

NEW OPPORTUNITIES

THE CASE FOR A WORLD LEADING FOOD, FARMING AND ENVIRONMENTAL POLICY



DIRECT SUPPORT



TRADE



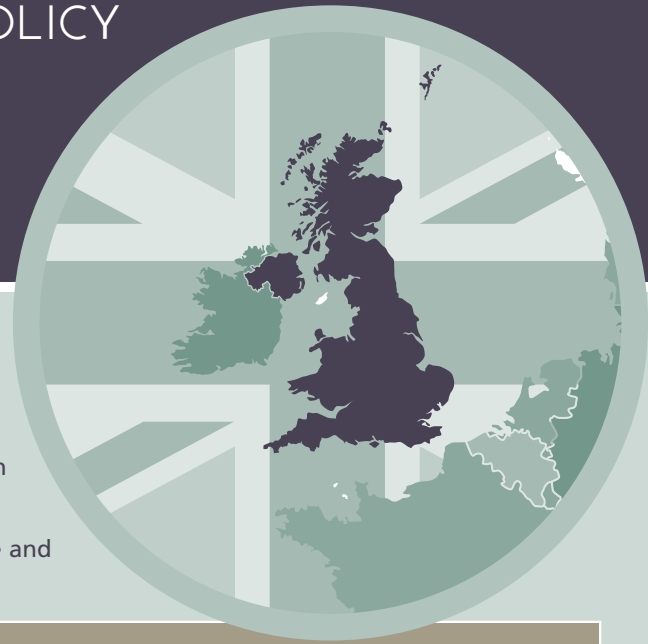
REGULATION



LABOUR MARKET

This briefing, which is the first of four on the issues facing the rural economy following the decision to leave the EU, maps out how the UK has an opportunity to establish a world leading food, farming and environmental policy outside of the European Union (EU). This policy must be in place before the current system provided under the EU Common Agricultural Policy ceases to apply to the UK.

This briefing explains why a UK policy is necessary and highlights the scale and scope of what is required.



WHY DO WE NEED A FOOD, FARMING AND ENVIRONMENTAL POLICY?

Long before there was an EU, there was an acceptance that agriculture and land management require specific support. As the UK exits the EU, those needs are as relevant as ever.

Our vision is for a new policy that improves agricultural productivity, competitiveness and resilience. UK farmers are a crucial part of the food chain which provides us with a safe and secure supply of food. Farmers and land managers also have a vital role to play in improving biodiversity, securing our vital natural resources and helping meet the challenges of climate

change. They also manage the landscape that defines the UK and provides the recreational opportunities people value so much. This policy must support and incentivise farmers and land managers to ensure they can continue to fulfil these important roles.

These objectives will not be delivered through existing markets and cannot be achieved without government support. The sector is diverse, made up of a multitude of businesses, including thousands of small and micro businesses, which must cope with natural processes, pests and diseases, increasingly unpredictable weather and volatile global markets.

