

Agriculture Bill – Second Reading

Soil Association briefing, October 2018



A - INTRODUCTION & OVERVIEW

1. This briefing provides an overview of the Agriculture Bill and sets out the Soil Association's key proposals for improving the legislation and associated farming policy, to ensure environmental protection goes hand in hand with food production and a thriving rural economy. In summary, our priorities are:
 - More focus on **food and farming** – including a shift towards agroecology
 - Recognise and reward the public goods delivered by **organic** farming
 - Include **public health** as a purpose for which financial assistance can be given under clause 1
 - A stronger **climate change** focus including a goal for **net zero emissions** from agriculture
 - A new **definition of productivity** that incorporates environmental impacts and limits
 - Ensure the **transition period** works for both farmers and the environment
 - An adequate **long-term budget** - for farm payments, and for research and innovation
 - Recognise the need for a close **EU-UK relationship** and rule out any **trade deals** with non-EU countries that could undermine UK farming and food standards

About the Soil Association

2. The Soil Association is a membership charity, formed in 1946 by a group of farmers, scientists, doctors and nutritionists who were determined to pioneer a world where we can live in health and in harmony with nature. Our vision is good food for all, produced with care for the natural world. Today, the Soil Association is campaigning and scaling up the solutions, collaborating with organic and non-organic [farmers](#) and with food procurers from schools to hospitals to restaurant chains to innovate and implement practical solutions. Our [Food for Life](#) work with schools and nurseries to give children a happier, healthier relationship with food is commissioned widely by public health teams around the country. Through our trading subsidiary, Soil Association Certification, we work with over 6,000 businesses including [organic farmers and growers](#), caterers, food processors and manufacturers across more than 50 countries, and certify over 14 million hectares of [forest](#) globally.
3. The Soil Association coordinates the [Innovative Farmers](#) network, where groups of farmers work directly with researchers to design 'field labs' that can be set up quickly and are highly practical. We work closely with other farming organisations and in wider coalitions including: Sustain - the Alliance for Good Food and Farming; Greener UK; Eating Better; and the English Organic Forum. We are a founding member of the [Alliance to Save Our Antibiotics](#) and the newly-established Fruit and Vegetable Alliance.

Overview of the Agriculture Bill

4. The Agriculture Bill gives ministers broad powers, rather than duties, to retain and reform farm payments as the UK leaves the EU, alongside other provisions relating to the farm inspection

regime, producer organisations and regulation. These powers include the introduction of a new system of payments for farmers and land managers based on the principle of ‘public money for public goods’. Part 1 sets out the purposes for which these payments could be made, relating to environmental outcomes, animal health welfare, and productivity.

5. Much detailed policy development is taking place inside Defra simultaneously to the Bill’s progress through parliament, including a new Environmental Land Management scheme. We welcome the effort that Defra is making to involve farming, food and environmental organisations in this policy development and urge ministers to ensure this co-design approach continues.
6. Whilst the Bill cannot be expected to contain all the detail of the UK’s new agricultural policy, it is vital to get the overarching legislative framework right. This should prioritise an agroecological approach, in order to achieve environmental and conservation goals at the same time as high-quality food production, sustainable rural livelihoods and improved public health.
7. We would like MPs to raise the following issues during the second reading debate and push for specific amendments, Ministerial commitments, and clarifications – on the Agriculture Bill itself and associated policies, especially the new Environmental Land Management scheme.

B – SOIL ASSOCIATION PROPOSALS FOR IMPROVING THE AGRICULTURE BILL

8. The Soil Association welcomes much of the Agriculture Bill and the broad direction of farming policy set out by Defra ministers. In particular, we support the shift to a new payment system where *‘farmers and land managers who provide the greatest environmental benefits will secure the largest rewards’*. This is the principle of [public money for public goods](#) – using funds to secure the delivery important outcomes such as healthy soils, climate mitigation and high animal welfare.
9. However, it is essential that the government takes an integrated approach to food production, environmental protection, animal welfare, and public health. The top priority should be the widespread adoption of nature-friendly farming methods. [Organic farming](#) delivers many public goods at the same time as producing food; nurturing the organic sector should be a major priority for the UK’s new agricultural policy.

