

Sustainable Land Management Welsh Government Rhodfa Padarn Llanbadarn Fawr ABERYSTWYTH Ceredigion SY23 3UR

Dear Sir / Madam,

Welsh Government Organic Support 2015-20

Response by Cyfoeth Naturiol Cymru / Natural Resources Wales

Thank you for consulting Natural Resources Wales (NRW) on Organic Farming Support 2015 -2020.

We work as a regulator, partner and advisor to businesses, non-governmental organisations, Local Authorities and communities to help deliver Welsh Government and European Union policies and priorities. We take an ecosystem approach to promoting sustainable development that delivers social, economic and environmental benefits to the people of Wales.

Our detailed response to the questions posed in the consultation is set out below.

Q1 Do you agree with Welsh Government's proposals for structuring support for organic farming?

NRW agrees that WG should continue to support organic farming during the next RDP as an environmental measure, applicable both to farmers who are newly converting as well as to those already managing their farm through an organic system.

We encourage the Government to satisfy itself that Organic Farming schemes that appear to allow pesticide use meets its sustainability objectives.

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We agree that maintaining the existing 3ha minimum eligibility criteria is a sensible approach.

Whilst recognising the environmental benefits of organic farming, NRW agrees that more work needs to be done before it can be confirmed that dual funding deductions should not apply to those in receipt of RDP support where these producers also qualify for the new Greening payment under Pillar 1 (either through farming organically or by virtue of having more than 75% permanent grassland).

NRW agrees in principal with the proposal to operate Glastir Organic as a standalone scheme, whilst at the same time integrating any voluntary options with the Glastir family suite of schemes. We would be pleased to discuss and comment further at the appropriate time.

Q2 Do you agree with WG's proposals for offering support payment levels under the new scheme?

NRW agrees that rebalancing the conversion and maintenance support payments to better reflect the actual costs of organic management represents a good way forward. This should help to encourage more successful and longer term organic management within Wales.

NRW agrees in principle with the proposal to continue to offer differential payments rates based on land or crop codes. Defining those areas of extensive managed grassland and moorland qualifying for lower payment rates will need careful consideration. It will be important to ensure that extensive systems receive recognition where they are delivering a wide range of environmental benefits. There will be a need for careful consideration when setting the differential rates. This will ensure that perverse effects, such as loss of permanent pasture to rotational crops, do not occur due to potential payments available rather than considered decisions as part of a business plan.

NRW have no significant views on contributions to certification costs.



Increasing the maximum limit eligible for payment under the new scheme to 700ha will benefit larger farms. It will also increase the risk that less money will be available for other farms to convert to organic in the future. Some kind of scaling system could be applied to the payments available on larger holdings.

Q3 Do you agree WG undertakes a feasibility study of organic cooperative schemes?

NRW agrees with the proposal that WG should undertake a feasibility study of the potential to introduce an organic co-operative scheme during the next RDP. Improved collaboration between farmers can provide multiple benefits in terms of added value and the social and economic development of rural areas more generally. Current initiatives include the Cambrian Mountains Initiative, in particular the Lamb Branding and Marketing group, the Pembrokeshire Heathland Beef Initiative / Cig Tir Comin (National Trust) and the Anglesey Grazing Animals Partnership / Menter Mon scheme.

Q4 Do you agree with WG's suggested approach to targeting organic support?

NRW agrees with the WG proposal to use environmental (and potentially economic) sustainability criteria to select those holdings most suitable for support, especially where the budget is limited. It will be important that a targeting and selection process is used. This will help maximize the delivery of the desired ecosystem services through the adoption of suitable land management practices; for example by encouraging organic farming in those locations where it can help to address particular land management problems.

Q5 Do you agree with the WG's proposals for proper business planning and development of necessary technical skills as a requirement for organic funding support under the next RDP?

NRW agrees with WG proposal that applicants should have a comprehensive business and farm management plan and be able to access advice where relevant. It is important that such plans are implemented; regularly used and



updated i.e. they should comprise a dynamic source of information and guidance. Both training and mentoring have important roles to play and greater use could be made of demonstration farms. We strongly suggest inclusion of key environmental components within the proposed training and farm management planning process.

