



Llywodraeth Cymru
Welsh Government

REPORT

Sustainable Farming Scheme - outline proposals from 2025: frequently asked questions

Questions asked by farmers since the Sustainable Farming Scheme (SFS) outline was published.

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The following list includes the main questions farmers have asked since the SFS outline was published.

We have provided definitive answers where possible, but the answers to many questions will only be available after the consultation process has been completed.

General scheme queries

There is nothing in here to explain how this impacts tenants, common land, or new entrants?

Farmers in these scenarios have been considered all through the scheme design process, but now we have a list of more detailed actions to consider.

We have convened specialist stakeholder Working Groups to explore proposals from the perspective of tenants, common land and new entrants. The outputs from these groups is helping us shape the scheme design.

What about those farmers who don't want to join the SFS?

SFS will be a voluntary scheme but will be the main source of government support for farmers in future. We have proposed that the Basic Payment Scheme (BPS) will be phased out over the transition period.

All regulations will still apply to those farms outside of the SFS.

Can I pick and choose which Universal Actions to undertake?

No. All farmers will need to undertake all Universal Actions to receive the Baseline Payment.

However, we know there are some actions which are not applicable to all – for example, not every farm has livestock so would not need the animal health actions, whilst others may not be able to meet the tree cover requirement because of priority habitats or restrictive tenancies.

Why are you making me reduce food production to plant trees or create habitat?

The Scheme has been designed to keep farmers on the land in recognition food production is vital for our nation. It also recognises we must respond to the climate and nature emergencies if we are to ensure we have a sustainable and resilient agriculture sector for future generations.

We want these actions to be seen as protecting the food producing capacity of our land in the context of climate change. We will work with farmers to find the best way of integrating both trees and habitat into their farming system.

We have included actions like benchmarking, biosecurity and soil testing all of which will more directly help improve the productivity and protect future food production.

What has climate change got to do with me?

The biggest threat to food production globally over the medium to long term is climate change. In Wales we can expect to experience more drought and winter flooding.

These habitat and tree planting proposals are designed to help address these risks on your farm - for example peatbogs and wetland habitats help store water during wet weather, and more trees will provide shelter for livestock during extreme weather.

Should sustainable food production be an outcome within the scheme?

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The Sustainable Land Management Objectives contained in the Agriculture (Wales) Bill will underpin future government support for farming. The SLM objectives address food production, climate change, our cultural heritage and language and the ecosystems which support our countries flora and fauna.

The sustainable production of food remains at the core of the SFS, and to be truly sustainable, a business needs to be economically, environmentally and socially sustainable.

Farmers continue to warn government that we will face food shortages, so why are government actively encouraging farmers to reduce food production?

The scheme proposals include several actions to benefit food productivity through benchmarking, and improvements to biosecurity, soil management and livestock health. These actions will help farmers reduce costs and losses, while continuing to produce food.

How do Intensive Livestock Units fit into the SFS, or will they be penalised?

The scheme is being designed to support the sustainable production of food – in the short term and the long term – through actions such as improved livestock health and soil management. If we do not invest in these actions now, we will have much bigger challenges in producing food in the future.

Our intention is to design a scheme that all farms can participate in, but entry into the scheme will be voluntary, so there will be no penalties if you choose not to enter.

Universal actions

These questions have been grouped according to the most relevant actions as listed in the 2022 publication “The Sustainable Farming Scheme – Outline Proposals for 2025”. Some questions may be relevant to more than one action, however have only been included once.

Manage an optimising farm performance through measuring and monitoring

With Benchmarking / KPIs – if I’m a low scorer will I be penalised or excluded from further funding?

No. Benchmarking is designed to help the farmer understand their costs and performance. The important thing for us to consider is to make sure the farmer understands how to use the benchmarking data to inform their decision making and to make further improvements

There are a lot of actions around plans and reporting data. Why are you making us do this, and what will happen with our data?

These actions are designed to enable the farmer to make more informed decisions. They are not intended to be ‘tick box’ exercises. We want these plans to be considered as living plans to help you measure and monitor, to improve efficiency and reduce costs.

Which KPIs will be included in the benchmarking action are yet to be finalised. However, for example if benchmarking shows you have higher stock mortality, or lower weight gains than average, this could inform the Animal and Health Improvement Cycle in conjunction with your vet and improve your overall livestock performance.

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How will my data be used / protected?

