

COUNTRYSIDE ALLIANCE BRIEFING NOTE

UPLAND FARMING



The Voice of the Countryside

House of Commons, Westminster Hall Debate

“Future of upland farming after the UK leaves the EU” (Jonathan Edwards, Plaid Cymru, Carmarthen East and Dinefwr)

Tuesday 26 June, 4.30pm – 5.30pm

Background:

- Farming and other types of traditional land management in the uplands play a vital role in conservation and are central to the economic and social life of many communities.
- Leaving the EU provides the opportunity to develop an agricultural policy that is appropriate for the UK, targeting support payments for the public good provided by farmers. It also provides the opportunity to improve food labelling to ensure that consumers have the ability and confidence to support British farmers and producers.
- Without a continuation of farming in the uplands, many iconic rural landscapes would be lost with negative consequences for rural communities, the environment and wildlife, and the tourist industry which depends on the beauty of these areas. It is vital that the Government continues to recognise the importance of farming to upland areas and develops policies to support it post Brexit.
- The work of farmers is often supported by other forms of traditional land management, such as shooting, and it is vital that the Government develops a co-ordinated policy for the uplands that allows different types of management to thrive and work together.

Agricultural policy and diversification:

- Farming in the UK has developed within the framework of the Common Agricultural Policy (CAP) for the last 40 years and therefore the introduction of a new agricultural policy will need to include transitional arrangements to ensure that farm businesses in the UK are able to adjust as decisions often need to be taken many years in advance. Farmers, particularly in upland and other marginal areas, are often small to medium sized enterprises and a sudden change in agricultural policy would risk the sustainability of some of these businesses which are often dependent upon support payments.
- Farmers in the uplands areas are limited to low intensity grazing which has small profit margins and is often more exposed to market volatility than other sectors of the industry. Their work, however, often provides the most amount of public good in creating and maintaining some of our most iconic rural landscapes, which are so important to our cultural heritage and provide the recreational opportunities people value so much. A new agricultural policy should target support payments to those farmers who are providing the most amount of public good but not being rewarded for this by the market. This also means ensuring that support is provided to the people and businesses that have the task of carrying out this work on a daily basis.

- Despite best efforts and incentives to improve competitiveness, there will continue to be some parts of the UK where farmers cannot survive on the profits of food production alone and this needs to be addressed in a new agricultural policy as well as continued efforts to support diversification. Many forms of diversified income, such as tourism, depend on the farming side of the business so this should not be seen as an alternative to a thriving food and farming sector. It is also important to note that rural tourism in the UK benefits from visa-free travel between countries within the EU and it is important that this continues for short leisure and business trips after we leave the EU. Any additional bureaucracy or costs on travel to the UK from the EU would place the UK at a disadvantage with other European tourist destinations as far as EU nationals are concerned.
- Farmers also play a vital role in conservation. Using the skills and experience of farmers is often the best way to improve biodiversity and secure the future of our vital natural resources. If farming in upland and other marginal areas were to be abandoned because of changes to support payments, there would be detrimental effects on the habitat in these areas and the species they support.
- The conservation work of farmers is often supported by other forms of land management such as the work of grouse moor managers. Management of moorland for grouse shooting has been carried out for over 150 years and provides a valuable habitat for a variety of species. More than 80 per cent of English grouse moors fall within a National Park or Area of Outstanding Natural Beauty and are popular for outdoor pursuits. Grouse moors are sustainably managed, largely through private investment by their owners who spend approximately £52.5 million every year on moorland management and support the equivalent of 1,500 full-time jobs. Grouse moors also bolster the economy of upland areas by attracting tourists and boosting tourism-related revenue. Income generated from grouse shooting supports future land management, remote rural communities and the maintenance of traditional moorland skills. Any new agricultural policy should seek to accommodate and work with other upland land management practices, including shooting.
- There are suggestions that existing management should be withdrawn or scaled back as part of a policy of 'rewilding'. Supporters of 'rewilding' often see farming as an obstacle to conservation but this ignores its benefit in many areas. For example, low intensity grazing plays a valuable role in preserving the Lake District's environment, which is home to extensive areas of rare habitat, internationally important rivers and lakes, and a key source of drinking water for cities in the North West of England. If remote areas in the UK were to be abandoned as part of a policy of 'rewilding' they would soon revert to scrub or woodland which would threaten some of our rarest moorland and grassland habitats
- In many cases, 'rewilding' land management practices result in the loss of agricultural land or a reduction in its productivity. Land that is flooded as part of managed river and coastal flooding will be difficult to restore if there is a change in policy and the reintroduction of apex predators such as lynx and wolves can also make the land less productive by increasing predation. The economic advantages of 'rewilding' do not outweigh the potential loss of income to existing businesses or the social impact resulting from a loss of traditional employment.
- Farming is central to the economic and social life of some of our most rural communities. As well as support payments helping to keep livestock on the hills, they also help to keep

the local school open and provide employment in the wider rural economy from shops and garages to hotels and pubs. The importance of support payments to rural communities needs to be recognised when developing a new agricultural policy as without this support many of the most rural communities face the prospect of becoming unsustainable.