Proposal 1: Focus more on food and farming

10. Many farmers already deliver public goods such as improved soil and water quality or increased biodiversity - at the same time as producing high quality food. However, the farming methods proven to deliver the greatest benefits to wildlife, soil health, or greenhouse gas emissions reductions are still not mainstream in the UK. Ministers must provide more certainty that new schemes will provide the comprehensive support farmers need to move from decades of overreliance on agrochemicals and cheap fossil fuels to a more ecological approach across all our land.

11. In order to achieve this, the financial assistance provided for in sections 1 and 2 of the Bill should be explicitly aimed at securing a transition to sustainable food production systems, by prioritising the adoption of nature-friendly farming methods, undertaken by farmers themselves. At present, there are no guarantees that this will happen. Policy and funding must target what is happening ‘in the middle of the field’ as well as around the edges, for example, by encouraging the widespread adoption of systems of farming that promote in-field biodiversity such as organic.
12. In addition, the Bill should include a long-term goal of establishing agroecology as the underlying principle of farming in England. The UN Food and Agriculture Organisation ([FAO](#)) describes agroecology as *‘the basis for evolving food systems that are equally strong in environmental, economic, social and agronomic dimensions.... Agroecology is based on applying ecological concepts and principles to optimize interactions between plants, animals, humans and the environment while taking into consideration the social aspects that need to be addressed for a sustainable and fair food system. By building synergies, agroecology can support food production and food security and nutrition while restoring the ecosystem services and biodiversity that are essential for sustainable agriculture. Agroecology can play an important role in building resilience and adapting to climate change.’*
13. Agroecological farming methods are considered to include organic farming as well as agroforestry, pasture-based livestock systems, integrated pest management, low input mixed farming, and biodynamic agriculture.
14. The [Ten Years for Agroecology in Europe](#) project, led by top scientific experts, shows that agroecology can address that apparent dilemma of producing adequate quantities of food whilst protecting biodiversity and natural resources, and mitigating climate change. It finds that a transition to agroecology, based on phasing out pesticides and synthetic fertilisers and redeploing extensive grasslands and landscape infrastructures, would:
 - feed the European population healthily;
 - maintain export capacity;
 - reduce Europe’s global food footprint;
 - result in a 40% reduction in agricultural GHG emissions;
 - help to restore biodiversity and to protect natural resources.

Proposal 2: Recognise and reward the public benefits delivered by organic farming

15. The Bill should contain a specific provision to support and expand the organic sector. [Organic farming](#) is all about producing food in harmony with nature. Organic standards severely restrict pesticide use and prohibit the use of herbicides and manufactured fertilisers. As a result, organic farming delivers many of the ‘public goods’ that the government wants to pay farmers to provide, at the same time as producing food. Examples include:
 - Organic farms have on average 50% more [wildlife](#) than conventional farms.
 - Organic farms have [healthier soils](#) with, on average, 44% higher levels of humic acid - the component of soil that stores carbon over the long term.

- Organic farming can help tackle [water pollution](#) - with 35-65% less nitrogen and no persistent pesticides leached from organic arable fields.
16. Expanding the organic sector should also be explicitly recognised as contributing to high [animal welfare](#), because organic livestock standards go beyond free range and cover living conditions, feed quality, transport and slaughter. More organic farming would contribute to the challenge of antibiotic resistance too, since organic standards prohibit the routine use of antibiotics, whilst optimising animal health and welfare to prevent disease.
 17. At present there are over 3,500 organic farmers/growers in the UK (a total of over 6,500 producers and processors combined). Three percent of agricultural land is organic. Ministers should aim to get the UK to the top of the European [league table](#) of organic food and farming, rather than languishing near the bottom.
 18. Going organic is a major opportunity for UK farmers too. Consumer demand for organic food is increasing steadily, globally and in Britain. The UK [organic market](#) is now worth more than ever at £2.2 billion, growing 6% in 2017. Meeting more of the UK organic demand with UK supply would be good news for soil health, wildlife and farmers alike.

Case study: organic farming delivering public goods at Cholderton Estate

The application of natural capital accounting can identify the public goods farming can produce. The 1,000-hectare [Cholderton Estate](#) is a fully organic farming enterprise. It has eliminated the use of inorganic fertilisers and pesticides and is managed to maximise the diversity of plant, insect and bird species. Estimates for Cholderton are compared to ‘a typical (intensive) farm’ which also has 1,000 hectares for dairy. Headlines are:

- The bottom line for Cholderton is a benefit of £0.5 million over 50 years.
- The bottom line for a typical farm is a loss of £8.8 million over 50 years.