It is important that organic training is not delivered in isolation from best practice in conventional farming. Cross pollination of ideas has been one of the best features of combined red meat and organic days. The constraints of organic certification can lead to innovative ideas which can have positive business impacts when adapted in non organic systems.

Q6 Do you agree with WG's proposals to support organic farm modernisation under the next RDP?

NRW agrees with the WG proposal to develop a new support scheme based on loans and/or capital grants to which organic farmers will be eligible to apply. Such a scheme should include better manure and slurry management, cattle housing that is fit-for-purpose and modern manure management machinery.

NRW agrees that investment to modernise farm business is essential to ensure longer term economic viability. Organic farmers should have equal, but not preferential, access to support. We also agree that such support should be "consistent with the principles of sustainable development in the wider sense, including environmental consideration". Achieving such consistency will require a more strategic approach to manure and slurry management, (one which also encompasses the overall thrust of proposals in the WG Natural Resources and Food document- "Shaping a more prosperous and resilient future" – WG Autumn 2013).

Current support is largely directed at providing slurry or manure storage capacity that reflects current farm conditions. That is, with insufficient consideration of:-

- Anticipated expansion of the enterprise, especially cow or cattle numbers - with the result that storage capacity may be insufficient in the medium, or even in the short term;
- The efficiency of farmyard layout and any expansion proposals and the extent to which these can result in excessive open yard areas.

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Rainfall on these areas can both dramatically increase overall slurry production and lead to pressures to empty any slurry stores that are already full, contrary to established Codes of Practice;

 The difficulties caused by not excluding rain-water from solid manure heaps - with the result that polluting drainage arises and which may not be captured for return to the land.

Such practices represent a net loss of nutrients - usually to the wider environment - and are not sustainable.

NRW therefore suggests developing a simple system of straightforward "checks" to be completed before manure and slurry systems are modified, or grants given for slurry storage, or related machinery.

These simple checks would involve calculating the quantities of undiluted slurry or manure produced. It would also include calculating the volumes of rainfall and contaminated drainage which still requires storage and may over-whelm slurry systems if other acceptable methods of management are not adopted from the outset. Where the "rainfall related" element is seen to be high then we would wish to see:

- A simple management plan, outlining how this relatively large volume of additional material is to be sustainably managed. We do not envisage this would be the case in most situations, but recognise that some farmers wish to manage their slurry in a particularly "dilute" or "very low Dry Matter" state.
- Adoption measures to reduce the additional material to volumes that the farmer can utilise in a sustainable manner, (avoiding the need to spread manure and slurry in late autumn/early winter, when the majority of nutrients may be lost into the environment with adverse impacts on water quality).

Such an approach should help to deliver:

 Smaller manure and slurry storage facilities, bringing potential cost savings to both farmer and reduction in the grant (or other forms of aid) for what would otherwise be "larger, more expensive stores". The savings from this approach could be used to off- set the costs involved in the better separation of rainwater etc, away from sources of slurry, although there may well be a case for grant aid/other support directly for some such work.



- Significantly improved management of manure and slurry, leading
 to reduced risk of point source pollution events, but more
 importantly, overall, reduced damage to land; because slurry
 especially will be more likely to be spread at an optimum time,
 rather than as now, when many storage systems are literally
 swamped by excess rainfall, thus "forcing" application to land in
 totally un-suitable circumstances.
- Improved compliance with the Water Framework Directive and other legislation
- Improvements in local water and land quality, including better protected Bathing Waters, Shellfish Waters and protection of other legitimate downstream interests (fishing and recreation).
- Progress against other key targets, such as reductions in GHG emissions and ammonia (as highlighted in the Milk and Red Meat Roadmaps) arising from better managed yards, with reductions in the area from which ammonia and other materials are lost to water and atmosphere.

This approach has recently been discussed with the WG team responsible for administering the Farming Connect scheme and also with Menter a Busnes. NRW would like to see these principles embedded in the 2014 Farming Connect Delivery Plan, ensuring the development and dissemination of further guidance which will assist farmers to work in the ways set out above.

Yours sincerely

Twen

Ceri Davies

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