

Environmental Land Management Scheme: Progress Update
Written evidence submitted to EFRA Select Committee by Wildlife and Countryside Link

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Wildlife and Countryside Link and several of its members are represented on various Defra Environmental Land Management stakeholder oversight and scheme co-design groups. It is the largest environment, countryside and wildlife coalition in England, bringing together 65 organisations to use their strong joint voice for the protection of nature.

Our members campaign to conserve, enhance and access our landscapes, animals, plants, habitats, rivers and seas. Together we have the support of over eight million people in the UK and directly protect and manage, including with the support of farmers, over 750,000 hectares of land and 800 miles of coastline.

This response has been developed with significant input from the following Link members: National Trust, The Rare Breeds Survival Trust, The Royal Society for the Protection of Birds and The Wildlife Trusts.

Summary

1. Farmers and land managers play a pivotal role in determining the health of England's natural and historic environment and the wellbeing of all of us who depend on it. Far from solely being food producers, farmers are asset managers for natural capital and gatekeepers to our natural world. They are also uniquely placed to help deliver many of the Government's objectives such as those in the 25 Year Environment Plan (25YEP), Net Zero, the ambition to protect 30% of land and sea by 2030 (30x30) and other environmental and social objectives. In fact, it will be impossible to meet core nature and climate change targets without a significant contribution from farmers.
2. The transition away from CAP-style payments toward 'public money for public goods' under Environmental Land Management is crucial for locking in a transition to a more resilient farming sector, which produces healthy food while reaping the benefits that nature and climate adaptation bring to farms.
3. The approach to the development and roll-out of Environmental Land Management has been an "evolution from the old system to the new, not an overnight revolution".¹ This piecemeal approach to rolling out the Agricultural Transition has hindered the likelihood that the Government will now meet its strategic targets on biodiversity and climate. This is during a critical and closing window of opportunity for meaningful action on biodiversity and climate.
4. Furthermore, it has been bad for farm businesses, as it has created uncertainty about what actions and outcomes the future schemes will reward, and how much payment they will receive as a result, making it difficult for farmers to plan ahead. Far from creating more certainty, a pause in the transition would only serve to create further confusion and would undermine buy-in to the schemes.
5. Given the pressures facing the farming sector and the seriousness of the climate and nature

¹https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/954283/agricultural-transition-plan.pdf

crisis, it is clear that the transition to Environmental Land Management must go further in its ambition to help meet the Government's environmental targets, and it must go faster to frontload support for farmers and other land managers to help secure a more resilient sector.

6. Environmental Land Management is designed to support nature and climate within and outside of field boundaries, as well as in the wider countryside. This is vital to ensure that ELM is a holistic scheme which supports an agroecological farming transition as well as environmental improvements across the rest of England, to meet Government targets such as Net Zero and the Environment Act Targets. The Sustainable Farming Incentive alone will not achieve this. In this regard, all three schemes need adequate resourcing and careful targeting where possible.
7. There is also a strong case for increasing the budget for ELM during this parliament and over the course of the transition. In order to deliver for the environment, the budget for Environmental Land Management should be at least £1.7 billion a year.² However, the estimated average yearly spend on Environmental Land Management and other schemes such as Countryside Stewardship between 2022-2024 is just under £1.1bn per year.³ Equally, there is an average of just under £1.1bn being spent on direct payments between 2022-2024.
8. The budget must be allocated according to an environmental need (as determined by environmental targets), value for public money, and deliverability, as opposed to solely demand, as has been communicated publicly. This will ensure the schemes drive environmental improvements in the most robust and cost-effective manner. Targeting in this way will help meet government targets, while benefitting farm businesses and demonstrating taxpayer value.
9. The existing SFI schemes offer low payments for low ambition. This approach will not support the transformative change needed to safeguard the sector and the natural ecosystems that underpin it well into the future. Bold change requires higher ambition, backed up with sufficient rewards. Falling short risks compounding the decline of the natural systems upon which farming relies.

Should the Government change the focus on the ELMS scheme and/or the timescales for implementation given the current pressures on farmers and facing UK food security?