Where the Welsh Government collects data for a specific purpose, we will provide you with a privacy notice to explain why we need that information and how we will use it. All data will be processed and managed in accordance with our legal obligations and duties, including the General Data Protection Regulation.

Diversify, differentiate, specialise for added value

Would a farmer led 'cooperative' be supported by the collaborative layer to help farmers work together and sell horticultural produce, or any other produce, directly to the consumer?

Yes. We aim to support farmers who are working together to deliver added value to their produce and offer support and advice to access and understand market opportunities building capacity for farm businesses.

Conventional horticulture is one of the most damaging practices to soils, how will this be aligned with the sustainability aims of the scheme?

Wales has some great examples of horticulture farms which provide us with healthy food in a way which benefits the environment.

We will bring together best practice from the horticulture sector whilst also integrating other elements of the scheme such as soil testing, and targeted nutrient and pesticide management.

Will new horticulture enterprises that are not on a larger livestock farm be supported?

We do recognise the proposed minimum area of 3ha might be a barrier for some horticulture farms. We are therefore exploring whether it may be more

appropriate to offer support to the horticulture sector using a bespoke eligibility criteria.

If the scheme is encouraging us to plough permanent pasture for horticulture or extra fodder, wont that release more carbon and clash with the scheme objectives?

SFS is a whole farm scheme, so this action should be considered alongside all the other actions in the scheme, not in isolation. Applying information learned from soil testing or pest management assessments and new sowing techniques will help make any new cropping as efficient as possible.

Crops which can be grown efficiently within the constraints of Welsh weather and soils, can reduce the reliance on importing equivalent crops from elsewhere and reduce emissions related to transport.

Minimise the risk of catching and spreading disease

Is it practical to have wash stations at every point where public foot paths enter and exit the farm?

This is not the intention. This action is designed to minimise risk, where practically feasible, at the point where most stock would enter and leave the farm, and where the majority of people or vehicles who would travel from farm to farm would coincide. For the majority this would mean installing wash stations at the farmyard.

Separate biosecurity considerations will be needed where livestock are mixing and re-entering the farm from common land.

What is the purpose of installing a 3m hedge at farm boundaries?

The 3m distance is designed to reduce likelihood of neighbouring flocks and

herds coming into physical contact and therefore reduce the risk of disease transmission.

A 3m boundary would not be beneficial if the farm boundary was a road, river or any other non-agricultural setting where livestock are unlikely to be present.

A 3m boundary is not appropriate where other stock proof boundaries such as fenced shelterbelts or stone walls provide sufficient separation.

Wider hedges also offer greater benefits in terms of offering shelter for livestock, habitat and in sequestering carbon.

Who would take the responsibility and payment for installing the 3m wide boundary hedgerow under the proposed Optional Action?

This Optional Action is suitable where the 3m can be accommodated within a single farmers land. It is also possible where ownership and / or management control of a specific section of boundary hedge can be identified and agreed between neighbours.

Make best use of artificial fertiliser through nutrient management and soil testing

This action appears to be promoting artificial fertiliser use which clashes with scheme objectives?

This action is designed to give you as much information as possible to make the most informed choices about soil management to benefit soil health, save you money and improve the resilience of your soils against flood or drought.

Why would we have to undertake soil testing as part of the scheme, and would we have to test every field?

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The action is designed to help farmers understand the condition of their soil, the existing available nutrients and how to apply inputs in a targeted way to avoid wasting money. It is important we make sure the farmer understands how to use the soil testing data to improve their soil management. We believe a better understanding of the condition of your soils, is an important component of supporting farmers to be resilient and productive.

This information may also lead you to consider some of the optional actions such as the use of more legumes, or to consider rotational grazing patterns if that is suitable for your farm system.

Soil sampling all farms in Wales will put pressure on testing capacity, so testing needs to be proportionate and timely. We will include more detail on this in the next consultation.

Will the scheme set limits for fertiliser use / soil indices?

No, but you will still need to make sure you meet other regulatory requirements.

Will Welsh Government fund soil testing?

The Baseline Payment will be designed to cover the Universal Actions, which includes soil testing.

What metrics will be used to assess soil health?

Soil health is difficult to define, and will vary between soil types.

We will ask farmers to undertake the following minimum routine soil testing requirements to assess soil condition and inform their practices:

- Nitrogen (N), Potassium (P), Phosphorous (K), Carbon and pH
- a biological measure e.g. eDNA, respiration, counting 'proxy' species

(earthworms) a physical assessment e.g. infiltration rate, bulk density or Visual Evaluation of Soil Structure (VESS).