- The administration of the new agricultural policy must recognise the fact that many farmers are still unable to receive high speed broadband and those who are connected do not always have the skills to be able to use it to full advantage. The Government must ensure that applications under a new agricultural policy are able to be made by post as well as online for as long as universal connectivity is lacking.

Trade:

- As well as establishing a new agricultural policy to replace the CAP, farming and traditional land management in the uplands are also reliant upon our trade policy. Farmers in the uplands, and other marginal areas, are not in fair competition with global producers who are operating in very different environments, often with fewer safety and animal welfare laws to comply with, meaning their production costs are significantly lower. There must be recognition of these differences in any new trade deals to avoid downward harmonisation and a lowering of our high standards which could lead to a 'race to the bottom' scenario. Flooding the domestic market with cheaper imports would put UK farmers at a competitive disadvantage and ultimately risk putting many out of business.
- Approximately 62 per cent of UK agricultural exports (by value) go to the EU, while approximately 70 per cent of UK agricultural imports (by value) come from the EU. Food production and the processing supply chain is complex and often involves several countries within the EU. In recognition of the importance of trade with the EU, it is vital that the UK Government seeks to maintain tariff-free access to the EU market for food and agricultural produce. Particular attention should be given to minimising disruption to existing trade relationships between Northern Ireland and the Republic of Ireland.
- Agricultural goods generally carry higher import tariffs than other commodities. If the UK Government does not establish a new trade agreement with the EU prior to leaving and adopts World Trade Organisation terms, the £12 billion worth of food and agricultural produce which the UK exports to the EU each year would face the prospect of high tariffs.
- Over 90 per cent of UK beef, sheep, and dairy exports go to the EU and high tariffs would be particularly damaging to some of our most rural areas where farming is a vital part of the local economy and community. The EU market is particularly important for certain cuts of meat and offal where there is little domestic demand and therefore exports are a significant proportion of carcass value. The UK is a high net importer of poultry, pork and vegetables so our trading relationship with the EU is mutually beneficial.
- The EU is obliged by the World Trade Organisation to offer reduced (or tariff free) import opportunities to certain types of agricultural produce from outside of the EU under Tariff Rate Quotas (TRQ). There is currently a TRQ in place for lamb from New Zealand and hormone-free beef from Argentina and North America which allows an annual quota of meat to avoid the usual import tariffs. The UK Government must ensure that the TRQs for agricultural produce are not passed back to the UK unless there is a guarantee that

UK farmers will continue to have tariff-free access to the EU market. Similar guarantees should also apply to the UK's adoption of any trade deals agreed by the EU where there are quotas on certain foods and agricultural produce.

Food Labelling:

- Food labelling is vitally important in enabling UK farmers to compete fairly and in giving consumers the ability and confidence to 'buy British'. The UK has a wide range of regional and speciality food producers which should be promoted at home and abroad.
- The quality and authenticity of these products is often recognised in their labelling, such as 'Lakeland Herdwick' lamb and mutton, from pure breed Herdwick sheep in the Lake District. For producers, these labels help to add value to their products, which often have high costs of production, and ensure their standards are maintained. The Government must seek to maintain and develop the protected food name system outside of the EU in recognition of their benefit to both producers and consumers.
- The UK Government must ensure that the three existing types of EU protected product names: Protected Geographical Indication (Scotch Beef), Protected Designation of Origin (Lakeland Herdwick), and Traditional Speciality Guaranteed (Traditional Gloucestershire Old Spot Pork), continue to have the same level of protection both in the UK and EU market. It is also important that this protection is included in any new trade deals with non-EU countries, which may involve working to develop trademark protection in countries to which UK farmers and producers export.

CA calls on the Government to:

- **Recognise the importance of farming and other types of traditional land management in creating and maintaining our iconic countryside landscapes and their communities, and ensure this is supported outside of the EU.**
- **Maintain tariff-free trade with the EU in food and agricultural produce. Ensure that any new trade deals with non-EU countries recognise and protect the high standards of safety and animal welfare which UK consumers expect and which our farmers and producers adhere to.**
- **Develop a comprehensive food labelling policy and extend mandatory country of origin labelling to lightly processed meats and some dairy products. Continue and develop protections for regional and speciality food and drink products in order to support UK farmers and producers.**
- **Establish a fully funded agricultural policy with support payments targeted at those farmers who are providing the most amount of public good but not being rewarded for this by the market.**

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