultation respondents for their comments on the phased transition period, and the ambition to complete the changes by 2025. Of the 1,036 consultation responses, 577 responded to this question.
- 7.2 The dominant view amongst the respondents was that the period taken to implement changes needed to be extended, however reasons for this diverged across the responses. The majority who felt that 2025 was an unreasonable timescale cited the longer transition timelines established by the rest of the UK. It was felt that pushing Wales to complete the transition two years ahead of the rest of the UK will place farmers in Wales at a significant disadvantage until the regulatory framework becomes aligned in 2027. Many more of those who felt that 2025 was unreasonable, commented that it was too short a timescale and that the Welsh Government's aims are too ambitious and unachievable given the size of the task at hand. NFU Cymru stated that "Overall, we do not believe that the relatively short transition Welsh Government proposes will be sufficient to design and develop, test and impact assess the level of change proposed". Comments raised concerns that the timescale envisaged would not begin to allow sufficient time for the thorough analyses, modelling, planning, and piloting necessary to ensure that changes such as those proposed do not have a catastrophic impact. This was supported by Natural Resources Wales' response that highlighted it was "important that the transition includes well designed trials and pilots" to ensure any evidence, skills and knowledge gaps are addressed. It was similarly felt that a longer transition period is necessary to allow for stability and the smooth operation of businesses given the uncertainty of the Brexit deal. This was

supported by Welsh Local Government Association that “favour(s) a minimum transition period of seven years from 2021”.

- 7.3 Alternatively, the view that the 2025 deadline was reasonable did garner considerable support amongst respondents. Those that supported it described it as “progressive”, “sensible”, “ambitious” and “commendable”. One comment was that “all businesses should have 5-year plans” and therefore, under such a transition sufficient time is provided for businesses to adapt. The consultation response from Confor welcomed the step change in funding for forestry, as early as next year, suggesting there needs to be adequate staff provision in NRW to process applications (dedicated unit for woodland creation applications and an individual lead to improve woodland creation process). Another respondent stated that the 2025 date, although ambitious, would be successful if the infrastructure is available to deliver the roll out (such as IT systems) and if bureaucratic processes are frictionless.
- 7.4 A smaller proportion of responses felt that a transition period that lasted until 2025 was too long and therefore would require implementation with greater immediacy. The responses that supported such an approach considered the impacts of climate change and a sharp decline in biodiversity to require greater urgency. The National Trust stated that “nature cannot afford to wait for public money to begin prioritising public benefits and farmers need certainty as soon as possible”. Comments also suggested that trade opportunities could be missed if the transition took too long.
- 7.5 A number of comments were made regarding the transition. It was widely recognised that a phased transition was the most effective route to prevent a cliff edge scenario for farmers, businesses and the Welsh Government and many urged Welsh Government to be cautious and flexible during the transition period. It was also suggested that the roll out of the scheme required an element of learning and adaptation as the proposal is extended.

- 7.6 Some respondents raised concerns about support during the transition period. One common theme was that BPS should be retained or extended beyond 2025 to mitigate economic fallout and allow for adaption given the significant changes for businesses. One respondent, for example, stated that “A sudden withdrawal of the existing scheme could result in a mass exodus of farming with a consequential loss of knowledge and attendant environmental, economic and social problems”.
- 7.7 Another theme extracted from the responses, was that it was difficult to determine whether the proposed transition date was suitable, due to the uncertainty caused by the Brexit deal. One respondent urged Welsh Government to “stick with the status quo until Brexit has happened”, and another asked “What happens to CAP if the Brexit negotiations are prolonged?”. The FUW also considered the impact of the negotiation process stating that “WG have previously engaged in impact assessments to examine the effect of any policy change- the analysis of the combined impacts of any trade deal and changes to welsh support policies needs to be undertaken but cannot be undertaken until the UK-EU negotiations are concluded”.

Question 17

- 7.8 Question 17 asked: what is the most appropriate way to phase out the Basic Payment Scheme to start implementation of the new schemes? Of the 1,036 substantive responses, 517 answered this question. In addition, Annex C presents further analysis of eight organisational responses to the consultation that concerned the Basic Payment Scheme, as requested by Welsh Government.
- 7.9 The majority of the responses felt that the most appropriate way to phase out the BPS was through a phased approach. This was dominated by the view that annually reducing a percentage of the payment through the transition period would be “the simplest and fairest approach”. It was suggested within these responses that a

suitable withdrawal from the current scheme of between 10 to 20 per cent annually would be sustainable. Many felt that completing the transition in percentage increments, whilst integrating the new schemes, would satisfy the agricultural industry and provide farmers with the stability required to plan long-term and drive their businesses forward. Further comments considered a phased approach to balance the “need for time to adapt with the need to deal with existing problems” while also allowing for a long enough transition period to pilot, test, and model the new scheme to ensure that significant changes have the least dramatic impact on the industry. Many supported a five to seven-year transition as striking the right balance between maintaining the necessary momentum so that changes are not “kicked into the long grass” but urgent enough to tackle the environmental issues that face the agricultural industry today. Others felt that a phased approach would ensure that early access could be given to those farms that wished to trial the system and that a large number of farms with early access to the new scheme would allow for the smooth implementation of all farmers.

- 7.10 A dominant view amongst the responses was that an initial cap on payments should be introduced with suggestions ranging from £50,000 to £120,000. Such an approach would ensure that larger recipients would take the biggest percentage drop in payments first and immediately free up money to go to the new scheme. It was suggested that a progressive percentage reduction from the highest to the lowest would allow for minimal disruption and provide support for small farmers by maintaining their BPS until the end of the transition period thus protecting those at greatest risk of any future volatility. The National Beef Association felt that an effective way to implement this is to have “an across the board percentage reduction for all payments above the median payment threshold”.
- 7.11 A number of the responses disapproved of the removal of BPS altogether, with some suggesting that it be maintained. It was commented that the transition away from BPS will be disruptive to

farmers in Wales. One felt that the current system “works well”, while another commented that “there will be a lot of pain in the sector”, and one respondent stated that ending BPS will mean Welsh farmers are at a disadvantage in comparison to the EU. One response suggested that “a basic scheme should be maintained for all producers to help risk management and price volatility” with a further respondent reiterating that “a failure to do so would be negligent in the extreme and risk the collapse of the Welsh agricultural sector and thus our rural communities as they exist today”. Within these responses some considered that the end of BPS income will have a significant effect across the agricultural economy and community. It was suggested that the livestock sectors are wholly reliant on BPS income, that the wider rural economy would experience a knock-on effect, and that there is a potential for rent increases. The FUW suggested that “the rationale for abandoning direct support given in the consultation document is unevidenced and at best anecdotal”.

- 7.12 Within some of the responses, it was commented that it was important for the Welsh Government to ensure that support is available for businesses who will have to adapt to the new schemes. It was suggested that the availability of good quality business advice would be integral to the success of the scheme.
- 7.13 Some of the respondents felt that “now is not the time to make significant changes due to the uncertainty caused by Brexit”. Respondents that raised this issue highlighted the influence of the European Union on land use in Wales and felt that major agricultural reforms should be implemented after the settled agreement to leave the EU.
- 7.14 Two respondents commented that the BPS should continue to be delivered at the current rate, but with a set deadline where all payments would cease.
- A response suggested to keep continuity between the current Greening Payments and the new system, as an “intellectual bridge”.

Question 18

- 7.15 Question 18 asked how to simplify the current administration and delivery of the Basic Payment Scheme during the phased transition period. This question received 438 comments.
- 7.16 The dominant view was that the current BPS system should be retained and not amended, because it was already simple and efficient. Farmers were said to be already used to the system, so it should not be tweaked to add further complications or confusion about the requirements. Some respondents stated that the current system was efficient, and that payment rules should not be amended (such as crop codes and permanent codes). One respondent commented that previous attempts to simplify BPS usually added to its complexity, while another stated that it is likely that a Public Goods Scheme would be more complex than the current system. NFU Cymru called for evidence that the replacement scheme could deliver the same stability as the BPS currently delivers, before phasing out could commence. Respondents raised the point that if BPS was not to remain in place, what would be the need to adjust the current administration and delivery of the Scheme for the short transition period proposed.
- 7.17 An alternative view within the responses, was that the BPS system should be amended to reduce the bureaucracy involved in applying for payments. Within this, a view was that the current BPS requirements were too stringent – such as the number of forms, the level of detail (four decimal places) on land areas, and “remapping” requirements. It was therefore suggested that the forms should be simplified, that paper work is reduced, and that online systems are kept available via Rural Payments Wales. Respondents suggested that inspections should be kept to a minimum, as supported by the HCC response that a future system should be self-auditing with minimal verification requirements, however the cost of developing, delivering and monitoring a bespoke scheme should not be underestimated. In addition, respondents noted that if farms are

FAWL accredited then this should cover everything that is required for payments and would ensure basic standards on farms. It was however, suggested by one respondent that if Rural Payments Wales continue in the current position, that the system will remain bureaucratic and inefficient.