Minimise use of pesticides and herbicides through integrated pest management

Why would we have to undertake a pest management assessment?

Integrated Pest Management (IPM) considers the growth of a healthy crop with the least possible disruption to the wider ecosystem. The action is designed to help farmers understand the specific need of using pesticides and if there are alternatives available such as companion cropping, or different seed choices which save money and reduce chemical usage.

The scheme will not prevent you from using pesticides over and above regulatory standards.

Do I have to undertake this action if the holding has organic certification?

Our intention is for this action to apply to those farms who use Plant Protection Products.

Lowering the environmental impact of ammonia emissions

How does slurry management changes effect ammonia emissions?

Ammonia can be lost whenever slurry or muck is exposed to the air. Ammonia lost to the air is nitrogen lost for plant growth, costing farms money.

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Farming Connect's [online tool](#) gives practical advice on steps farmers can take to lower emissions from slurry and other farm management.

Is this option available on non-dairy systems such as poultry?

Our intention is this optional action will be targeted to those farms, including poultry, where it will have the most benefit to ecosystems. We will also offer support for collaborative approaches which allow farmers to work together to deliver actions to lower ammonia emissions.

Livestock

For the preserving native breeds action – would this come down to individual animals or whole herd / flock?

No final decisions have been made on this yet, however it is likely to be based on individual animals.

How does the aim of getting farmers to breed cattle at younger ages and finish lamb and beef animals earlier fit with incentivising traditional native breeds which tend to be much slower maturing?

There is no 'one size fits all' answer in relation to livestock systems. Finishing animals at a younger age will not be possible for all farms due to land type and exposure. Slower maturing native breeds, which are often hardier, may be better suited to farms with a larger proportion of semi-natural habitats more suited to extensive grazing.

Is it appropriate to compare native breeds with commercial breeds as part of a benchmarking exercise when comparing Key Performance Indicators (KPIs)?

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We have convened an expert group to consider the appropriate KPIs to include within the scheme and to ensure issues such as native breeds have been considered.

How will cattle maturity rates be addressed – maturing cattle earlier to increase profits, can also increase emissions?

This is one of our proposed KPIs but it is important it is not considered in isolation.

We intend to support farmers achieve this through improving animal health, making best use of grass and producing more home-grown feed – all of which should be considered in relation to the carbon emissions from different systems. These aspects will be factored into the Carbon Assessment.

Are farms that specialise in goats / deer eligible for the SFS?

If all eligibility criteria are met, and if these animals are being reared for the purposes of food production, or integrated on farms producing other agricultural or food products, the farm business would be eligible to enter the SFS.

Would farmers looking after Carneddau Ponies be rewarded under the SFS?

We are considering whether the UK Breeds at Risk list is the appropriate guide to which breeds to support, but a firm decision hasn't been made. Carneddau Ponies are not included on this list.

[UK breeds at risk list \(BAR\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/uk-breeds-at-risk-list)

Trees and woodlands

Why do we have to plant more trees?

Climate change is the biggest threat to food production over the medium to long term. We have accepted the UK Climate Change Committees advice and committed to plant 43,000 ha of trees by 2030 as part of Wales' contribution to the global fight against climate change.

The 10% target included in the proposals is designed to spread planting across all farms, rather than have widespread land use change in localised areas.

Tree planting is not the single solution to climate change, however, planting more trees as part of a holistic approach can help us mitigate and adapt to the *impact* of climate change.

Over the coming decades, we are likely to experience more hot dry summers and wetter winters. More trees in the landscape will help slow the flow of excess water and will provide shelter to livestock in hot weather – which will be a direct benefit to farm businesses.

Improved soil management to increase organic matter is also an important method of locking up carbon, which is why we have also included soil management actions. The scheme outline contains many other actions covering diverse swards, energy use and livestock health – all of which will contribute to lowering carbon emissions.

Where should I plant trees to comply with the scheme? What is the 'right tree, in the right place'?

There are many factors to consider when deciding where to plant trees, and we advocate having the right trees in the right place. It will be important to consider

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where tree planting can be an asset to the farm - for example shelter belts to protect livestock from prevailing weather, and wider buffers on farm boundaries to provide valuable biosecurity.

Do I have to have 10% tree cover before I can enter the scheme?

No. We expect to provide farmers entering the scheme with time during the transition period (2025- 2029) to plant the areas of trees required.