Threats to food security

10. There are very real challenges facing the farming sector, which are affecting UK food security. The Government's Food Security Report 2021 identified climate breakdown and nature decline as the biggest threats to domestic food security: *'Climate change and emissions pose significant risks to production and food security. As a consequence of unusual weather patterns associated with climate change, wheat yields in 2018 were 7% below the 2016 to*

² <https://www.wildlifetrusts.org/sites/default/files/2019-09/Paying%20for%20public%20goods%20final%20report.pdf>

³ https://www.wcl.org.uk/docs/Autumn_Budget_Spending_Review%202021_representation-%20WCL-1.PDF

2020 average, and in 2020 were 17% below that average.⁴

11. Climate change and biodiversity loss affect the majority of foods produced in the UK. The long hot summer of 2018, of a type we can expect to see more of in the years ahead, saw onion yields down 40%, carrot yields down 25% and potato yields down 20%.⁵ The economic and social impact of the extreme weather in July 2022 on the farming sector is yet to be seen, however it is clear that the extreme heat has had a negative impact on the livestock sector, as grasslands have become arid, and negative impacts on arable crops for which we are likely to see reduced yields of as much as 50% on some crops.
12. Outdated agricultural policies have prevented the farming sector from being able to address these crises, with negative economic impacts. The Food Security Report suggested that *'soil degradation, erosion, and compaction result in losses of about £1.2 billion each year and reduce the capacity of UK soils to produce food'*.⁶
13. These changes are of understandable concern to farmers. Research in 2021 by the University of Exeter found that each and every farmer interviewed *'had experienced or witnessed issues caused by extreme weather such as heavy rain or prolonged dry spells in recent years, and expected these to intensify further'*.⁷
14. The effects of these environmental threats are compounded by widespread reliance on conventional farming methods, which depend on large-scale and expensive inputs. Rising gas and fertiliser prices due in part to the conflict in Ukraine are also putting a strain on farm businesses and leading some farmers to question planting a crop or consider reducing crop application rates next season which will lead to reduced yields either way.
15. This is another clear reason for why we need to urgently help farmers to transition away from an over-reliance on fossil fuel inputs and adopt more regenerative farming methods. If high prices persist for another 12 months, the additional fertiliser bill for British farmers could be £760 million, assuming farmers purchase and apply the same quantities of chemical fertiliser as in a normal 12 month period.⁸
16. The reliance on fertiliser and fuel from overseas gas is increasing UK farming costs, just as climate and ecological damages are reducing the amount of UK food produced. These are two closely linked problems, with the former exacerbating the latter.
17. Not only is fertiliser use damaging rivers, air and soils, but it is costly for farm businesses. An average 40% of nitrogen fertiliser in the UK is left unused or leaks into the environment,

⁴ <https://www.gov.uk/government/statistics/united-kingdom-food-security-report-2021/united-kingdom-food-security-report-2021-theme-2-uk-food-supply-sources#united-kingdom-food-security-report-2021-theme2-indicator-2-3-2>

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https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/869062/structure-jun2018final-uk-28feb20.pdf

⁶ <https://www.gov.uk/government/statistics/united-kingdom-food-security-report-2021/united-kingdom-food-security-report-2021-introduction>

⁷ https://www.exeter.ac.uk/news/homepage/title_857812_en.html

⁸ <https://ca1-eci.edcdn.com/Food-farming-fertiliser-March-2022-ECIU.pdf?v=1648124498>

contributing to soil erosion and exacerbating climate change by evaporating into the environment.⁹ GHG emissions from fertiliser production are also high. For the UK arable sector, nitrogen fertiliser production and use accounts for 60%-70% of agricultural emissions.

18. A continued reliance on fossil fuel-based products on farms is one of the reasons that the sector continues to be a significant emitter of carbon; farming makes up 0.52% of UK GDP¹⁰ but 12% of our territorial greenhouse gas emissions.¹¹
19. If UK farming continues to operate in this way, continued fuel and fertiliser reliance will make production yet more expensive in an increasingly uncertain world, whilst contributing to an accelerating decline in yields driven by climate and ecological breakdown. The status quo is an escalator to chronic food insecurity.
20. The way land is used is also undermining UK food security. Two million hectares, representing 40% of the UK's entire arable land, are used to grow crops for animal feed¹². In comparison, only 2% of UK land is used for horticulture¹³ and only 0.24% of permanent grassland is certified as being under management to rear pasture-fed livestock¹⁴. Environmental Land Management schemes must support more agroecological horticultural practices and extensive, pasture-fed livestock production.
21. Biofuels also present a challenge for food production in the UK. In 2021, an estimated 121000ha were used to grow biofuel crops¹⁵. This land could instead be used to grow food to feed 3.5 million people per year.¹⁶ The phased re-opening of Vivergo, which had previously closed its biofuel processing facility in Hull, and the switching back to accepting domestic feed-quality grain and increased production at the other plant in the UK (Ensus), is likely to add to the problem of reduced yields as a result of this year's extreme heat, and with farmers re-evaluating what they do next season. Both operations are expected to have the ability to be fully operational in 2022-23 meaning a forecast increase in the use of grain in the bioethanol sector and a corresponding reduction in grain used for food¹⁷.
22. Finally, food waste must be addressed to secure food supply in the UK. On-farm, waste is caused by a number of reasons including extreme weather, pest infestations, overproduction