- 7.18 NFU Cymru welcomed the commitment that simplification of application and administrative processes should be a key objective for the new schemes, but they held the view that the consultation proposals do not meet that objective.
- 7.19 This was supported by the FUW, which opposed phasing out BPS for the Public Goods Scheme, however, suggested changes to the BPS included “greening requirements, streamlining the application and inspection processes, making penalties more proportionate, recognising genuine errors, increasing thresholds for crop code areas and simplifying crop codes”.
- 7.20 With regards to the payments, respondents suggested that they should be fixed at the 2018 rate, and reduced each year. Other respondents suggested that businesses are reliant on the BPS, and therefore any reductions should be replaced by the new scheme. Respondents reiterated the need for payments to be made on time.
- 7.21 Respondents also raised the need for queries around payments to be quickly addressed by knowledgeable advisors, so payments are not delayed.
- 7.22 In line with other questions in the consultation, respondents reiterated that at a time of uncertainty around Brexit it was premature and not the time to make changes to the BPS. In addition, consultation respondents raised concerns about the length of the transition period with careful consideration required to ensure there is on-going support for farmers to ensure a phased change in support over a longer period of time.

Question 19

7.23 Question 19 of the consultation asked: Will the proposed Land Management Programme have any effects (either positive or adverse) on:

- opportunities for persons to use the Welsh language;
- treating the Welsh language no less favourably than the English language?

7.24 There were 530 responses provided to Question 19.

Opportunities for persons to use the Welsh language

7.25 The dominant view from consultation respondents were the significant concerns about the Land Management Programme negatively impacting on the opportunities for persons to use the Welsh language.

7.26 The agriculture and forestry sectors support employment in rural areas with a high percentage of Welsh speakers. One respondent stated, “Agriculture underpins the Welsh language and our rural communities”, as 29 per cent of farmers speak Welsh and only 17 per cent of the population do. The programme was seen to negatively impact the viability of these rural businesses, so therefore the predominant expectation was to have a negative impact on rural Welsh speaking communities. Especially without the stability of the BPS, it was seen as inevitable that the number of farming businesses will reduce and consequently impact on the number of Welsh speakers.

7.27 The Welsh Language Commissioner recognised the link between the Welsh Language and the economy, which is especially important in rural communities that rely on agriculture and tourism. The Commissioner stated that “to maintain and strengthen the Welsh language – ‘language planning and economic development must go hand in hand”, and therefore must be included within the Land Management Programme as a public good. The Commissioner also acknowledged the ability of the Welsh language to support business

growth and the development of innovative products, specifically in the utilisation of Welsh language for promotional, branding and marketing purposes in the food and drink manufacturing and marketing sector. The Commissioner cited recent research into attitudes of large businesses and SMEs in Wales, where 82 per cent strongly or partially agreed that using Welsh adds value to a product or service. For these reasons, the Welsh Language Commissioner argued for the inclusion of Welsh language aims in the Economic Resilience Scheme, especially in terms of supporting market potential.

- 7.28 Consistently consultation responses raised the significant negative cultural impacts of the programme on Welsh communities. As one respondent stated, “Rural agricultural communities have become the backbone of the Welsh language and it is through these communities that Welsh language both spoken and written has survived”. Therefore without a thriving agriculture sector in Wales there would be long lasting and irreversible cultural impact of a devastating effect. Respondents stated it would be “cultural death – an absolute tragedy” and “without sustainable farming the language is dead in the water”.
- 7.29 The impact on the social demographics and population decline of rural Welsh communities was raised throughout the consultation responses. The programme was seen to not provide employment or encouragement for young people or families to stay within rural communities, due to a lack of credible alternatives to the BPS. One respondent summarised the sentiment of responses “If no food producers and land managers are able to make a living in the Welsh countryside, adverse effect on Welsh culture, language and heritage. Our children are our future and will have left the rural Welsh speaking areas in search of work in large cities over the border.”
- 7.30 Loss of family farms in rural areas was a significant area of concern as it would negatively impact on the opportunity for persons to use the Welsh language, as raised by consultation responses, NFU Cymru and the FUW’s response. Respondents noted that without family farms as part of the community, there would be serious adverse

effects on Welsh language which will “disappear from the hills”. One respondent noted it would be “a lasting black mark on the Welsh Government, as you must remember that farmers and family members are the back bone of the Welsh speaking areas within Wales”. It was seen as important to support all size farms and the family farm to be prioritised over other organisations and charities (e.g. NRW). Concern was raised about following New Zealand in losing small family farms, resulting in areas of Wales becoming ghost towns.

- 7.31 Welsh Government has the vision of “a million Welsh speakers by 2050”.⁸ Consultation respondents highlighted that this can only be achieved with a thriving rural economy that keeps people in employment in rural Wales, by directly supporting the family farm and Welsh speaking communities. The Welsh Language Commissioner called for the Welsh Language to be a designated public good, as this would be consistent with the Cymraeg 2050 Strategy. In addition, a few consultation respondents noted the failure of the proposed programme to directly contribute towards the wellbeing goals of “a Wales of vibrant culture and thriving Welsh Language”, and “a Wales of cohesive communities” in the Wellbeing of Future Generations (Wales) Act.
- 7.32 Other negative effects of the programme for persons to use the Welsh language included the following:
- “Any movement towards predominantly English medium industries (tourism / service sector) and away from agriculture will decrease the linguistic multiplier within the rural economy...”
 - The programme does not go far enough to support active farm tenants that contribute towards the communities.
 - Rural communities already at threat due to a loss of services, farming essential to keep the Welsh language alive in rural areas.

⁸ <https://gov.wales/docs/dcells/publications/170711-welsh-language-strategy-eng.pdf>

- 7.33 The Animal Health and Welfare Framework Group consultation response stated the effect will be dependent on the success of the programme in maintain a thriving rural economy.
- 7.34 A minority of respondents highlighted the positive opportunities for persons to use the Welsh language. If the programme is effectively designed and delivered to support farmers / local communities then the Welsh language can be enhanced. Confor's consultation response stated that an expansion of the forestry sector will bring secure jobs and thriving industries to sustain Welsh speaking communities, as the sector is rooted in the Welsh rural economy.
- 7.35 Other responses in regard to the opportunities to use the Welsh language discussed the following points.
- Facilitating the circular economy will bring opportunities in rural areas, due to vertical integration and diversification, which will bring benefits to rural communities.
 - Locally based bilingual field officers were seen by a few consultation respondents as important to supporting the Welsh language.
 - The British Veterinary Association consultation response highlighted that high animal health and animal welfare standards rely on good communication between farmers and vets for effective disease surveillance to be carried out. Everyone should be able to engage with their chosen language.
 - Important to protect natural resources by not developing all materials bilingually, but selecting the language of preference for each Land Manager.
 - Treating the Welsh language no less favourably than the English language
- 7.36 In regard to the second part of Question 19, treating the Welsh language no less favourably than the English language. Consultation respondents raised that if the scheme is delivered in accordance with the Welsh Language Standards and specifically through a digital

bilingual platform then there will be no specific issue. The importance of everyone having the choice of their preferred language with equality between the languages was reinforced throughout the consultation responses.

- 7.37 One respondent noted the challenges at present of not being a Welsh speaker within the sector and stated that "Those of us who have lived in Wales all our lives should be treated equally not as second-class citizens in our own country" for not speaking Welsh.

Other

- 7.38 A couple of respondents acknowledged the importance of not getting caught up on Welsh Language, but to focus on the proposal for land management. Responses stated it was not an advantage to speak Welsh in the global market and Wales need to be forward looking to focus on agriculture as an export industry where English is required. However, a few consultation responses highlighted the marketing potential of products and PGI status, as result of the Welsh language and heritage of products.
- 7.39 NFU Cymru, Welsh Local Government Association and the Welsh Language Commissioner strongly advocated the undertaking of a full regulatory impact assessment to specifically understand the impact of funded interventions on the Welsh language. One respondent called for this assessment to be published alongside the Welsh Government White Paper in the spring.