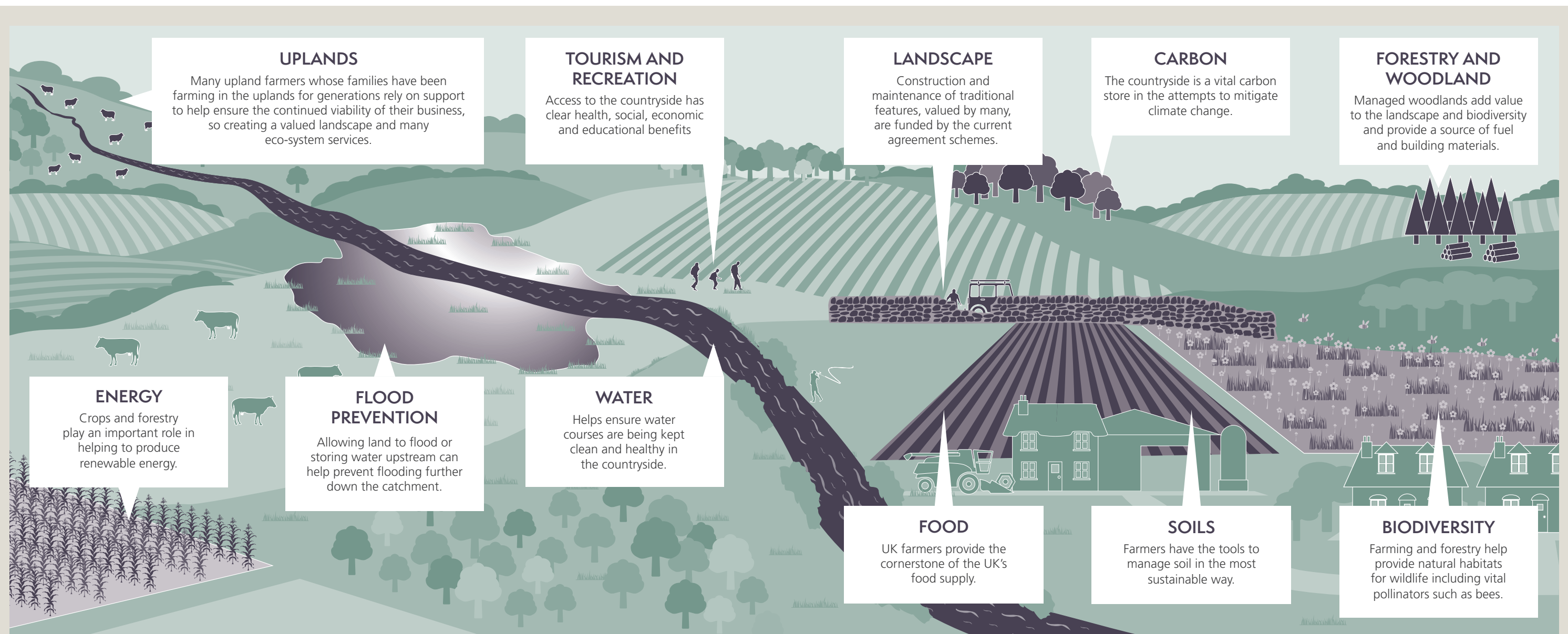
THE DECISIONS THAT MUST BE MADE - IMMEDIATE CONCERNS

It is vital that the Government reduces uncertainty by acting clearly and decisively to provide reassurance to farmers and other rural businesses.

Ministers must commit to the following:

- All farmers and land managers to continue to receive direct payments, at the same level as they have budgeted to expect, up to the end of 2020, whatever the timeframe for the UK's exit from the EU.
- All existing agri-environment agreements to be honoured through to the end of their contracted terms and agri-environment schemes which are currently open for applicants must remain so.
- A fully funded food, farming and environmental policy to be in place and ready to be implemented before existing support is removed.
- The policy development process to be fully transparent, with clear milestones and consultation with landowners and farmers at every stage.
- All other investments committed to under EU structural funds must be honoured by the UK Government up to the end of the current programme.

WHAT A FOOD, FARMING AND ENVIRONMENTAL POLICY COULD PROVIDE



THE BUSINESS CASE

A new policy can build a more competitive and sustainable rural economy. It is important to safeguard and increase production by ensuring farmers are able to produce healthy and high-quality food. UK agriculture is less productive than in the Netherlands, France and the USA and the top 10% of farmers are twice as productive as the bottom 10%. A new food farming and environmental policy needs to address this enabling those at the bottom to improve their performance and productivity.