⁹ <https://www.cpm-magazine.co.uk/2021/10/07/nature-natters-getting-to-the-root-of-the-problem/>

¹⁰ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1049674/agricaccounts_tiffstatsnotice-16dec21i.pdf

¹¹ <https://www.gov.uk/government/statistics/final-uk-greenhouse-gas-emissions-national-statistics-1990-to-2019>

¹² https://www.wwf.org.uk/sites/default/files/2022-06/future_of_feed_full_report.pdf

¹³ https://www.nffn.org.uk/wp-content/uploads/2022/07/Nature-Friendly-Farming-Network-Rethink-Food-Report-Phase-1_DIGITAL_LR.pdf

¹⁴ See the Pasture for Life certification scheme, <https://www.pastureforlife.org/certification/>

¹⁵ <https://www.gov.uk/government/statistics/area-of-crops-grown-for-bioenergy-in-england-and-the-uk-2008-2020/summary>

¹⁶ <https://green-alliance.org.uk/wp-content/uploads/2022/06/Food-security-and-UK-crop-based-biofuel-use.pdf>

¹⁷ https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Grain%20and%20Feed%20Annual_London_United%20Kingdom_UK2022-0018.pdf

and market saturation, fluctuating market prices and more¹⁸. Whilst Environmental Land Management cannot address all of these, it can help to mitigate climate change, and support greater natural pest management, which are two of the leading causes of food waste on farms¹⁹.

The need for the Agricultural Transition to go further and faster

23. To date, Defra has been working on an “evolution from the old system to the new, not an overnight revolution”.²⁰ However, it is clear that the transition to Environmental Land Management must go further in its ambition to help meet the Government’s environmental targets.
24. A lack of clarity from Defra about what the schemes will offer and what they will require has led to poor environmental performance and made it difficult for farmers to plan ahead. The Transition must also go faster in outlining what the schemes will pay for, and in order to front-load support to farmers and other land managers to provide greater business certainty in the immediate future.
25. The transition to Environmental Land Management has popular support from the public. A recent poll found that voters supported the Agricultural Transition, and the move away from a CAP-style policy, which is generally believed to have worsened the risk of a food security crisis in future.²¹
26. Turbocharging the transition towards a new farming system that works with the grain of nature is vital for ensuring future food security, establishing a new and more certain contract between farmers, government and society, and therefore creating the right environment for farm businesses to prosper. In contrast, a two-year delay would halve the contribution of the new Environmental Land Management schemes to the fifth carbon budget (2028-32), leaving a substantial gap in the UK’s net zero plans. In other words, if intensive methods of food production are not addressed through policy and support for farmers now, the very ability to produce food will be undermined by nature decline and climate change in future.
27. The new approach to farm payments will provide value for money for the taxpayer. The principle of public money for public goods will underpin a range of benefits for society, such as cleaner water and air, climate adaptation measures such as healthier soils, improved biodiversity to underpin vital natural processes such as pollination and improved public access to the countryside (which will also drive increased understanding and support of the farming sector). It is also expected to drive private investment into farm businesses as biodiversity and carbon markets develop.

¹⁸ https://www.nffn.org.uk/wp-content/uploads/2022/07/Nature-Friendly-Farming-Network-Rethink-Food-Report-Phase-1_DIGITAL_LR.pdf

¹⁹ https://www.nffn.org.uk/wp-content/uploads/2022/07/Nature-Friendly-Farming-Network-Rethink-Food-Report-Phase-1_DIGITAL_LR.pdf

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https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/954283/agricultural-transition-plan.pdf

²¹ <https://green-alliance.org.uk/wp-content/uploads/2022/07/YouGov-Green-Alliance-survey-results-June-2022.pdf> and <https://www.express.co.uk/news/science/1639680/brexit-news-scrap-eu-rules-food-crisis-lower-prices-farming-lifeline-CAP-agriculture>