Will you make us plant trees on the best and most versatile agricultural land?

The SFS will seek to plant the right trees in the right place. The SFS will not override existing policy and processes which seek to protect BMV land as a finite resource.

Will existing trees contribute to my 10%?

Yes. Existing broadleaf and conifer woodland will contribute to the 10%. We are also expecting individual trees in fields and in hedgerows to be counted towards the 10%.

Will hedgerows count towards the 10% tree cover target?

Hedgerows deliver multiple benefits, and we will support them through the SFS. However, the proposal is that hedgerows do not contribute to the 10% tree cover target, but any individual mature trees within hedgerows could be counted.

Newly planted trees will not form a canopy for several years. How will you avoid repeating the historic problems on farm payments where canopy cover and shadows have been mis-measured?

It is important we build on lessons learned from previous schemes. We intend to undertake a Habitat Baseline Review for use as part of the Universal Actions

which will consider trees. This will involve the Welsh Government using available data from multiple sources including previous schemes and Earth Observation to produce a map of where we believe the trees are present on your farm. We will supply additional guidance and then ask farmers to confirm if this tree information is correct.

Will scheme funding be available to cover the costs of planting?

We expect to continue to support tree planting through capital payments, as we do now.

For those farmers who wish to plant earlier, there are woodland planting grants available prior to entering the SFS – see Welsh Governments Woodland Creation Grants for more details. Woodland planted prior to entering the SFS would count towards your SFS actions.

What if my newly planted trees die because of fire, drought or disease? Insurances currently do not cover the cost for re-stocking up to age 7 years.

We will pay farmers for undertaking the actions, and there will be a need for ongoing management especially in the first few seasons. If the trees fail due to circumstances outside of the farmers control, then the farmer would not be penalised, however, we would need to agree a plan to replace the trees.

Under BPS tree trunks and woodlands are still removed from the payable area, so farmers are receiving very mixed messages about tree planting.

Trees will be included in SFS payments in recognition of the many benefits they provide your farm and the wider environment.

What if I can't plant trees because of habitat / peatland / historic features, or my tenancy doesn't allow me?

We are considering a list of exemptions for farmers who are not able to undertake tree planting for reasons outside of their control.

We know there are many locations where it is more challenging to plant trees as well as locations where they should not be planted. For example:

- existing inappropriate semi-natural habitats, including designated sites
- deep peat
- unplantable features e.g. scree, rock outcrops, boulders, sand, ponds, rivers and streams, buildings and yards, hardstanding and roads
- tenanted land where tenants do not have the authority to plant trees.

As a result of codesign feedback, we propose to exclude unplantable areas from the whole farm size, and calculate the required 10% tree cover area based on the remaining land. For example, a 100 hectare farm may include 30 ha of peatland, yards and roads. The 30 ha would be removed from the whole farm size, so 10% of the remaining 70 ha would be required as tree cover – ie 7 ha.

Can I plant trees on designated sites such as SSSIs, SACs, or registered parklands or ancient monuments?

These sites would have to be considered on a case by case basis.

Sites of Special Scientific Interest (SSSIs), Special Areas of Conservation (SACs) and Special Protected Areas (SPAs) are unlikely to be suitable for block planting depending on the features they have been designated for. Some of these sites are designated due to woodland features so some planting may be suitable.

Registered parklands are important in a landscape and cultural context – which often includes woodlands, avenues of trees and individual specimen trees. Some new planting may be acceptable to complement these areas.

Historical features including Scheduled Ancient Monuments are unlikely to be suitable for tree planting, as roots can be damaging to masonry or underground archaeological remains.

All these features will be considered as part of the suitable farm area when calculating the minimum area of tree cover for your farm.

I have tried to plant trees under Glastir, but have been refused due to the presence of ground nesting birds? Have these tree planting constraints been removed, or does this exempt us from the 10% tree planting?

These sites would have to be considered on a case by case basis.

Areas identified as important for particular species may be unsuitable for planting. These areas will be considered as part of the suitable farm area when calculating the minimum area of tree cover for your farm.

What if I cannot grow trees because of altitude or coastal exposure?

Different trees may need to be selected for the conditions in different areas, or more sheltered planting locations will need to be chosen. We may need to add certain coastal zones and high-altitude areas to the list of areas where trees cannot be grown.

If my farm crosses the Wales / England border will my 10% be calculated across my whole farm?