8. Further Comments: Consultation Question 20

- 8.1 Question 20 of the consultation asked if respondents wanted to make any further comments.
- 8.2 There were 577 additional comments to Question 20 of the consultation. The comments were varied in nature, however predominantly the responses raised concerns about the Land Management Programme and its proposed schemes.
- 8.3 As covered in responses to Question 1, respondents reiterated the requirement of a basic payment to financially support farmers, especially for those individuals that are actively managing the land. Consultation responses reiterated concerns about the removal of the BPS and the associated implications, such as negative effects on the supply chain, animals not appropriately cared for and negative impact on farmers' mental health. The detrimental impact of removing the BPS was consistently raised in consultation responses.
- 8.4 Respondents raised concerns about the timing of the consultation and where associated funding for the new Programme was coming from. In view of the uncertain nature of the direction of leaving the European Union, consultation responses raised concerns that Wales should not do anything to disadvantage itself further.
- 8.5 Consultation respondents reiterated the concerns about the economic resilience scheme in response to Question 20. There were concerns around basic payments, supporting family farms rather than specific organisations, and a cap per business supported. Respondents raised concerns about the scheme indirectly encouraging intensive farming that would be to the detriment of the environment and society. This implied a need to ensure there would be eligibility criteria to consider the impact of increased production (e.g. a public goods element within the economic resilience scheme).
- 8.6 The Public Goods Scheme requires clarity on what is defined as a public good, with further consideration for food production and security, animal health and welfare, public rights of way and tourism.

A few consultation responses acknowledged the risk of destocking the uplands, but the potential benefits of rewilding these areas were seen as beneficial by a few consultation respondents. A respondent noted that political will and bravery is required for an appropriate Public Goods Scheme to be developed. A consultation respondent raised a concern that in 20 years Wales risked “being a nation of park keepers”.

- 8.7 In addition, there were calls for schemes to keep farmers on the land producing food, and support being ring-fenced for farmers. Respondents raised the importance of the financial support going directly to land managers, rather than consultants. In addition, respondents raised the need for tiered payments to prevent large corporations or organisations draining the available finances. In addition, the requirement to ring fence support to ensure agriculture is separate from forestry funding, and that Welsh Government declares an interest if it supports forestry, to avoid conflict of interest with Natural Resources Wales.
- 8.8 The design and management of the schemes were explored in respondents’ additional comments. The need for the scheme to be flexible and accessible was seen as essential with a simple process for claiming support for any new scheme. It was suggested that one main application per year should gather all the information required from land managers, to remove duplication of various surveys and requirements of farmers. There needs to be delivery against specific targets with a rigorous audit process in place. One respondent raised concern about the management of the Land Management Programme.
- 8.9 Consultation respondents raised concerns about the alignment of other Welsh Government policies with the proposed Land Management Programme. The following concerns were raised by consultation respondents.

- Food policy needs to align with land management programmes. Currently, the Food and Drink Action Plan is focused on increasing sales, exports and niche products, but this needs to align with securing nutritious food for all citizens and how the land is managed.
- There is a need for a joined-up planning and land policy, as current restrictions due to One Planet Development Policy, especially around renewable energy opportunities.
- The Wellbeing of Future Generations Act needs to be a key consideration for this new Programme.
- The linkages between the Programme and the Environment Act, National Resources Policy, Area Statements and State of Natural Resources Report.
- Public procurement policies need to align with the proposed Land Management Programme to support Welsh Land Managers.

8.10 Other comments from consultation respondents included:

- the marketing of the scheme will make all the difference
- the need to align with the other UK nations' programmes to ensure Welsh farmers are not disadvantaged
- the "identify of Wales depends on the success of the programme"
- sound evidence and business practice is required to make a commitment to people's wellbeing in Wales
- commercial forestry has a role in the uplands and forestry should be high up on the agenda
- resource is required for regulation to ensure a strong regulatory baseline is in place to ensure the scheme works in practice
- Welsh Government needs to ensure there is a long transition period in place, as what is currently proposed is too quick and one respondent noted there must be a 10-year minimum transition period
- Rural Development schemes under Pillar 2 (e.g. LEADER) provide support to wider rural community and test bed for

innovation in rural areas, but there is no detail in the Programme about how a successor scheme will be developed

- angling was not represented in the Brexit round table discussions and therefore is not fully represented in the proposed programme
- communication with land managers is key going forward
- decisions that are made now will affect future generations, so caution needs to be taken.

9. Additional Comments from General Responses

- 9.1 This section summarises the comments made in general responses which did not align to a specific question. Views which are additional to those expressed in Question 20 (see Section 8) are outlined below.
- 9.2 Both the FUW and NFU Cymru members opposed the proposals put forward by the Welsh Government, but saw merit in some of the elements outlined. The organisations agreed upon a set of five key principles, as described in their responses, which are aimed at “placing Welsh food, farming, livelihoods, communities and the environment on a firm post-Brexit footing” (FUW). These principles are; Stability; Family Farms; Supporting Rural Communities and Welsh Jobs; Sustainable Agriculture; and, Rewarding Environmental Outcomes. NFU Cymru also put forward their vision for a new Welsh Agricultural Policy which is based around three cornerstones – productivity, environment and volatility. NFU Cymru expressed the frustration that “the extent to which [their] concerns have been heard through the development of the Brexit and Our Land proposals has been very disappointing”. Both unions are committed to working with Welsh Government in designing future policy.
- 9.3 The Australian Government’s response drew upon their own agricultural policy reforms and proposed that their principles of increasing efficiency and productivity are the best way to compete; something which they suggested could provide a model for best practice. The Australian Government advocated a move from producer specific support to general services support, which they have successfully achieved through the implementation of a rural research and development system, the management of agricultural risk, the National Landcare Program and cooperation between all levels of government. The New Zealand Government expressed similar sentiments by advocating the use of targeted interventions to encourage farmers and foresters to become self-reliant, market-oriented producers.

- 9.4 Some respondents focussed on the topic of regulation and expressed the need for a simpler, more coherent regulatory framework. The Agricultural Law Association recognised the significant regulatory burden on agriculture and called for its simplification and rationalisation. NFU Cymru highlighted the need for a full-scale review of the current regulatory landscape prior to a consultation on the future regulatory framework. There is a risk of destabilising the functioning UK internal market and the level playing field which previously existed between nations once Britain is outside the Common Agricultural Policy. NFU Cymru recognised this risk and endorsed the use of common regulatory frameworks in order to mitigate any implications.
- 9.5 The need for an impact assessment was explored by respondents, who deemed this to be crucial to the implementation of any new scheme. NFU Cymru raised concerns over the creation of further uncertainty and instability if Wales were to move “forward with far reaching reform proposals without a proper assessment of the impact of these proposals on economic, environmental, cultural and social well-being of Wales”. Another respondent advocated the use of modelling and piloting to ensure that the scheme is appropriate and does not replicate the problems of previous schemes such as Glastir.
- 9.6 A consistent theme was the perceived compatibility of the Economic Resilience Scheme and the Public Goods Scheme. RSPB recognised the opportunity to join up investments in productivity with the wider environmental focus of future policy, but in order to do this it is essential that the schemes are compatible. The Agricultural Law Association called for a full evaluation of the potential overlap between the two schemes and the Game and Wildlife Conservation Trust would like to ensure that the two-scheme approach does not become a barrier to achieving multiple benefits.

Annex A. Full Campaign Statements

FUW Campaign Response

FUW: Re: the Welsh Government Brexit and our Land consultation.

In response to the Welsh Government's Brexit and our land consultation, I believe that the proposal to replace the Basic Payment ('single farm payment') with an agri-environment / public goods scheme is wrong and should be completely rejected.

Brexit means Welsh farms and our food industries are facing the greatest uncertainty and disruption in a generation. Making the most radical changes to farm payments since the Second World War, as proposed, would add to this uncertainty and disruption at the worst possible time.

Our main competitors in Europe and in large part of the UK are proposing continuing direct farm payments – so removing direct payments from Welsh farms will place our business at a significant competitive disadvantage.

The complexity, costs and risks inherent to the Welsh Government plans mean they should not be pursued, particularly at such a time of political and financial uncertainty.

WHAT IS PROPOSED RISKS THE WIDESPREAD DISRUPTION, FINANCIAL HARDSHIPS AND THE LOSS OF FARMS AND RURAL BUSINESSES, AND SHOULD BE REJECTED.

NFU Campaign Response

Dear Cabinet Secretary,

Given the uncertainty surrounding our departure from the EU next March, it is very difficult to be able to consider the full range of policies that my farming business will need in order to secure a profitable and successful farming business post-Brexit. Without knowing our future trade relationship with the EU and other countries, or the flexibility we

will have to reform our regulatory landscape, it is very difficult to be able to say with certainty what my business will need Welsh Government to provide.

