



# Centre for Science and Policy Policy Workshop Report

# Towards a British Ecosystems Policy

Report authored by Paul Henry, BBSRC-funded CSaP Policy Intern 20 May 2017

#### **CSaP Policy Workshops**

CSaP's Policy Workshops are roundtable discussions which offer a forum for policy professionals and researchers to discuss and debate high-priority public policy issues, providing decision makers in government with an opportunity to test and shape their thinking.

## Summary

After Brexit, funding for agriculture will have tougher competition. It will become increasingly critical to demonstrate that government funds paid to land holders generate clear social value in order to compete with demands for funding for health, education and social services. The objective of a British Ecosystem Services Policy would be to deliver the greatest total value of ecosystem services from the land, taking account of both marketed and non-marketed outputs. What might a policy to pay farmers for the delivery of ecosystem services look like?

In preparation for the CSaP Policy Workshop on 20 April 2017, participants were sent background reading:

- An outline of a potential <u>British Ecosystems Policy</u>, by Professor Hodge
- A <u>Policy brief</u> developed for the workshop by Professor Hodge and David Gawith

At the workshop <u>Professor Ian Hodge</u> (Professor of Rural Economy, Department of Land Economy, University of Cambridge) set out his vision for an innovative, integrated environmental and agricultural policy which could be developed following the exit of the UK from the European Union. This was followed by perspectives from invited speakers, and a roundtable discussion to build on the suggested policy.

Participants agreed that political leverage was essential to make ecosystems management policy a priority in preparing for the British exit of the EU. To apply this pressure at a political level, it will be important to target a number of different electorally important groups. Public dialogue needs to be started using articles in wide circulation publications, and business leaders should be persuaded that environmental risk can be mitigated by supporting innovative policy.

### Summary of key points

- There must be a multifaceted approach to keep environmental issues in the public agenda
- A compelling narrative needs to be developed which enthuses all stakeholders
  - o Communities can come together over countryside management
  - o Public benefits should be clear and tangible
    - Start with a visible public issue such as flooding
  - o Correct use of language is essential

- Tailor it to the audience's preferences
- Innovative ecosystems policies should be highly publicised
  - Write opinion pieces in high impact publications (nature, the economist etc.)
    - o Public discourse will force political interest
- The future of UK ecosystems must become an election issue
  - o Business leaders could sign an open letter
  - o Leverage from business will encourage politicians to talk about it
  - o Rural communities are electorally important

## Presentations

### Professor Ian Hodge, University of Cambridge

The UK has a unique opportunity to create an innovative new agricultural and ecosystems policy upon leaving the European Union. This area has been dictated by the Common Agriculture Policy which can trace its roots back to the 1957 Treaty of Rome. The UK should aspire to create its own distinct and innovative policy to become a world leader in rural land management.

A British Ecosystems Services policy would have the simple objective of maximizing the social value from land use. This would include financial value from products sold in a marketplace, as well as social value such as increased access to rural areas.

The delivery of this policy would include both a national and local governance approach to the delivery of ecosystems services. On a national level this would be repurposing the money normally sent to the Common Agricultural Policy to become a set of national procurement funds which can be accessed to achieve ecosystems goals. These funds could be allocated by tender or payments based on results to achieve broad national ecosystems goals, such as reforestation, water management and carbon capture.

These national goals would be complemented by a network of local management organisations which could provide their own funding for ecosystem services. These local funds would be used to reflect local community needs and preferences. Locally managed organisations could meet the needs of the community not covered by the national outcomes. The local schemes are essential to create a coherent ecosystems and agricultural policy which works across the country.

To further develop an ecosystems policy there needs to be discussion around the balance between national and local aims, as well as to what new institutions need to be formed at both levels to deliver this service. Implementation of this scheme will be an incremental shift from direct payments to outcome based services payments. This will allow the policy to develop over the course of several years into providing sustainable, well managed ecosystems services.

This new policy will be different from other agricultural policies which have come before, as it will offer payment to anyone who can deliver ecosystems services rather than just to farmers. This is a shift in the way that rural land is managed, as it reflects that food production is part of a range of ecosystems services which should be managed together.