We can only support agricultural activity in Wales, so we propose the 10% only applies to the Welsh part of your farm.

If I have rights to graze common land and I currently claim BPS on common land, will the 10% be calculated against this larger grazeable area?

No. Grazing rights on common land are not expected to be included when calculating the 10%.

I have several dingles, could they contribute to the tree planting action?

This would need to be considered on a farm-by-farm basis. Those dingles may already contain important habitat areas (which could contribute to the 10% habitat action) so we would need to consider whether those habitats would be enhanced or damaged by planting trees in those specific dingles.

Will fruit trees be included as part of the 10% tree cover and would they be included in any grant schemes?

Traditional orchards will contribute to the farm's tree cover.

It is likely that planting fruit trees could be included for capital grants, but we have not made decisions yet on which individual activities will be eligible for funding.

What account will be made of ground nesting birds when planting trees?

It is important that the right trees are planted in the right place and that tree planting is suitable to the local area. All tree planting will need to be done in line with the UK Forestry Standard, which is the Welsh Government's standard for sustainable forestry. The Woodland Opportunity Map highlights sensitivities which need to be taken into account when planting trees, including potential habitat for open-ground dependent birds.

Does Agroforestry include planting rows of trees, i.e. silvopastoral systems?

Yes. All agroforestry systems are being considered so that we can continue to integrate agricultural production with tree cover.

Can I sell carbon credits from the trees I plant as part of the Scheme?

Farmers and landowners in Wales may be approached by private companies wanting to purchase farmers' carbon credits to offset greenhouse gas emissions.

Whilst there may be an opportunity for farmers to create a new income stream by selling carbon credits, landowners may need to be cautious about selling carbon credits until they know how much carbon their land can sequester and how much carbon they are emitting as a business.

Farmers can use a carbon calculator to help them assess whether they might have surplus carbon credits available for trading. This will allow businesses to calculate if there is any surplus that can be traded to a third party, without affecting the farms' ability to achieve net zero greenhouse gas emissions both now and in the future.

Once farmers sell carbon credits, they cannot count them towards their own efforts to cut carbon

The SFS payment model has not been finalised, as we are exploring whether there is the risk of double funding if SFS payments and payments for carbon credits are based on overlapping criteria. This will not stop farmers entering the scheme but may affect payments.

It would be the farmers decision whether to sell carbon credits or not, but we would advise individual farmers to retain their credits to achieve carbon net zero, before selling any extra credits.

If I can demonstrate that my farm is already achieving net zero, or is carbon negative, will I still have to deliver the 10% tree cover?

Yes. By asking all farmers to manage existing woodland and for some to create new woodland through the Scheme we will spread the load across Wales. This should help avoid large scale changes to land ownership and use, helping to

keep farmers on the land. There are also other benefits to planting trees, such as offering important habitat and offering shade and shelter for livestock.

What if I have more than 10% woodland on my farm?

We received feedback during co-design that existing good practice to manage woodlands should be recognised. As a result, we are considering if all woodland beyond a 10% minimum should be rewarded as part of the Universal Actions.

The target is 10% tree cover now, but will you make us plant even more trees in future?

We have challenging targets for 2050 and more trees will need to be planted in the future. How we deliver against these targets has not been decided and the work undertaken as a part of the SFS will inform the approach.

Where is the scientific evidence that a hectare of woodland sequesters more carbon and supports more diverse species than more productive land with rotational crops and high organic matter, using regenerative farming techniques?

Improving soil organic matter and increasing tree cover is not an either/or approach – both will be supported in the scheme.

Habitat management and creation

What is semi-natural habitat?

Semi-natural habitat refers to those areas that haven't been heavily modified for agriculture. Semi-natural will be based on the EIA (Agri) (Wales) Regulation definition i.e. any sward containing less than 25% rye grass, clover or any other agriculturally sown species. This is the same definition used historically for

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habitat under Glastir.

Peatbogs, heathlands, wildflower rich haymeadows, wetlands and coastal areas like saltmarsh and sand dune all count as semi-natural.

How do I know which parts of my farm are classed as habitat?

We intend to undertake a Habitat Baseline Review for use as part of the Universal Actions. This will involve the Welsh Government using available data from multiple sources including previous schemes and Earth Observation to produce a map of where we believe the habitats are present on your farm. We will supply additional guidance and then ask farmers to confirm if this habitat information is correct.

Is the 10% target for semi-natural habitat additional to the 10% for trees?