Moreover, because it is not possible to express all public goods in monetary terms, the benefits of the farming practice in Cholderton in terms of range of wild flowers, grasses, insects and birds, and rare breeds are not captured in these monetary estimates.

While the typical farm makes more financial profit due to higher stocking rates (and associated subsidies), it also causes significantly more damage to public goods.

The farming approach at Cholderton has produced a rich countryside teeming with wildlife within a productive and viable food production system that secures clean air, clean water, healthy microbial content to naturally fertile soil and supporting healthy ecosystems.

This illustrates the importance of the Agriculture Bill and new policies taking an integrated approach to food production and the provision of public goods – not one at the expense of another.

For further details of this independent study, carried out by EFTEC, see [here](#).

Proposal 3: Public health as a public good

19. The Bill fails to reflect links between farming, food and [public health](#), despite calls for this to be a top priority from a [broad coalition](#) of food, farming and public health experts and practitioners – and, indeed, ‘Health and Harmony’ being the title of the Government consultation.
20. In April this year, the Rt Hon Michael Gove, Secretary of State, said: *‘Food production is ultimately about health. I want to ensure we have a food and farming policy that includes higher standards and ambitions, and that results in better outcomes, including for public health.’* In January 2018 the Secretary of State also stated: *‘...in this role now, I have a responsibility to ask if public money supporting food production is also contributing to improved public health.’*
21. Public health should be included in the list in Clause 1, which sets out the purposes for which, and in connection with which, the Secretary of State could provide financial assistance under the UK’s new agricultural policy. This would allow the introduction of [policies](#) linking public health and farming in the following areas:
- *Diet*: Measures to increase the availability, affordability and accessibility of UK-grown and sustainably produced fresh fruit and vegetables, nuts and pulses, for example:
 - An equivalent to the EU Fruit and Vegetable Aid Scheme. As a member of the Fruit and Veg Alliance, we would like to see a replacement scheme more widely available, with a lower output threshold for entry so that smaller businesses can benefit too.
 - Public procurement standards should be strengthened, incorporating ‘less but better’ meat, and more local sustainably produced fruit and vegetables.
 - *Antimicrobial resistance*: with livestock accounting for around 40% of UK antibiotic use, support is needed, alongside stronger regulation, for the improvements to hygiene, husbandry, and housing required to reduce the need for antibiotics, and to help farmers transition to extensive, high welfare farming systems such as organic, which use far fewer antibiotics
 - *Nature-based health promotion*: supporting nature-based social prescriptions, including farm-based interventions, making additional funding available to farmers to host visits - including school visits, and visits through, for example, Care Farming UK.

Proposal 4: Net zero emissions from farming

22. The Agriculture Bill should include a goal for agricultural emissions to reach net-zero by 2050. This would be in line with the UK’s commitments under the Paris Climate Agreement. Climate mitigation is included in Clause 1 as one purpose for which financial assistance could be available. This is inadequate. Climate disruption poses a major threat to farming and food production and UK farmers are increasingly struggling with the impacts of extreme weather.
23. However, the Committee on Climate Change 2018 [progress report](#) highlighted that there has been “no change in agricultural emissions since 2008” and found that in 2017 “44% of farmers took no action to reduce GHG emissions, and half of farmers did not think it was important to

consider emissions when making decisions about farming practices”. This not the fault of farmers, but of inadequate government policy. Farmers receive neither the advice nor the financial support required to make the [transition](#) to climate-friendly farming.

24. New policies must focus on a step-change in climate action in the short term. These should harness the potential of farmland to sequester carbon through trees and soil – including an ambition for [agroforestry](#) to become a mainstream practice. New farm support schemes must also fast-track a transition away from reliance on artificial nitrogen fertiliser and fossil fuel-based inputs towards wholly ‘renewable’ food production. [Research](#) has found that making 50% of EU farming organic by 2030 could cut greenhouse gas emissions by almost a quarter.