### Craig Bennett, Friends of the Earth

The future of British ecosystems needs to be publically debated, as we will want to take this opportunity to improve our ecosystems services. Leaving the European Union puts the UK in a position where it could potentially lose some of its best ecosystems protections. Part of any new ecosystems management policy must include protections against abuse or destruction of the environment. Whilst many environmental protections will be transferred directly into British law following the EU exit, there are some aspects which may be lost:

1) Things that were previously changed by primary legislation could move into Secretary of State discretion, bypassing the same level of public scrutiny

- 2) Who will set appendices to legislation which were previously determined at the EU level? How will environmental priorities, which were previously set at the continental level, be decided?
- 3) Who will replace the European courts as an enforcer of environmental law?
- 4) Will new UK law incorporate the precautionary principle? This has been vital to the banning of neonicotinoid pesticides, but tends to be unpopular in the British press.

There is serious concern that the UK will remove significant portions of its environmental protections in favour of securing new trade deals. Exit from the EU has thrown up considerable uncertainty about the future of the British economy, and as a result there may be an imperative to farm more efficiently at a larger scale. This cannot be at the expense of environmental protections; as such there must be urgent public debate about how these can be secured in new legislation.

### Diane Mitchell, National Farmers' Union

Food production is a key ecosystems service; British farming needs to be supported to become more progressive and competitive in the future. The NFU has developed a policy options paper for what funding for UK farming could become following exit from the EU, this was developed by asking members to contribute ideas for changes to agricultural policy.

The key aspects to a new agricultural policy should be:

- 1) Protecting the environment
- 2) Maintaining productivity
- 3) Minimising volatility

Measures to control volatility can give farmers greater certainty about the future, allowing them to redirect focus to improving productivity and caring for their local environment. The NFU recommends that direct payments are retained for the transition period whilst the UK leaves the EU, and possibly beyond until a new scheme is developed. This will give farmers the security and certainty needed to develop their productivity and environmental capabilities.

Farmers will be key to the delivery of any new agricultural or environmental scheme which replaces the Common Agriculture Policy. A new British Ecosystems Services policy must have farmers at the heart of national goals which are delivered at a local level. Securing the future of farmers can allow them to focus on implementing local ecosystems management.

#### Nigel Stone, Exmoor National Park

Uplands in the UK provide a series of social benefits as part of the ecosystems services they already contribute. They are essential to the conservation of our cultural heritage through allowing access to archaeological activity, as well as being a major contributor to public health and wellbeing. Hill farm management is an integral part of managing water tables and local biodiversity.

Uplands areas currently use a relatively small proportion of the £3 billion which gets paid to agriculture, however basic payments are essential to keeping these farms financially viable. Any new agricultural or environmental schemes must be incentive-based with a clear focus on objectives and outcomes

There is a need within the sector to have an integrated approach to farming which encompasses the entire ecosystem, including wildlife and the landscape rather than just food production and sale. A

voluntary, flexible scheme will allow farmers to care for the local environment whilst being able to manage the financial viability of their holding.

## Roundtable Discussion

The key themes of the roundtable discussion have been summarised below.

### The Future of Farming

- Farmers want clear links between actions and objectives
- The role of farmers should shift to include stewards of rural land
- There must be clear metrics regarding the delivery of ecosystems services
  - o Allows farmers to keep making the desired benefits
  - o Biodiversity conservation and measuring will be difficult to implement
- Farmers must be given some autonomy to make delivery decisions
- After the EU exit there is likely to be fewer farmers
  - This means fewer people monitoring more land
  - $\circ$   $\;$  Implementation of ecosystems services could be asking too much
- There are social issues around changing the role of farmers
  - o Do they even want this shift?
  - o Are these communities ready for the goals of land management to change
- Farmers are best place to implement a new ecosystems services policy, they must be at the heart of it

#### The Social Impacts of a New Scheme

- Rural communities will have to change their self-identity away from being purely food producers
- Countryside access can improve health outcomes for urban populations
- Removing the CAP will have social implications; unless it is adequately replaced, rural jobs and skills will quickly be lost forever