Yes, they are two separate actions, however, we are considering where trees on existing habitat (e.g. traditional orchards) and established broadleaf woodland could contribute to both actions at the same time.

What does appropriate management mean?

Appropriate management of habitats in the Universal layer revolves around its retention and maintenance.

This might involve a number of things, from not carrying out damaging activities, grazing at appropriate levels, dealing with invasive species, or cutting back encroaching bracken for example.

We know that identifying habitats and applying the right management for enhancement of the area as part of the Optional layer will be a challenge for some farmers. We will make sure there is support available for farmers who want more advice and guidance on habitats.

Doesn't this mean 10% of my land lost from food production?

No. Open habitats exist because they are grazed by livestock and they will continue to be grazed by livestock if they are to be retained and maintained. Therefore, they will continue to contribute to food production.

There may need to be management changes however if for example, habitats are under or over grazed. Guidance on grazing levels will be provided through the SFS.

I couldn't qualify for previous schemes as I don't have any semi-natural habitats. Will I be able to join the SFS?

Yes. Valuable new habitat areas can be created on any farm. Where there is insufficient semi-natural habitat on a holding, temporary habitat features such as fallow margins or rough grass margins can be created around arable fields, or wildlife cover crops and multi-species leys on other improved land. New wetland features can be created, or pastures can be allowed to revert to flower rich meadows with the right management. New habitat features like these can be even more valuable where they are located to connect areas of existing habitat to allow wildlife to move around the landscape.

Will hedgerows count towards my 10% semi-natural habitat target?

Yes they can, but they will need to be considered in 'good condition' for a hedge to count e.g. are they stockproof in their own right and not gappy, of appropriate dimensions etc. We will provide further guidance to help determine what counts and what actions could be taken to enable it to be included in the the future.

Will I be able to trade woodland and habitat areas with my neighbour?

Any farmer can choose to sell or rent land to another farmer, however this would not be a desired outcome of the SFS. We would like to see all farmers embracing their semi-natural habitats and recognising the value of retaining

them as an integral part of their farm.

What if I have more than 10% habitat on my farm?

We received feedback during co-design that existing good practice to manage habitats should be recognised. As a result, we are considering if all habitat beyond a 10% minimum should be rewarded as part of the Universal Actions.

There is a Universal Action to have an agreed management plan with Natural Resources Wales for my land that overlaps a Site of Special Scientific Interest. Is my existing plan good enough or do I need to agree a new plan?

Having an agreed plan is sufficient to meet the specific Universal Action for designated sites.

Can permanent leys which don't need to be ploughed and reseeded be equally rewarded for their species diversity? Or reward them for setting seed and flowering which is why the herbal leys are rewarded?

An individual field with high diversity may well be eligible for the action without needing further management.

Ponds

Why do I need to create extra ponds or scrapes?

We have lost a large number of ponds across our landscape. As well as the benefit to wildlife, additional ponds help hold extra water during wet weather helping to reduce the risk of downstream flooding.

Maintain and enhance the historic environment, heritage and beauty

What features are included in the definition of historic monuments?

Scheduled Ancient Monuments (SAMs) as registered by CADW are the main features which could include sites ranging from Roman settlements to war time or industrial era features. Registered Parklands, listed buildings and other non-designated features may also be included.

We will liaise with CADW and the regional Archaeological Trusts for this information. If farmers identify additional features not included on records, these can be considered for adding to the formal records.

Be proficient to practice safely and efficiently

Is there flexibility in the learning actions, or is there a standard course?

Our intention is to offer as much flexibility as possible, as long as everyone meets the same minimum requirement for the Continuing Professional Development (CPD) Action. This allows us to take a consistent approach at the same time as giving farmers the ability to pick and choose the learning which best suits them.

Tenant farmers

Will there be flexibility for tenant farmers who will not be able to undertake the actions listed in the SFS such as tree planting?

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Yes. We have convened a Tenancy Working Group specifically to explore if the SFS proposals are appropriate for tenant farmers. The outcomes of this group plus wider codesign feedback is helping us review the Universal Actions to make sure there is enough flexibility.

Five-year contracts won't work with my tenancy, will there be flexibility?

As a result of feedback from co-design and our Tenancy Working Group we are considering having a contract length shorter than five years, where the tenant does not have long term tenure.

Support mechanisms

Are Farming Connect going to be able to support this scheme?