28. Quickening the pace of the farming transition will allow farmers to reap the benefits of increased biodiversity and climate change adaptation for their businesses, for example by:
 - a. Optimising yields, for example through the incorporation of flower-rich habitats.^{22 23}
 - b. Reducing reliance on expensive and polluting inputs, which will save costs
 - c. Rebuilding soil health, which is the foundation of food security and climate and nature action.
 - d. Supporting a cyclical approach to nutrient use, to reduce costs and prevent air and water pollution.
 - e. In some cases, giving farmers the support needed for some agro-ecological practices that can help match outputs to the carrying capacity of the land, thereby reducing costs and improving farm profitability²⁴
29. Any delay to the roll-out of Environmental Land Management will do nothing to support farmers to adopt a cyclical approach to nutrient management and transition away from a dependence on artificial fertiliser, nor will it address the need to support the sector to mitigate the impacts of biodiversity loss and climate change on their businesses.
30. As well as supporting farmers, the transition will also be crucial for other non-farming land managers to halt the decline of nature by 2030, achieve 30% of land protected by 2030, reach net zero and meet 25YEP objectives such as enhancing access to the countryside.
31. An urgent transition toward a policy which supports farmers and land managers to reduce farmer vulnerability to market shocks, which mitigates climate impacts and reaps the benefits from biodiversity and nature-based solutions is crucial.

What progress has the Environmental Land Management Schemes (ELMS) programme made since January 2022?

General comments

32. Since January 2022 Defra has made good progress in just 8 months, including:
 - a. The launch of the Sustainable Farming Incentive which will allow farmers to improve soil health and boost productivity.
 - b. The launch of the Landscape Recovery pilot has been launched. With over 50 applicants (of which only up to 15 will be successful in the first round) it is already proving a popular scheme for farmers and land managers.
 - c. Publishing some detail on Local Nature Recovery, including the themes and rough objectives of the scheme.
33. However, there is still more to do to provide the level of detail, certainty and ambition needed to safeguard farm businesses in the transition.

²² <https://royalsocietypublishing.org/doi/full/10.1098/rspb.2015.1740>

²³ Redhead, J. et al. 2022. The effect of a decade of agri-environment intervention in a lowland farm landscape on population trends of birds and butterflies. Journal of Applied Ecology DOI: [10.1111/1365-2664.14246](https://doi.org/10.1111/1365-2664.14246)

²⁴ <https://www.wildlifetrusts.org/sites/default/files/2019-11/Hill%20farm%20profitability%20report%20-%20FINAL%20agreed%2015%20Nov%2019.pdf>

34. While Defra is developing objectives for the schemes behind the scenes for environmental improvement in the farmed environment, the Department has yet to finalise and state these publicly – including how they sit within a series of themed ‘strategic specifications’ to guide budget spend and prioritisation across the three ELM schemes. Agricultural reform is needed to achieve net zero, nature’s recovery by 2030 and other major environmental objectives such as the Environment Act targets. However, the contribution that the agriculture sector is expected to make to these objectives has yet to be quantified. In terms of climate change, this leaves agriculture lagging behind other sectors which have clear obligations for decarbonisation. Discussion of actions and interventions without a clear picture of outcomes presents an incredibly difficult consultation framework and misses the opportunity for genuine co-design with external stakeholders. Clear targets for decarbonisation and nature recovery in the farmed environment should be set and published at the earliest possible time.
35. With particular regard to net zero, the CCC 2021 progress report highlighted that the current Environmental Land Management Schemes’ decarbonisation plan is lacking, stating that current ambitions “remain largely short-term and incomplete across the UK”.
36. Furthermore, the CCC adds that land-use change targets are not being met, particularly those set in the England Peat Action plan and the Tree Action Plan. While this does not solely rest on Environmental Land Management, as the keystone policy for land use in England, there should be a more coherent plan for the contribution that ELM can make. This should be set in the context of a wider objective for shifting agriculture from a net emitter to a carbon negative sector.
37. Similarly, there has been slow progress on identifying how Environmental Land Management will contribute towards biodiversity targets, including the commitment to create 500,000ha of wildlife-rich habitat by 2040, and to halt the decline of species by 2030. This is not helped with findings of the recent 25YEP report that showed progress toward biodiversity targets is wholly inadequate to halt nature’s decline.
38. The Government has taken no action to clarify the future regulatory baseline for the farmed environment. On the contrary, the dismantling of non-statutory Good Agricultural and Environmental Conditions (GAEC) measures such as hedgerow protections and waterbody buffering (under Cross Compliance) in 2024 risks leading to lower environmental standards overall and questions over whether actions being included in the SFI scheme represent good value for money.
39. Furthermore, there is a risk that other key environmental regulations may be reviewed or removed, especially under the Government’s Brexit Freedoms Bill and under a new Prime Minister from September. Such deregulation would create a fundamental policy contradiction resulting in reduced value for money; paying farmers for improved environmental delivery on the one hand, while weakening regulation requiring them to meet basic standards on the other. The same principles apply to enforcement. This damaging deregulation must be avoided.
40. Clarifying a new regulatory approach that is comprehensive and well enforced should provide the foundation upon which incentive schemes can be developed to deliver above this baseline. This is essential for being able to measure value for money and of paramount