However, as Welsh Government has decided to publish proposals for a new policy, I feel it is important that I should focus upon:

Food Production – securing a continued supply of safe, quality, fully traceable food is in the nation's interest.

Welsh Government policy and investment is needed and government should

remember that farmers are first and foremost food producers and with the right policy and funding framework farmers will continue to produce world leading food whilst caring for our beautiful landscape and enhancing our environment.

remember that the Basic Payment Scheme has been an invaluable tool in underpinning high-quality food production in Wales. Proposals to phase out these payments could have major consequences not just for farming families but for the wider food supply chain in Wales.

take note that a recent YouGov survey has shown that 83% of Welsh consumers supported the idea of a new domestic agricultural policy in Wales providing funding support for Welsh farmers to continue supplying safe, high quality and fully traceable food to the nation.

recognise the current and future challenges that face global food production. These include extreme weather events, scarcity of land and water in some countries, the growth of protectionism and population growth. As a globally responsible nation we have a responsibility to maintain our productive capacity and to help play our part in feeding our nation and contributing to global food security.

allow Welsh farmers to be able to compete with farmers in the rest of the UK and the EU. Funding support and policies must be comparable with farmers from other countries who will continue to compete for the same markets as Welsh farmers.

Environment – All farmers in Wales should be fairly rewarded for the public goods they are already delivering. Payments must go beyond income forgone calculations.

Welsh Government should ensure that future policy...

recognises that food production is at the heart of every farming business and it is farmers, who manage over 80% of the land area of Wales, that have the skills and experience to maintain and enhance our natural environment and our iconic landscapes.

recognises that our capacity to feed ourselves as a nation and secure supplies of safe food will be increasingly important given the predicted challenges to the global food production system. In a recent YouGov survey the Welsh public have overwhelmingly shown their support for farmers to receive funding support to ensure the continued supply of safe, high quality and fully traceable food to the nation. Home grown food production must have the full support of government if we are to provide what society expects and does not disadvantage farmers who have participated in agri-environment schemes over many years. Habitats, created, enhanced and restored should be recognised and valued in the future public goods approach.

is practical and achievable on our farms and we need to be sure that Government can deliver these schemes simply and in a timely fashion. We can only be sure that this will be the case if future schemes are designed in partnership with farmer representatives and are piloted prior to being rolled out across the country.

Productivity – measures providing funding to support investment in modern farm infrastructure, the latest technologies and innovations to ensure farming businesses are well equipped to face the challenges and maximise the opportunities of a post-Brexit market place.

Future policy should...

recognise that farmers need a stable foundation and confidence to allow them to invest in their businesses in future, increase productivity and deliver public goods for society.

reflect the fact that the primary role of all farmers in Wales is food production and this role will become increasingly important in the future, given the predicted challenges to our food production system, alongside managing and enhancing the quality of our environment.

be developed with a full understanding of the effectiveness of existing productivity measures in Wales such as Farming Connect, Sustainable Production Grant and Farm Business Grant Schemes recognising Welsh Government propose they will be operating in the absence of direct support.

ensure that every £1 invested by government in agriculture, delivers a return of around £7.40 as is currently achieved or our rural communities will be poorer in future.

Transition – Providing farmers time to adapt to life outside the EU.

Welsh Government must ensure a sufficiently long transitional period from current arrangements to a new domestic agricultural policy because...

until we receive greater clarity from politicians in the UK and EU as to our future trading relationships, it is impossible for us to make long term business decisions. The focus of our government should be to provide stability until we have a greater understanding of our future trading relationship.

we need to be sure that Government proposals for future support are practical and achievable on our farms and we need to be sure that Government can deliver these schemes simply and in a timely fashion. We can only be sure that this will be the case if future schemes are designed in partnership with farmer representatives and are piloted prior to being rolled out across the country.

government needs to properly assess the impact of their proposals on farming businesses and also consider the impact any changes could have on the rural economy, our language, our culture, our communities and our ability to feed ourselves as a nation now and in the future.

Active Farmer – supporting active hard-working farming businesses.

Policies and Investment must support those farmers who are actively involved in producing food for our nation because...

as an active food producing farming business, I regularly engage with a wide range of rural businesses. These include my local farm supplier, feed company, vet, livestock market and processor. All these businesses rely on my active farming business to help them remain in business.

for every £1 that government invests in farming, active farming businesses help ensure that this delivers a return of over £7 to the Welsh economy.

as an active food producer I am proud to be part of a Welsh food and drink supply chain that is worth a massive £6.9 billion to the economy of Wales and employs over 240,000 people.

not all active farmers own the land they farm or have a long-term tenancy and as a result I am concerned they could be excluded from proposals that Welsh Government have for future support.

many farmers starting out in agriculture do not have the necessary security or match funding to be able to draw down grant funding and require targeted support to help them develop their businesses.

Regulation – Welsh farmers operate to the highest standards. We must maintain these but we believe that there is an opportunity to look at regulation differently.

I do not wish to see the regulatory burden increasing as a result of Brexit because...

I would like to see regulation simplified wherever possible, and for there to be less overlap/duplication in terms of those overseeing regulation. I think there is considerable scope to rationalise and reduce the number of bodies that have a role in conducting farm inspections.

the burden of regulation that I am currently subject to reduces my confidence in the viability of my farm business. Complying with overburdensome regulation adds to my costs, and it often takes disproportionate amounts of time to prove regulatory compliance.

any new regulatory regime must also provide an opportunity to acknowledge good practice on farm, for example membership of farm assurance schemes. Participation in such schemes should reduce the chances of being selected for inspection.

I do not want to see Welsh farmers disadvantaged compared to farmers in the other parts of the UK, Europe or in the rest of the world when it comes to regulation to which they are subject. Welsh farmers must be allowed to remain competitive with the rest of the UK, Europe and the rest of the world.

I want to see a regulatory regime that is proportionate to the risks involved, focussed on delivering the outcomes that the public want, and not driven by process.

Funding – Welsh Government should continue to hold the UK Government to account for the promises made during the referendum campaign. Wales should not lose out on a penny of funding as a result of Brexit and that funding should be ring fenced for farming.

A move to a population share based allocation to Wales, in respect of agricultural funding, would be highly detrimental to Wales.

If money is not ring fenced then there is scope for competitive distortion amongst the home nations. It will also make it difficult for me to plan my business in terms of cash-flow and raising any funding that

I might need, if I do not have at least some degree of certainty as to my future income.

I need a level playing field with farmers in the rest of the UK and the EU who will be my main competitors in the market place.

Parity of treatment – Welsh Government must ensure that Welsh farmers are not disadvantaged post-Brexit as a result of differing support and regulatory burdens.

After Brexit, our principal competitors in terms of agricultural products will still be the EU27. I do not want to see my competitive position eroded compared to the EU27 in terms of the level of regulation imposed and level of support provided.

The European Commission has proposed that 70% of CAP funds for the period 2021-2027 take the form of direct payments. At the moment the Welsh Government is not proposing any sort of direct support to Welsh farmers, I therefore urge Welsh Government to re-consider the lack of direct payment provision in its consultation, and introduce such a provision in order to help preserve the competitive position of Welsh farmers.

WWF Campaign Response

WWF – Response to Welsh Government Consultation Brexit and Our Land

I want a Wales which puts the protection and Restoration of nature at the heart of everything it does. That's why I welcome your 'Brexit and Our Land' consultation and urge you to ensure that our new land management policy will build a healthy environment for future generations.

Without a healthy and resilient environment, we won't have an economy & society which is sustainable and capable of delivering wider well-being. For too long our natural world has been degraded.

The situation is now critical. Many of the proposals in this consultation have the potential to change that. You must have the confidence to deliver them, safe in the knowledge that it has wide public support.

I believe that public money should be spent on public goods so I strongly welcome the proposal for a dedicated Public Goods Scheme. Given the urgent need to tackle climate change; declining wildlife biodiversity; and air/water pollution, the new Land Management Programme as a whole must give priority to activities which address these needs and restore the environment. Furthermore, it is critical that the majority of the Programme's funds are committed to the Public Goods Scheme – this would truly place nature's needs at its heart.

We now have an unprecedented opportunity to support nature-friendly farming by managing all of our land sustainably. Everyone has a role to play, so it is critical that everyone who manages land, anywhere in Wales, has the equal opportunity to enter the Programme. This means that the definition of "land manager" and "land management" must not be limited to non-urban areas.