Farming Connect will be expanded to cover the same topics as is in the scheme. Our intention is that farmers who feel able to undertake the actions without support will be able to do so, but FC will be there for those farmers who need extra support on certain aspects.

If a farmer wants to take advice from a different consultant at their own cost, that is the farmers choice.

Can Farming Connect deliver everything in the SFS proposals? Why isn't any other service provider considered?

FC is a service rather than the specific providers. There will be a new contract in place procured to deliver scheme requirements, so different providers can compete.

Will farmers have to use Farming Connect if they feel confident to navigate the scheme by themselves?

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No. We recognise that some farmers will need little or no support and will be able to undertake actions by themselves, but support will be provided for those who need it.

Have you thought about whether the laboratories have enough capacity to do soil testing, or if the vets have the capacity for the animal health actions?

Yes. Capacity will be a challenge, and we're working with all the relevant partners to work out the most efficient ways of delivering these actions.

Are there enough agents to support all Welsh farmers transferring to the new scheme?

We recognise the potential limitation. Our intention is for the majority of farmers to access the Universal layer of the scheme without the need to have help from an agent.

Can RPW online be synchronised with existing data submission - EID Cymru, BCMS, FAWL, existing carbon calculators, supermarket contract data requirements etc? This is a big opportunity for more efficient data capture.

We agree. We are exploring opportunities to make data capture and sharing as simple, and secure as possible to reduce bureaucracy. We must design a system that is useful to the government and the farm business.

Regulation

If a farmer is in breach of one regulation or part of the scheme, but compliant with everything else – will they still receive payment, or face a large penalty across payments?

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We will always need to ensure we have robust processes in place to protect public funds, but we intend to develop a penalty system that is proportionate. For a failure to deliver the scheme actions; we will normally give farmers advice and guidance on how to correct minor problems and allow them time to put right any actions following an inspection.

Maintaining compliance with the legislative framework will form part of the Scheme Rules. Non-compliance will be deemed a breach and we reserve the right to issue a proportionate penalty.

Should farmers concentrate on meeting the costs of the SFS, or meeting the costs of the new Water Resources regulations)?

The SFS will be a funded scheme with revenue and capital payments. This payment will give farmers a fair and stable income for the work they do alongside the sustainable production of food, so this shouldn't be seen as a choice to meet the requirements of the scheme, or the regulations.

There are several actions in the SFS covering benchmarking, soil management and biosecurity which are designed to help improve farmers' productivity, cut costs and improve the sustainability of the farm business, in line with the requirements of the new Water Resources regulations.

Why are there no Universal Actions linked to management of Public Rights of Way?

Public Rights of Way are covered by existing regulations. The Scheme will not fund farmers to comply with regulations and will only fund activities above existing regulation. We have proposed Optional Actions to enhance public access to the farmed environment.

Scheme administration

How long will SFS agreements last, given that some actions like woodland management need up to 50 year plans and management schemes?

We proposed SFS agreements will last for five years, but will then be reviewed and renewed on a rolling five year programme which will accommodate longer term land management objectives, business changes, and other external changes that farms may need to respond to.

As a result of co-design feedback we are considering having a contract agreement length shorter than five years, where for example, tenant farmers do not have long term tenure.

Will there be an independent appeals panel process for contracts, payments, penalties etc?

There will be an appeals process in place ready for the start of the scheme, but no decisions have been made on how this will operate.

Which carbon tool kits will Welsh Government be using, and will there be a single tool kit for consistency?

No individual carbon tools have been selected yet. We are developing the requirements for a carbon baseline and exploring the tools already in use.

Are different carbon emissions being considered separately as part of the carbon review – i.e. shorter term methane from ruminant livestock should be accounted for separately?

Our intention is to use a carbon assessment which uses dual reporting i.e. both GWP₁₀₀ and GWP*. As the scientific evidence continues to grow, we will look to report emissions in line with the evidence and international best practice.

Payments and budgets

Why are there no payment rates available yet?

The actions are not yet complete, so it is not possible to complete the payment modelling. We can now use codesign feedback to include a lot more detail in the proposals. Further details on the payment proposals will be available in the consultation on the final scheme design towards the end of 2023. A decision on the initial payment rates for the scheme will not be made until after the completion of the consultation.

Will payment rates be capped at income foregone and costs incurred?

Payments will incentivise and reward the farmer for the actions they undertake to deliver positive social, environmental, and economic outcomes. Payment rates will consider factors beyond a cost incurred and income foregone model, recognising the social value provided by the outcomes being delivered. Details on the methodology for calculating the payment rates this will be provided in the consultation.