Proposal 5: Redefine productivity

25. The Bill should commit to adopting a new definition of agricultural productivity before any financial assistance schemes for improving productivity are made available. Unless this happens, the policies that flow from the part of clause 1 of the Bill concerned with productivity could directly undermine those that flow from other parts of that very same clause i.e. financial assistance for restoring and protecting the natural environment, tackling climate change, and improving farm animal welfare. This is because the government currently uses ‘total factor productivity’ as the key measure. Yet the Defra [webpages](#) on food chain productivity state clearly that this measure *“does not incorporate external effects on society and the environment.”*
26. Some farmers still see yield per unit area the ultimate success measure of their farm business, although an increasing number are recognising that lower yields, more wildlife, and a fairer share of the retail price is a preferable option for their business. As one farmer wrote in [Farmers Guardian](#): *“Our job as farmers is not to feed the world, despite what the ‘yield is king’ lobby might tell you. Our job is to feed our families, make a profit and produce food people want to eat.”*
27. A recent [expert report](#) for the UN entitled ‘Measuring What Matters In Agriculture And Food ‘ concludes: *“Applying today’s ‘productivity only’ metrics in agri-food system assessments ignores outcomes such as degraded ecosystems and alienated communities, with alarming impacts on health and the poorest segments of society”*
28. A new definition of productivity that takes the environment fully into account is vital. Options include environmentally adjusted total factor productivity (see [OECD](#)) and/or measuring the nutritional quality of agricultural production. The government should consult on the most suitable measure.

Proposal 6: A transition period that protects farmers and the environment

29. The extended transition period of 7 years is enough to give farmers time and motivation to adopt new approaches, although great care must be taken to ensure major progress towards nature friendly farming during and after this period is achieved, and to ensure that farmers are enabled to adapt their operations to quality for new public goods payments rather than being

forced out of business. **Reduction of basic payments must be accompanied by new schemes** that farmers can readily access, to help them actively transition towards agroecological farming and the delivery of public goods.

30. There should be a requirement on the Secretary of State to report regularly to parliament on the **impact of the transition period on farmers and farming practices** – including any modifications to the Basic Payment Scheme. This must ensure full transparency on whether the adoption of environmentally beneficial farming practices and schemes is increasing, remaining stable, or decreasing. There are concerns that, in the face of so much uncertainty and problems with current programmes, some farmers may end up abandoning agri-environment schemes and environmentally beneficial practices during this period.

Proposal 7: An adequate long-term farm payment budget

31. There needs to be a much clearer indication of the level of **long-term funding** beyond 2022. We think investment should at least match the current farming budget – around £3.2bn per annum - although redirected to benefit the environment, nature, farm animal welfare and human health, and secure the viability of sustainable farming businesses.
32. We agree with other farming organisations that the Agriculture Bill should establish a **multi-annual budgetary framework** that provides certainty for farmers and allows them to plan and invest for the future, under clause 33 (Financial Provision). Budgetary cycles should be independent of the parliamentary cycle to reflect the need for long term planning and investment and to avoid the agricultural budget becoming politicised and subject to annual discretionary spending decisions. There should be scope within the Bill for ministers to “carry over” any monies left unspent at the end of a particular budget year for spending in subsequent years.
33. The Bill contains no clear provision on the future of funding for **research and innovation**. As a partner in the [Innovative Farmers programme](#), we would like to see a ringfenced budget for farmer-led innovation. Putting just 10% of the current total R&D budget towards such projects (around £45 million per year) could see upwards of 1,000 projects a year led by groups of farmers, working directly with researchers in on-farm experimentation and improvement. This would support many of the most active innovators and their peers in UK farming to team up and develop ideas that they have identified as priorities for the sustainability and resilience of their businesses, creating a powerful engine driving improvements across the sector. The Innovative Farmers approach works because the agenda is driven by real needs on the ground and not distant research agendas set in office buildings by non-farmers.

Proposal 8: No damaging trade deals

34. The Bill does nothing to address widespread concerns that a **no-deal or hard Brexit** would be catastrophic for food standards, farmers and the environment. Whether the UK stays in a customs union or similar will determine whether farmers have a viable economic future to produce public goods. Farmers need a level of certainty the government has so far failed to

provide. Organic businesses would be particularly hard hit, as the [NFU](#) and [organic bodies](#) have highlighted.

35. There are also major risks to farmers, the environment and public health from potential **trade deals with non-EU countries**. These concerns are not addressed by the legislation. We agree with other farming organisations that the Bill should contain provisions to require all food imported into the UK be produced to at least equivalent standards, as they relate to animal welfare, environmental protection and any other legitimate public policy concerns associated with food production, as those required of producers in the UK.

ENDS

If you have any questions on this briefing, or other aspects of the Agriculture Bill and farming and food policy, or to arrange a meeting or a local farm visit, please email policy@mail@soilassociation.org.