For the programme to maximise its potential, it must contain clear measures of success and set targets for when they will be reached. This will require Government to provide sufficient economic resources to understand and monitor which environmental interventions will deliver the greatest benefits in specific parts of Wales. Everyone from local communities to Natural Resources Wales will need to work together to decide this.

Wales has traditionally been a global leader for environmental legislation. We must not allow Brexit to undermine all we have already achieved, and result in us falling behind the rest of the UK. We must not let nature down.

RSPB Campaign Response

RSPB - I want a system that restores nature and benefits society

I am passionate about protecting Welsh nature, so I welcome your proposals in 'Brexit and Our Land' for a new land management policy.

If our environment is resilient, our economy, health and wellbeing are resilient too – so it's crucial any new policy restores nature, to in turn deliver all of these benefits for the people of Wales.

To do this, you, Welsh Government, must deliver a new system that ensures public money helps farmers and land managers to:

- manage the land sustainably,
- restore nature and wildlife, and
- provide invaluable benefits we all take for granted, like clean air and water.

To underpin this, you must include ways to measure whether we are restoring nature. Plus, it must be properly funded to deliver meaningful change for our environment.

Please stay true to your ambition and support farmers and land managers to deliver these benefits, for the people of Wales and the environment we rely on.

Wildlife Trust Wales Campaign Response

Wildlife Trust Wales - I'm speaking up for nature and showing my support for a public goods policy

I am writing regarding the Welsh Government's proposals in 'Brexit and our land' and to show my support for the Public Goods scheme.

As you say, Welsh land matters to us all. A healthy environment and an abundance of wildlife is vital in keeping us, and future generations, safe, happy, healthy and prosperous. I want to see sustainable land management policy that meets the needs of everyone living in Wales and looks after our natural resources.

I support the use of public money to provide public goods and believe we should invest in the restoration of our land and wildlife so that it

can continue to provide us with all the things we need: wildlife habitats, flood and drought management, clean water and air, carbon storage and places for us all to enjoy.

Nature is under strain: pollinators and natural habitats are in decline; carbon is escaping from our exhausted soils and rather than holding water, our soil is washing into our rivers and flowing out to sea.

Habitats are also suffering from air and water pollution from unsustainable farming. All of this has put pressure on Welsh wildlife and we've seen a 56% decline in biodiversity, with many species at risk of extinction.

We now have a once in a lifetime opportunity to fix the problems that past policies have created and give nature what it needs to recover and thrive.

Ramblers Cymru Campaign Response

Ramblers Cymru - Brexit and our land: Securing the future of Welsh Farming / Brexit a'n tir: Diogelu dyfodol Ffermio yng Nghymru

Brexit and our land: Securing the future of Welsh Farming

I fully support the notion that outdoor recreation opportunities and access to green spaces are valuable public goods.

The parameters identified for the new Public Goods Scheme are appropriate, and in relation to access the Public Goods Scheme must also:

- Ensure Land Managers deliver their existing legal obligations for unobstructed public access on rights of way (as currently set out under CAP guidance Good Agricultural and Environmental Conditions 7b)
- Deliver permanent improvements to those elements of the path network and access for which landowners are responsible

- Enhance the path network, including through new path creation and the provision of more opportunities to reach Open Access land
- Be transparent, enabling better promotion of access opportunities to encourage public usage
- Work with Local Access Forums to secure a path network which makes sense to local people and meets their needs

This is a unique opportunity to implement a new approach, and Wales can lead the way in reinvigorating public understanding and usage of paths and access land, and delivering a significantly improved environment for outdoor access.

British Horse Society

I live in Wales and am a horse rider as well as Lecturer in Equine Science and Chair of British Horse Society Wales.

I support the proposed new Land Management Programme and the inclusion of access provision in a Public Goods scheme.

I am keen that the new programme should:

- Financially incentivise land managers to increase public access for equestrians, particularly through improvements in the rights of way network
- Reimburse land managers for capital works that are required to create new equestrian routes across their land

It is particularly important that funding is available:

- to fill in missing links in the existing rights of way network; such as where two sections of bridleway or byway are disconnected, or are connected only by a length of footpath, or where a bridge is missing. This would open up many more connected routes, enabling and encouraging people to explore more of the countryside than is currently possible.

- to allow users to avoid dangerous roads; for example, where a bridleway meets a busy road, forcing users onto that road for a distance before connecting with a different right of way. Providing safe alternative routes would reduce road casualties and make horse-riding, cycling and walking more attractive to users.

Payments for enhancing existing access could include:

- improvement in path widths,
- leaving a bridleway/restricted byway across arable fields undisturbed and uncultivated, and regularly mowing and preventing encroachment by vegetation
- regularly mowing a headland bridleway/restricted byway and preventing encroachment by vegetation,
- mowing or marking a bridleway/restricted byway across grass leys, moorland
- mowing, regrading and rolling green lanes,
- improving the accessibility of gates so that they comply with the Equality Act, and are easily accessible by equestrians, and those with disabilities.
- additional or improved way marking and signposting,
- the provision of parking spaces for horse trailers so that riders who cannot access public rights of way from where they keep their horse can park and access the countryside easily.
- the provision of higher rights (the difference in subsidy for provision between footpaths and bridleways or restricted byways should be substantial to encourage upgrades where it is appropriate and safe for all users).

Annex B. List of Organisational Responses

Action Plan for Pollinators Task Force

Agri Academy Rural Leadership Programme (class of 2018)

Agricultural Land Tribunal for Wales

Agricultural Law Association

Agriculture and Horticulture Development Board (AHDB)

Agrisgop Group - Visionaries

Agriculture Information Management Standards (AIMS)

Alliance for Welsh Designated Landscapes

Ancient Cattle of Wales

Andrew Bronwin & Co Ltd

Anglesey County Council

Anglesey Young Farmers Club

Angling Trust

Antur Waunfawr

Association of Advanced Professional Game Angling Instructors (AAPGAI)

Association of Local Government Archaeological Officers Wales

Australian Government

British Association for Shooting and Conservation (BASC)

Beaufort Hill Ponds and Woodlands

Brecon and Radnorshire Conservative Association

Bridgend Local Action Group

British Egg Industry Council

British Horse Society

British Meat Processors Association

British Mountaineering Council (Cymru)

British Vet Association

BSW Timber Group

Building Resilience into Catchments (BRICs) project

Butterfly Conservation Wales

Carmarthenshire Fishermen's Federation

Cambrian Mountains Initiative Cio

Cambrian Mountains Society

Campaign for National Parks

Campaign for the Protection of Rural Wales (CPRW)

Canoe Wales

Caring for Welsh Rivers / Afonydd Cymru

Carmarthenshire County Council

Carmarthenshire Nature Partnership

Carter Jonas LLP

Landworkers Alliance Cymru

Central Association of Agricultural Valuers

Ceredigion County Council

Chartered Institution of Water and Environmental Management

CLA Cymru

Clare Evans & Co, Estate and Letting Agents, Auctioneers

Clwyd, Conwy and Gwynedd Rivers Trust

Clwyd-Powys Archaeological Trust

Coed Cadw Woodland Trust

Coed Cymru

Coleg Cambria

Compassion in World Farming

Confederation of Forestry Industries (CONFOR)

Conwy County Borough Council

Cooperatives UK

Council for Awards of Royal Agricultural Societies

Countryside Alliance Wales

Cows on Tour Group

Campaign for Protection of Rural Wales - Brecon Radnor Branch

Crickhowell and District Angling Society

Croesyceiliog Canoe Club

Cwmduddwr Commoners Association

Cycling UK

Cymdeithas Gwarchod y Ddwy Aran

Cymru Agricultural and Rural Advice Ltd

Cytun - Churches Together in Wales

Da Wyse - Castle House Veterinary Practice

Denbighshire County Council

Dunbia Llanbydder

Dwr Cymru / Welsh Water

Dyfed Archaeological Trust

Ein Gwlad

Elan Valley Trust

Erwood Young Farmers Club

Farm First Veterinary Services

Farm partnership

Farmers Marts (R G Jones) Cyf

Farmer's Union of Wales

Farmwel

Field Studies Council

Food Ethics Council

Food Sense Wales

Forest Stewardship Council (FSC) UK

Friends of Pembrokeshire Coast

Farmers Union of Wales - Montgomeryshire Branch

Farming & Wildlife Advisory Groups (FWAG) Cymru

Game and Wildlife Conservation Trust Cymru

Game Angling Instructors Association (Wales)

Glamorgan-Gwent Archaeological Trust

Glebelands Market Garden Ltd

Growing Mid Wales Partnership

Gwent Angling Society

Gwynedd and Anglesey Public Services Board

Gwynedd Archaeological Trust

Gwynedd Council

Hay & Brecon Farmers Ltd.