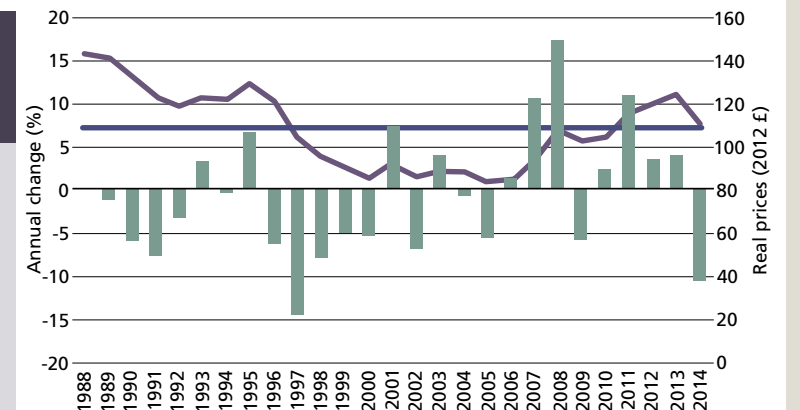
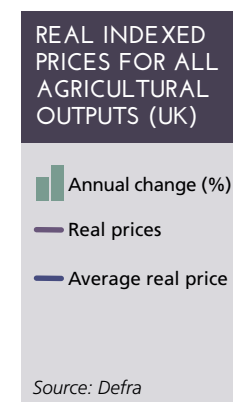
The UK has world class research and development capability. However, to achieve its full potential and help deliver innovative solutions to increase efficiency and productivity, it will require substantial long term funding and effective knowledge transfer. In addition to the application of existing and emerging technologies the industry needs to develop new ways of working, new businesses models and new skills. Similarly we need to improve collaboration by moving from a supply chain to a value chain in which retailers, processors and farmers work together in new ways with each being properly rewarded.

A successful policy must actively encourage the next generation to seek careers in farming and rural land management. While a lot can be done by the sector itself, the Government has an important role to play in supporting education and training at all levels.

STABILITY IN A VOLATILE GLOBAL MARKET PLACE

Food prices and input costs have always been volatile, something which has been and continues to be a challenge for farmers, processors and consumers alike. However, with climate change and an increasingly uncertain geo-political situation this volatility is exacerbated.

Significant volatility undermines profitability and consequently long term investment. Managing risk must be a fundamental objective of any policy for the future.





THE SIX FUNDAMENTAL PRINCIPLES OF A FOOD, FARMING AND ENVIRONMENTAL POLICY

1

A PRODUCTIVE, COMPETITIVE FARMING AND FORESTRY SECTOR

- UK farmers need to be competitive in international markets. This means providing the sector with a secure foundation, driving professionalism and increasing skills throughout the industry.
- There needs to be significant and immediate investment in R&D and training, particularly in business skills and knowledge transfer.

2

FOOD SECURITY

- Alongside favourable trade agreements, the sector must be resilient in the face of increasing volatility. The policy must promote innovative, sustainable ways to increase production and manage risk.

3

ENHANCE THE ENVIRONMENT

- Farmers and land managers must be provided with the tools and support they need to meet the many and serious environmental challenges we face. The new policy must be more ambitious than its predecessors.

4

A DEDICATED UK BUDGET

- It is essential the UK Government provides sufficient funds for the policy across the whole of the UK. The devolved administrations should retain the freedom to implement the policy in accordance with the needs and aspirations of their own agriculture and forestry sectors and the wider environment.

5

VALUE FOR MONEY

- The policy must deliver value for money in the way it is implemented and in the outcomes it delivers to the benefit of all.

6

CLEAR, PROPORTIONATE REGULATION

- Regulations must be simple and transparent, while farmers and landowners should expect to work to clear standards and face proportionate penalties where these standards are not met. Similarly, regulators must accept responsibility for helping businesses achieve compliance and use a proportionate risk-based approach.

CONTACTS

For more information about this report contact:



@clatweets @clapolitics

CLA

CHRISTOPHER PRICE
DIRECTOR OF POLICY

christopher.price@cla.org.uk

TOM HARLOW
PUBLIC AFFAIRS ADVISER

tom.harlow@cla.org.uk

REBECCA WILLIAMS
DIRECTOR CLA CYMRU

rebecca.williams@cla.org.uk

SCOTTISH LAND & ESTATES

SARAH-JANE LAING
DIRECTOR OF POLICY &
PARLIAMENTARY AFFAIRS

sarahjane.laing@scottishlandandestates.co.uk