importance to the success of Environmental Land Management; without an effective baseline, the schemes could pay for improvements in some parts of the country, whereas in others, basic requirements are not met.

Sustainable Farming Incentive

41. As planned, the Government opened applications for the Sustainable Farming Incentive on time. The standards cover grassland soils, arable soils, moorland and rough grazing (the latter being the 'introductory' level only).
42. The initial offer under the SFI for 2022 presents a limited set of options for farmers, and Defra has committed to rolling out additional standards to build the offer between 2023-25.
43. Defra has the opportunity to go further and faster building a more robust offer sooner. This should be both accessible to farmers and clearly linked to legally binding environmental targets. For example, next year, we recommend that Defra introduces the Farmland Biodiversity standard, alongside the planned roll out of the hedgerows, IPM and other standards. Introducing the Farmland Biodiversity standard sooner provides farmers with a more rounded and coherent farm-wide offer that will enable them to get nature working hard on their farm now, whilst helping wildlife to rebound. This would also ensure government remains on track to achieve the 2030 species abundance target.
44. Defra should also look to build on (and evolve over time) the two soils standards, ensuring that they reward farmers for actions that will genuinely improve soil health and fertility. Currently, the introductory and intermediate standards are pitched too closely to basic good practice, or even regulatory requirements. This could undermine the value for money credentials of the scheme, especially with the current open-ended application window and without an 'end-point' goal being set to allow judgement of whether basic sustainability principles have been met across the sector. Instead, Defra should focus on actions that will help to boost soil health, as this will deliver for nature and underpin sustainable food production. It should also signal a clear direction of these standards (and the wider scheme) so it is clearly understood what a 'new normal' will look like and by when this will be achieved, i.e. higher level of environmental stewardship and sector-wider sustainability of farming.
45. Defra must also ensure the SFI standards are designed in tandem, so they dovetail at a farm level, avoiding complexity and maximising environmental delivery. Currently SFI standard development feels piece meal, which could present delivery risks and reduce farmer buy-in where a whole-farm approach is recognised as advantageous to farm business viability and sustainability.

Local Nature Recovery

46. Having focused on getting the Sustainable Farming Incentive scheme operational, Defra must now publish more details on the Local Nature Recovery scheme, including scheme objectives, to provide certainty and clarity for the sector. Given the surge in uptake of Countryside

Stewardship in recent years²⁵, there is clear demand amongst farmers for a scheme like LNR.

47. As a scheme that should be supporting those farmers who are leading the way in agroecological innovation, Local Nature Recovery will be essential to reward existing public goods delivery. The scheme will also further demonstrate how the integration of environmental principles within farm business models can create win-wins for both food production and environmental delivery, moving away from the historical bolt-on retrofit of farming under the CAP.
48. On the latter point, the Local Nature recovery scheme should provide new opportunities to farmers and other land managers who have previously lacked the financial and technical support they need to do things differently; to make substantive changes to the way they manage their land, to deliver public goods alongside and as part of genuine nature friendly food production.
49. Further detail on Local Nature Recovery should be published urgently to capitalise on the ambition that already exists throughout the sector and boosts support for those wanting to build more resilience into their businesses in future. We recommend that Local nature Recovery:
 - Is prioritised according to environmental need. Funding within Local Nature Recovery must spatially target the opportunities that have the most potential to deliver for nature.
 - Schemes should be spatially targeted to ensure that farmers and land managers are informed about the way the scheme will be administered.
 - Uses LNRSs to inform the scoring criteria, because ELM will be a significant source of funding for nature's recovery and LNRSs should help facilitate its effective delivery at scale.
 - Has built-in flexibility in its options to ensure maximum environmental delivery from LNR. Flexibility will allow management to be tailored to deliver priorities in a local context.
 - Has a clear, well-funded advice function, rather than leaving it to private suppliers.
50. LNRSs must be integrated into ELM design because both will fail to meet their objectives without this join up. Not only will we then lose a momentous opportunity to inform, underpin and deliver nature's recovery in England, but significant resource will also be wasted. Using LNRSs to target interventions to where there is the greatest opportunities for environmental outcomes will deliver the best returns for nature, and ensure value for money from the significant public resources due to be allocated to LNRSs and ELM schemes. If LNRSs have no tangible impact on which options are available where under LNR, there will be minimal other opportunities to simultaneously deliver on both LNRS and ELM objectives
51. In addition to the above, we recommend a detailed transition plan for farmers in HLS and other higher ambition schemes to ensure that farmers already delivering public goods are fully