Historic Houses

Hybu Cig Cymru - Meat Promotion Wales

IAITH: Welsh centre for language planning

Institute of Biology, Environmental and Rural Sciences (IBERS), Aberystwyth University

Iechyd da (gwledig) Ltd

Institute of Chartered Foresters (ICF)

Institute of Public Rights of Way and Access Management

ISCA Angling Club

Isca Angling Club, Gwent Angling Club

John Muir Trust

Joint Food Sovereignty

Just Food, Abergavenny

Kepak Red Meat (UK) - St Merryn

Landowrkers Alliance

Lantra Wales

Livestock Marketing Ltd

Llais y Goedwig

Llanelli Ramblers

Llewellyn Specialist Arable Services

Maelor Forest Nurseries Limited

Marine Conservation Society

Merthyr Tydfil Angling Association

Ministry of Defence

Adventure beyond - Morawelon farm

MSD Animal Health

North Wales Equestrian Access / Mynediad Ceffylau Gogledd Cymru

National Beef Association

National Office Animal Health (NOAH)

National Parks Wales

National Sheep Association Cymru

National Trust

Natural Resources Wales

Nature Friendly Farming Network

National Farmers Union Cymru

North East Wales Local Nature Partnership BioNet

New Zealand Government

Old Chapel Farm

One Planet Council and Calon Cymru Network

Open Spaces Society

Optima Excel Ltd

Organic Growers Alliance

Outdoor Swimming Society

PA Consulting

Paramaethu Cymru National Organisation

Pembrokeshire Access Forum

Pembrokeshire County Council

Pembrokeshire Wildfire Group

Plynlimon Waste Services

Pontypool Park Estate

Pori Natur a Threftadaeth (PONT)

Powys County Council

Llanwrtyd Town Council

Pumlumon Project

Ramblers Cymru

Radnor Young Farmers Club

Red Kite Art and Jewels Ltd

Royal Forestry Society

Royal Institution of Chartered Surveyors

Royal Welsh Agricultural Society

RSPB Cymru

RSPCA Cymru

Salmon and Trout Conservation Cymru

Severn Rivers Trust

Shropshire's Great Outdoors Strategy Board

Sir William Roberts Centre for Sustainable Land Use, Bangor University

Small Woods Association

Snowdonia Society / Cymdeithas Eryri

Social Farms and Gardens

Soil Association

Sustainable Food Trust

Sustainable Soils Alliance

Swansea Council

Swansea Local Access Forum

Tenant Farmers Association

The Church in Wales: Advisers on Rural Matters

The Foundation of Common Land

The Landworkers' Alliance Cymru

The Real Seed Catalogue Ltd

The Vegan Society (Birmingham)

Tilhill Forestry

Torth y Tir

Transition Bro Gwaun

Tyddden Teg Cyf

United Utilities

Volac

W.D Lewis & Son

Wales Adventure Tourism Organisation

Wales Animal Health and Welfare Framework Group

Wales Common Land and Town Village Green

Wales Environmental Link

Wales Heritage Group

Wales Tourism Alliance

Wales YFC

Water of Wales

Welsh Grain Forum

Welsh Lamb and Beed Producers Ltd

Welsh Language Comissioner

Welsh Liberal Democrats

Welsh Local Government Association

Welsh Mountain Sheep Society

Welsh Organic Forum - Fforwm Organig Cymru

Welsh Ornithological Society

Welsh Rights f Way Managers Working Group

Wildfowl & Wetlands Trust

Wildlife Trusts Wales

Williams Associates

Williams Partners

Women in Agriculture Lampeter Group

Woodknowledge Wales

Woodland Strategy Advisory Panel

World Animal Protection

WWF Cymru

Wye & Usk Foundation

Wye Valley AONB

Wynnstay Group PLC

Annex C. Consultation – Summary of BPS responses

Executive Summary

- i. On 10th July 2018, the First Minister and Cabinet Secretary for Energy, Planning and Rural Affairs published the Brexit and Our Land consultation. The consultation sought views on how the Welsh Government proposed to continue to support land managers after Brexit. The document set out proposals for a planned, multi-year transition and sought views on:
 - A new Land Management Programme consisting of an Economic Resilience Scheme and a Public Goods Scheme.
 - How the specific schemes that will deliver the support should be designed.
- ii. The paper explained the case for change and the basis on which Welsh Government proposed to continue to support farmers after Brexit. The consultation initiated the process of programme design, whilst further consultation and stakeholder collaboration will be undertaken to develop the new Land Management Programme.
- iii. Welsh Government requested additional analysis of eight organisational responses to the consultation that concerned the Basic Payment Scheme (BPS).

Impact of the loss of BPS on Farm Incomes

- iv. The organisational responses felt that Welsh Government needed to recognise the scale of the challenge that transition from direct payments will bring for Welsh farmers. It was emphasised that the loss of BPS could have an impact on the profitability and therefore economic viability of the agricultural sector as a whole. There was also concern that any impact on the expenditure of Welsh farms would have a multiplier effect on the wider agricultural supply chains.

Although there was some concern that farm incomes would be negatively affected by the loss of BPS it was suggested by a few of the organisational responses that farmers had become too reliant on direct payments and therefore improvements that could be brought about by the new proposed schemes could in the long-term boost farming incomes.

Impact of BPS in Affecting the Competitive Advantage or Disadvantage of Welsh Farms in Relation to Other UK/EU Farms

- v. Overall, organisational respondents were clear that the key principle for any reforms was to ensure that Welsh farms remained competitive with other countries across the UK, EU and the rest of the world. A number of the organisations suggested that they preferred regulatory and transitional alignment with the rest of the UK, with concerns that the Welsh Government's current proposal to proceed earlier than England, Scotland, and Northern Ireland would put Welsh farms at a competitive disadvantage. Although there was some support within the organisational responses for Welsh farmers to do more to engage with the global market, one of the organisations warned that Welsh Government needs to consider that some of the countries that the UK may wish to make early free trade agreements with have sophisticated and well-funded support regimes.

Role BPS Plays in Relation to Managing Risk in the Face of Market Price Volatility

- vi. The organisational responses considered that direct payments have had a significant impact on protecting Welsh farmers when managing volatility. There was, therefore, concern that the complete withdrawal of the BPS, without strong alternative proposals to boost business resilience, would expose Welsh farms to market volatility and the risks associated with it. There was significant concern amongst the organisational responses that the future programme would not be

able to provide similar support for managing the risk in the face of market volatility. It was stated that it is vital for agriculture in Wales for some form of stability measure to protect Welsh farms in a similar way that BPS has.

Capitalisation of BPS into Land Value and/or Farm Rents and the Possible Closure of Farm Businesses

- vii. Some of the organisational responses considered the impact that the phasing out of direct payments would have on land values and/or farm rents. The main concern that arose from these responses was that the loss of BPS would allow access to funding that is currently only available to those who satisfy the active farmer rule. It was stated that this could lead to individuals, businesses, and charities, which make little or no contribution to the agricultural sector or local community, purchasing land in order to gain access to funding.

Transition from BPS

- viii. Of the organisational responses regarding the transition from BPS to the new land management programme there was considerable concern about the transition process. In particular, organisations requested that more evidence was needed to justify what were deemed to be “radical changes” and further reassurances need to be provided for Welsh farmers during a time of uncertainty. The organisational responses recognised that it was key for “time and significant preparation” to be put in place for the transition to run smoothly and therefore, there were concerns that Welsh Government proposals for transition are significantly shorter than that of the rest of the UK. Amongst the organisational responses there was clear support for the transition to be implemented in a phased approach, so as to permit gradual adaptation and provide the necessary stability that the sector requires. There was also some support for environmental factors to be the driving force of reducing direct payments during the transition to the Land Management Programme.

Other Issues

- ix. Some other issues that arose from the organisational response regarding the replacement of the current BPS included:
- concern over the removal of BPS
 - the option to postpone new programme development until there is greater certainty about the nature of Brexit.
 - to change and simplify the current cross-compliance rules
 - improving payment delivery
 - supporting cross-border interactions
 - making penalties more proportionate and recognising genuine errors
 - improving the farm liaison service
 - engaging more with the potential for digital connectivity
 - proposed schemes should streamline application and inspection processes with the administration process to be far simpler than is currently the case
 - payments should be fair and generous and make economic sense to farm businesses as well as environmental sense.