Will Capital Works be included in the SFS?

Yes, but which individuals works will be included is yet to be decided.

Welsh farmers currently adhere to some of the highest production standards in the world, which comes at a cost. How will WG ensure that the farmer will receive adequate return on investment for its products?

We will share data with farmers in a way which will allow them to prove how sustainable they are and to promote the Welsh Brand more effectively. We are supportive of using data in this way to help farmers achieve premium prices for sustainable Welsh produce.

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Will Future Capital Works grants be as bureaucratic as current schemes?

We received co-design feedback that application windows were too sporadic, and too restrictive on the items eligible for grant, including the criteria that only brand new equipment was eligible.

We have not yet designed the financial processes to be used within the scheme. We will evaluate how current and previous scheme have operated and produce a scheme that is as efficient and streamlined as possible, but we will always need to ensure we have robust processes in place to protect public funds.

What certainty does the Welsh Government have over the long term budget, and are you confident that all of the objectives and actions can be achieved at the scale needed?

We do not have long term budget commitments from UK Government.

There is an opportunity for the sector to make a significant contribution to the climate and nature emergencies through sustainable food production. Budgets are competitive, so it is important that we can tie scheme actions to sustainable food production and tackling the climate and nature emergencies, and that we have the evidence in place to demonstrate benefit to the people of Wales so that we can justify future budgets.

Will annual payment rates fluctuate with rising costs?

No decision has been made but we will need to review payments regularly as part of the evaluation of the scheme to reflect any impacts.

Eligibility

Will Welsh Government be redefining 'Active Farmer' in terms of eligibility

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for the new scheme?

We have proposed a number of eligibility criteria that an individual would have to meet in order to join the scheme and receive payments. The proposed criteria are;

- you must be a farmer undertaking agricultural activities
- you must be able to actively perform, at least the applicable Universal Actions throughout the duration of the contract
- the agricultural land must be in Wales
- you must farm a minimum of 3 hectares of eligible agricultural land.

Different eligibility criteria may need to be considered for collaborative projects, where additional participants may need to be involved as well as farmers.

How will the active farmer requirement be enforced? Payments often go to absent landowners outside Wales such as financial institutions buying Welsh farmland for tree planting. This must be prevented.

We have proposed a set of eligibility criteria, which farmers would need to declare periodically. If an individual or a business cannot satisfy these criteria, they would not be eligible to receive scheme payments.

What about sustainable land management undertaken by non-farmers, e.g., small woodland owners or small scale smallholders.

There is a range of other support available through our rural partners but this is a scheme for farmers and those who undertake agricultural activities.

Collaborative projects

Will the scheme interact with the forthcoming Community Food Strategy

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and the commitment to increase the amount of locally produced food entering into supply chains for schools to help with the commitment on Universal Free School Meals?

We encourage this form of collaboration, to work with local supply and downstream supply chains.

The scheme includes actions to promote diversified food production which may play into that market, for example through expanding horticultural production and adding value through the processing of livestock products.

Will there be opportunities for farmers who want to work collaboratively if they are not signed up to the Sustainable Farming Scheme?

We will encourage all eligible farmers to participate in SFS. Collaboration with non SFS members would be dependent on the nature of the collaboration and the roles within the group.

How can the SFS proposals contribute to reducing flood risk?

Several of the proposed actions will help hold more water back in the landscape to reduce the risk of flooding. Restoring peatlands and other habitats, tree planting, pond creation and improving soil management across productive farmland will all help intercept water and slow the flow.

Under the collaborative layer there will be an opportunity for groups of farmers to work together in areas at higher risk of flooding implementing natural flood risk management across catchments and landscapes.

Could collaborative projects where farmers work with organisations such as public services be supported through this new scheme? e.g. wildfire risk management being led and developed with local fire services.

Yes, we would want to support these types of initiatives. We want to work with

farmers on a range of activities that require coordinated action across larger areas than individual farms, and we recognise that partnership or multi sector approach can bring additional benefit.

Will collaborative projects be farmer led, and how will this be paid accordingly? Is there opportunity for projects that are collaborative to be driven by a 3rd party e.g. public services - fire service/health boards etc?

We want farmers to be at the forefront of planning and decision making within collaborative projects, but we recognise that additional partners may be needed to facilitate and support farmer groups.

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