²⁵ <https://www.gov.uk/government/publications/rural-payments-agency-annual-report-and-accounts-2021-to-2022/successful-and-sustainable-futures-annual-report-and-accounts-2021-22-html-version>

supported through the transition

52. Defra should aim to scale up LNR in 2023 from the planned 500 applications to enable more farmers to join sooner. This, coupled with offering advanced level options sooner, would particularly benefit farmers seeking to transition from Higher Level Stewardship agreements, enabling them to reap greater rewards for continued environmental delivery. At the moment, many farmers in HLS agreements are only able to transition across to Mid-Tier Countryside Stewardship due to the lack of ALB resource to administer a restricted number of Higher-Tier Agreements or where they are not located within a SSSI protected site. As a result, these farmers are stuck with existing agreements that have not benefited from the recent payment uplift and risk dropping out of agri-environment altogether due to increasing economic pressures on farm businesses.

Landscape Recovery

53. We welcome the launch of the Landscape Recovery scheme pilot, which has great potential to deliver landscape-scale improvements for nature and climate.
54. Demand for the pilot has been high, demonstrating that there is a desire from land-managers and farmers across the country for a transformative scheme. Defra was hoping to attract 15 projects but has received over 50 applications. With demand high Defra should seek to increase the ambition of the pilot to enable more to access funding to help meet the scale of environmental need.
55. Early applications have already demonstrated that farmers can benefit from this scheme, without compromising food production. For example, the 'Weald to Waves' project has applied to join Landscape Recovery, bringing together a mixture of estate owners, farmers, parish councils and others to create a wildlife corridor that will be beneficial to farm businesses surrounding it. Rather than being seen as a scheme that supports rewilding on larger landholdings, there is a real opportunity for Landscape Recovery to benefit a large range of farmers in a meaningful way, while still allowing them to practice nature-positive food production.
56. Defra could also seek to make the scheme more accessible, either through supporting collaborative bids from smaller farmers working together, or reducing the minimum size threshold for project. Consistency in long-term funding opportunities is necessary to create the sort of project pipeline needed to develop large-scale and credible projects and support job creation.
57. Defra has committed £50 million for Landscape Recovery pilot over this parliament. However, the scale of environmental need is much higher. It is estimated that between £500m-£700m a year will be needed for natural carbon removal and to restore semi-natural habitats in line with the 25YEP plan to restore 500,000ha. With over 50 applications to the Landscape Recovery pilot (only up to 15 projects will be successful in the first round), it is clear that demand is higher than the current supply of funding.
58. Landscape Recovery projects will have a development phase of 1-2 years, then viable projects will enter into long-term agreements that span decades. Given that up to 15 projects from the first round of the pilot are expected to receive approval to enter into a 1-2 year-long project

development phase, this could leave very little funding for the second round which is expected to have a focus on climate adaptation. More broadly and not helped with delays to the LNR scheme, £50 million is clearly insufficient to front-load delivery of the 25 Year Environment Plan as the Government had originally hoped to achieve during this Parliament.

59. The budget for Landscape Recovery in this Parliament must be in excess of £50 million to meet demand and the scale of environmental need (the budget allocation for each of the schemes must be allocated according to environmental need).
60. Uncertainty also remains around where funding will come from post-2024 for any long-term agreements signed at the end of the project development phase. Whilst some funding may come from private finance, it would be unrealistic to assume that private markets for biodiversity and climate will be sufficient by 2025 to provide the level of funding necessary to see these projects through, at-least in the coming years.
61. Defra should come forward with a clearer plan for Landscape Recovery for the remainder of the Agricultural Transition – and a more robust proposition for how long-term agreements will be funded from 2024.

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