1. Introduction

1.1 On 10th July 2018, the First Minister and Cabinet Secretary for Energy, Planning and Rural Affairs published the Brexit and Our Land consultation. The consultation sought views on how the Welsh Government proposed to continue to support land managers after Brexit. The document set out proposals for a planned, multi-year transition and sought views on:

- A new Land Management Programme consisting of an Economic Resilience Scheme and a Public Goods Scheme.
- How the specific schemes that will deliver the support should be designed.

1.2 The paper explained the case for change and the basis on which Welsh Government proposed to continue to support farmers after Brexit. The Consultation Document outlined the following elements:

- Land Management Programme for Wales
- Economic Resilience Scheme
- Public Goods Scheme
- Transition, delivery and legislation
- Welsh Language standards
- Other comments.

1.3 Alongside the main Consultation Document, Welsh Government produced a Summary Leaflet and in partnership with Farming Connect hosted nine open meetings on the consultation.

1.4 Organisations and the public could respond to the consultation through three channels – online, postal and email.

1.5 There were 20 questions within the consultation that were split across the central areas of interest, as outlined above.

1.6 Welsh Government wanted additional analysis of eight organisational responses to the BaoL consultation that concerned the Basic Payment Scheme (BPS). This report will complement the initial

summary of responses and alert Welsh Government to issues raised by stakeholders regarding the BPS.

Summary structure

- 1.7 This summary of the transition from the BPS responses document includes the following sections:
- Section 2 – Impact of loss of BPS on farm incomes
 - Section 3 – Impact of BPS in affecting the competitive advantage or disadvantage of Welsh farms in relation to other UK/EU farms
 - Section 4 - Role BPS plays in relation to managing risk in the face of market price volatility
 - Section 5 - Capitalisation of BPS into Land Values and/or Farm Rents and the Possible Closure of Farm Businesses
 - Section 6 – Transition from BPS
 - Section 7 - Other issues.

Methodology

- 1.8 Miller Research were asked to provide a short report to review the eight organisational consultation responses to provide insight from the stakeholder's response regarding BPS.

Approach

- 1.9 Miller Research reviewed the following eight organisational responses to the BAOL consultation:
- CAAV
 - CLA
 - Confor
 - FUW
 - NFU
 - National Trust.
 - Nature Friendly Farming Network

- Wales Federation of YFC.

The eight organisations were chosen by Welsh Government to represent the range of views expressed about BPS within the full consultation.

1.10 The consultation responses were reviewed against the following key search terms:

- Basic Payment Scheme
- BPS
- payments
- financial support for farmers / funding
- Single Farm Payment.

The list of search terms was developed as the consultation responses were reviewed, so as to consider the language the consultation respondents used.

2. Impact of Loss of BPS on Farm Incomes

- 2.1 Most of the responses recognised the scale of the challenge for farmers that a transition away from direct payments will bring. A consultation respondent stated that research had shown that without direct payments, 43 per cent of farms in Wales would not be profitable and therefore any change to the current scheme would have a significant impact on farm businesses and the shape of the Welsh agricultural sector in the future. The current BPS was considered by the respondents to be a vital lifeline for farmers to make a viable return, which is one of the reasons that a direct payments scheme has been a key feature of the Common Agricultural Policy.
- 2.2 It was also emphasised that direct farm payments make an essential contribution to animal health on farms and that the subsequent loss of BPS could have an impact on the ability of farmers to maintain animal health and welfare, which in turn could have a significant impact on farm incomes.
- 2.3 Some of the responses considered that the loss of BPS would significantly transform the role of farmers, with concerns that the “active farmer” role would no longer be economically viable. There was particular concern that, although the consultation reflected the principle to keep farmers on the land, the proposed programme did not necessarily guarantee that farmers would “remain actively farming”. It was felt that the loss of direct payments would force farmers to diversify into “non-active” activities to survive economically. It was also emphasised within the responses that adequate time to transition into a new scheme was necessary for farmers to manage the potential “shock of change”, especially considering the impact on farm incomes of such a dramatic transformation.
- 2.4 The responses also suggested that the transition from direct payments would have a significant impact on expenditure and the multiplier effects for the wider agricultural sector. One of the responses stated that research had shown that “for every £1 of

support paid to Welsh farmers, they spend some £0.61 on machinery expenses, £0.19 on farm maintenance, £0.36 on contract work, £0.29 on veterinary costs, £1.66 on feed and £1.52 on other farm costs”.

The responding organisation considered that if farm profitability is not maintained above critical thresholds a large number of Welsh businesses reliant on the multiplier effects of direct payments would struggle. It was, therefore, considered important that Welsh Government provide more detailed analyses of the potential impacts that changes to direct payments could have on:

- Welsh farm businesses
- food production
- agricultural sectors
- local and wider economies
- agricultural supply chains
- and employment and livelihoods.

2.5 A number of the responses felt that the transition from the BPS to Public Goods and Economic Resilience Schemes would have a positive impact on farm incomes. One of the respondent organisations considered that the reliance on the BPS has created a system whereby farm businesses are “managing economic decline, not aiding future profitability, resilience, and competitiveness”. This was a statement reiterated by other organisational respondents who felt that farmers had become too reliant on direct payments. These respondents supported the proposed Public Goods Scheme in potentially providing new sources of income for farm businesses and therefore allowing them to become more resilient to economic change. It was also suggested that direct payments have failed to support environmental protection and that the current proposed Public Goods Scheme could have a significant impact on preventing further environmental degradation, subsequently a major impact on farming incomes in the long-term.

3. Impact of Loss of BPS in Affecting the Competitive Advantage or Disadvantage of Welsh Farms in Relation to other UK/EU Farms

- 3.1 The organisational responses were clear that the key principle for any reforms had to be to ensure Welsh farms remained competitive with other countries across the UK, EU and the rest of the world. A number of the organisations suggested that regulatory and transitional alignment with the rest of the UK was necessary for this to be the case. It was pointed out that “Defra have proposed a transition in England that will begin in 2021 and be complete in 2028. Scotland propose a period of stability until 2024 and Northern Ireland are proposing no changes for the BPS until 2022 followed by an area-based resilience scheme as part of a future domestic agricultural policy”. The responses considered that the Welsh Government’s proposal to begin transition before the rest of the UK would significantly impact the ability of Welsh farmers to compete within the UK market. At a time of significant change and risk it was vital for collaboration between the UK administrations to boost resilience. It was suggested that an approach that significantly differed from that proposed in England would distort trade and leave Welsh farmers at a competitive disadvantage; it was therefore contingent on Welsh Government to do whatever was necessary to “maintain a level playing field for business”.
- 3.2 Amongst the eight organisational responses, it was stated that the loss of BPS would significantly shape the relationship that Welsh farms have with the global market. One of the respondents felt that the EU’s lack of competitiveness against non-EU competitors is intrinsically linked to its reliance on direct payments. It was therefore, suggested that substantial changes to trade relationships offered the freedom and opportunity to significantly re-shape Welsh farmers’ reliance on direct payments and engage more with a global market. As a word of caution, however, one of the organisations warned that Welsh Government needs to consider that some of the countries that

the UK may wish to make early free trade agreements with have sophisticated and well-funded support regimes e.g. Canada, Norway, and Japan. Other countries also have regulatory frameworks that are significantly less complex than is currently the case in Wales and unless some significant changes are made to increase competitiveness, Welsh farms will struggle to compete on a global scale. There was also concern that a shortfall in farmers' income during the transition from BPS would mean that businesses would become more exposed to the costs of fuel, feed, and fertiliser. These respond to global market conditions rather than localised need, and this could significantly impact the competitive advantage of Welsh farms.

- 3.3 One of the organisational responses felt that the best way to affect the competitive advantage of Welsh farms was to consider an evolutionary approach that builds on the current BPS, rather than something that radically changes the nature of funding during a time of uncertainty.