### Balance between National and Local objectives

- There should be a clear difference in the types of schemes they provide
  - National schemes can afford to be narrow and deep
    - Working with land managers across the country
    - Targeting specific national goals (i.e. carbon sequestering)
    - Higher transactional costs
    - High impact national changes (i.e. numbers of a particular species)
  - o Local Schemes will most likely be broad and shallow
    - Maintain local preferences in the long term
    - Much more community engagement and control
    - Low transactional costs land managers self-reporting
- Need a body to arbitrate when national and local objectives conflict
  - Analysis may determine that some areas are more suitable for particular services despite local preferences
  - Local communities may have a better understanding of what is suitable for their area

• The role of devolved administrations (Scotland, Northern Ireland etc. ) needs to be made clear

### Funding for a new policy

- There must be clear deliverable plans for access to public funding
- A clear narrative with a desirable outcome must be established to justify funding
- Having a services marketplace can help distribution and lower national costs
  - o Land managers tender for particular services
  - Higher payments can be offered to encourage even distribution of services
- Without secured long term funding local authorities will be reluctant to commission new schemes
  - o Considerable funding uncertainty around EU exit
- Agricultural products with demonstrable environmental benefits could charge premiums
  - o Encourage land managers to focus on local environment
  - o Contingent on consumer interest
- Services can be sold to multiple interested bodies and institutions

### Implementation

- There needs to be a public debate about what our rural areas should become
- Methods are required to ensure targets are being met
  - o Avoid "tick box" type monitoring where possible
  - o Highly trained assessors with discretionary powers could work with land managers

### Outcomes

- All parties want better ecosystems services delivered in an economically viable way
- There must be clear outcomes to convince all parties involved
- Should the focus be moved from conservation to rewilding in some areas
- Areas which provide a social rather than economic value should still be protected
- Any new scheme should be transparent and accountable
  - o All data collected should be publically accessible
  - o Outcomes should be regularly monitored
  - o A clear sanctioning procedure should be developed for all parties

### **Risks**

- Environmental policy may become less of a priority
  - It must be integrated with agricultural policy
  - This can help both areas make a stronger funding case
- Legislators could use regulation as a cheaper way of achieving the same result
- Payments from multiple bodies could lead to a needlessly complex inaccessible scheme
- Food production becomes a "bargaining chip" in trade negotiations
- CAP is replaced by a similar scheme

## Attendees

- Helen Ghosh (Chair), Director General, The National Trust
- Elizabeth Allen, Collaborations and Communications Manager, Cambridge Conservation Initiative
- David Baldock, Senior Fellow, Institute for European Environmental Policy
- Craig Bennett, CEO, Friends of the Earth (England, Wales and Northern Ireland)
- Andy Clements, Director, British Trust for Ornithology
- Gemma Cranston, Programme Manager, Cambridge Institute for Sustainability Leadership (CISL)
- Henry Demaria, Secretary, Natural Capital Committee, Department for Environment Food and Rural Affairs
- Rob Doubleday, Executive Director, Centre for Science and Policy
- David Flanders, CEO, Agrimetrics
- Laura Fox, Head of Agricultural Landscapes, Fauna and Flora International
- Chris Gaskell, Emeritus Professor, Royal Agricultural University
- Marcus Gilleard, Senior External Affairs Adviser, The National Trust
- Ian Hodge, Professor of Rural Economy, Department of Land Economy, University of Cambridge
- Thomas Lancaster, Agricultural Policy Officer, RSPB
- Ben Lang, Senior Research Associate, Department of Land Economy, University of Cambridge
- Pippa Langford, Principal Specialist Commons and Rights of Way, Natural England
- Diane Mitchell, Chief Environment Adviser, National Farmers Union
- Diana Mortimer, Programme Lead for Biodiversity & Ecosystems Services, JNCC
- Amy Mount, Senior Policy Adviser, Green Alliance
- Mike Rands, Executive Director, Cambridge Conservation Initiative (CCI)
- Nigel Stone, Chief Executive, Exmoor National Park
- William Sutherland, Miriam Rothschild Professor in Conservation Biology, Department of Zoology, University of Cambridge
- James Vause, Lead Economist, UN Environment World Conservation Monitoring Centre
- **Bhaskar Vira**, Reader in the Political Economy of Environment and Development, Department of Geography, University of Cambridge
- Paul Henry (note-taker), BBSRC-funded Policy Intern, Centre for Science and Policy