4. The Role BPS plays in Relation to Managing Risk in the Face of Market Price Volatility

- 4.1 According to the organisational responses, an increasing number of factors are creating volatility within the agricultural sector in Wales. Firstly, there was some concern that as the UK looks to develop new international trade relationships, Welsh farms are likely to become more exposed to global factors such as weather, pests, disease, and trade issues. It was considered important to manage the economic, social, and environmental impacts facing Welsh farmers and that enormous financial, social, and reputational implications would follow if support for Welsh farmers was not provided. It was acknowledged that fundamental changes are required to deal with these risks, but that particular care should be taken when considering the potential wider impacts and uncertainty caused by Brexit. The respondents felt that with the correct support farmers can “build their skills, adopt new approaches, and innovate to move to profitable, sustainable businesses in the long term”.
- 4.2 The organisational responses considered that direct payments have had a significant impact on protecting Welsh farmers’ ability to manage volatility. There was, therefore, concern that the complete withdrawal of the BPS, without strong alternative proposals to boost business resilience, would expose Welsh farms to market volatility and the risks associated with it. One of the respondents stated that “in recent years, direct payments have been a key safety net for Welsh farmers with on average more than 80% of farming income in Wales originating from EU funding”⁹. It was therefore, considered imperative for some form of “stability mechanism” for Welsh farms during a time of market volatility.
- 4.3 Some comments were made regarding the impact that the current transition proposal would have on increasing uncertainty and the potential implications to Welsh farmers. The organisational responses

⁹ <https://sites.cardiff.ac.uk/wgc/files/2016/07/AGRICULTURE.pdf>

suggested that more clarity is required in order for Welsh farmers to manage the potential risks associated with a transition to a new programme. It was suggested that until clear decisions had been made regarding the future of land management in Wales, farmers were already having to manage the risk of market price volatility.

- 4.4 There was significant concern amongst the organisational responses that the future programme would not be able to provide similar support for managing the risk in the face of market volatility. It was stated that it is vital for agriculture in Wales for some form of stability measure to protect Welsh farms in the same way that BPS has. It was suggested that the capping and removal of direct payments will create a period of uncertainty and volatility for many in the farming community and therefore, suggestions were put forward for a third scheme to run alongside the Public Goods and Economic Resilience Scheme to provide financial stability for farm businesses and those reliant on agricultural supply chains, to avoid the “severe consequences” that volatility could bring.
- 4.5 The responses requested that clear evidence needs to be provided that any replacement schemes can deliver the same level of stability as the BPS currently delivers. Respondents considered that Welsh Government should proceed with caution to allow farmers time to adapt to new schemes, rather than cause any unnecessary risk.

5. Capitalisation of BPS into Land Values and/or Farm Rents and the Possible Closure of Farm Businesses

- 5.1 Some of the organisational responses considered the impact that the phasing out of direct payments would have on land values and/or farm rents. The main concern that arose from these responses was that the loss of BPS would allow access to funding that is currently only available to those who satisfy the active farmer rule. It was stated that this could lead to individuals, businesses, and charities, which make little or no contribution to the agricultural sector or local community, purchasing land in order to gain access to funding. The responses felt that this could have a knock-on effect in reducing the amount of funding available for Welsh farmers and rural communities.
- 5.2 There was also some concern amongst some of the organisational respondents that the current proposal would allow private or public forestry to become eligible for payments. It was similarly felt that such a proposal could exacerbate the potential of large landowning organisations squeezing out family farms and leading to land abandonment.

6. Transition from BPS

- 6.1 Of the organisational responses the most contentious issue was the transition process from direct payments to the proposed new schemes. In particular organisations requested more evidence for the proposed changes, concerns about the pace of transition, support for phased implementation, and a desire for support and simplification from Welsh Government during a period of economic adjustment.
- 6.2 A number of the organisational responses felt that more evidence was required from Welsh Government to justify what were deemed to be “radical changes”. One of the organisations described the proposals as “the most radical changes to the principles underpinning rural support since the 1947 Agriculture Act” and in doing so it required “detailed and thorough analyses of the potential impacts for Welsh farm businesses, food production, agricultural sectors, local and wider economies, agricultural supply chains, employment and livelihoods, culture and language”. A number of different organisations felt that the current proposal was unevidenced and therefore the assurances provided within the consultation document lacked credibility and did not provide businesses with the adequate information that they require during a time of uncertainty.
- 6.3 A number of comments were made regarding the pace of transition. One of the organisations stated that “The pace of transition needs to be fast enough to be tangible and allow for prompt adaptation but slow enough for the change to be managed by both, all the businesses affected and by the Welsh Government in developing its new schemes” and this was reiterated amongst most of the organisational responses. These recognised that it was key for “time and significant preparation” to be put in place for the transition to run smoothly and there were concerns that Welsh Government’s proposed transition period was significantly shorter than that of the rest of the UK. In particular it was felt that the pace of transition compared to the rest of the UK, could lead to insufficient time to

“design and develop, test and impact assess the level of change proposed”. It was also suggested that any plans for transition needed to be announced as early as possible to provide certainty to Welsh farms as they prepare to deal with the “greatest uncertainty in a generation”.

6.4 Amongst the organisational responses there was clear support for the transition to be implemented in a phased approach from direct payments to the new land management programme, as it provided a “sensible management of the change”. It was suggested that taking this approach would allow for lessons to be learnt as the process is applied and consequently, permit adaptation that will provide more stability for the agricultural sector as a whole. This was considered important amongst the organisational responses as it allows for the new scheme to be functioning and accessible in a timely manner and to prevent a “black hole effect” that would put undue stress on businesses and affect long term viability. Such a proposal was deemed to be the most effective as it would be the most simple and fair way for all farmers to adapt to the new schemes.

6.5 A number of the organisational responses offered suggestions for dealing with the inevitable economic adjustment associated with transitioning from direct payments to the new schemes. Firstly, it was considered important that Welsh Government is aware of the scale of change and therefore the re-orientation required for farmers. There was thus some support for a transitional direct payment to protect farm businesses that may struggle with the adaptation necessary during a period of uncertainty. There was, however, a desire to not repeat the disadvantages of past transitions, such as from Tir Mynydd to Glastir, to help ensure those in existing schemes are not disadvantaged. Secondly, the organisational responses felt that any delay and uncertainty are not conducive for businesses planning for potential disruption and therefore requested more certainty on the length and nature of the transition, as well as the programme being transitioned into. Finally, the organisations felt that economic

adjustment would be easier if the correct support was in place from Welsh Government. Suggestions for support included:

- capital grants
- training
- business advice
- support for technology take-up.

It was also considered important to retain a strong legislative baseline beyond transition with a desire that this is simplified to reduce bureaucracy for farmers.

6.6 One of the organisations felt that environmental factors should be the driving force of reducing direct payments during the transition to the Land Management Programme. In particular, it was recommended that the urgent issue of environmental decline will be exacerbated with a prolonged transition period and therefore the transition needs to progress promptly. In addition, the response stressed the importance of providing certainty, both in transition and within the proposed programme, to manage the scale of the environmental challenge currently facing Welsh farmers. This would, in their opinion, provide the best value for money, as well as offer the best environmental protection.

6.7 One of the organisations suggested that a switch to a “first-come-first-served system” would lead to the successful transition from direct payments. They considered that such an approach would de-risk the application process, as the first round of applicants would be the ones who were confident of their ability to successfully meet the criteria.

6.8 Another of the organisations considered that the de-linking of direct payments from land was an option that should be explored. They felt that this had the potential to facilitate a rapid restructuring of the agricultural sector, and effectively create a funding mechanism for those who want to exit the industry or provide an investment fund in preparation for dealing with the potential uncertainties of Brexit. In

their opinion it would also free up resources to invest in the implementation of the new scheme and allow for greater support for new entrants, which could promote renewal within the agricultural sector.

7. Other Issues

- 7.1 Other issues that arose from the organisational responses were that any future scheme that replaced BPS would offer the opportunity to change and simplify the current cross-compliance rules. It was suggested amongst various organisations that “greening” rules should be removed and more could be done to support improving payment delivery, cross-border interactions, sanctions/penalties, the farm liaison service, and digital connectivity. It was also suggested that there should be greater tolerance towards sanctioning with the introduction of support measurements based on overall compliance levels. One of the organisations raised concerns that de-linking direct payments from land means that all controls currently associated with land use would disappear. It was their concern that this could lead to a loss of environmental protections unless an alternative enforcement mechanism was put in place to maintain and improve on current environmental standards.
- 7.2 There was some support for the transition from direct payments to one based on outcomes with a recognition that such a programme would impact different land managers differently and therefore it was critical that “any money liberated through the phasing out of direct payments is used to support the delivery of public goods”.
- 7.3 It was also emphasised that future payments for the public goods scheme “should not reward land managers that are improving from a low standard at the expense of land managers who are already delivering public goods”.
- 7.4 Further comments from organisations are outlined below.
- BPS provides a good template for Welsh language standards for the new programme.
 - A desire that the future schemes will incentivise farmers and land managers to work together or with third parties to deliver environmental outcomes.

- It is vital for the uptake of any future schemes that participants have the necessary knowledge and confidence in the programme's outcomes.
- Any proposed schemes should streamline application and inspection processes with the administration process to be far simpler than is currently the case.
- Making penalties more proportionate and recognising genuine errors.
- Payments should be fair and generous and make economic sense to farm businesses as well as environmental sense.