ENHANCING THE ENVRONMENTAL LAND MANAGEMENT SCHEMES A WWF POLICY VISION

INTRODUCTION

The food system is not working for the best interests of people or planet. It is vulnerable to shocks, stresses, supply chain disruptions, and price rises, many of which are directly caused or made worse by climate change and nature loss. In the meantime, farmers receive on average only around 9 pence for every food pound¹, 6.9 billion meals' worth of food is wasted on UK farms each year¹¹, 1 in 10 people in the UK are in food insecurity¹¹¹ and the NHS spends £6 billion a year on health issues driven by poor diets¹¹.

In the UK we have a chance to do things better. The **Environmental Land Management schemes (ELMs)**, the framework by which most public money will be used to support English farmers into the future, are the cornerstone of delivering a new vision for thriving, resilient, and productive landscapes in a net zero world.

All three ELM schemes - the Sustainable Farming Incentive (SFI), Local Nature Recovery/Countryside Stewardship plus (LNR/CS+), and Landscape Recovery (LR) - are crucial not just to provide stability to farmers seeking to take positive steps to decarbonise, reduce dependence on external inputs, and weave nature back into their farmland, but also to diversify income sources. **Yet detail is still lacking both on vision and delivery, just when we need it most.**

A NEW VISION FOR ELMS

The Government urgently needs to set out a bold new agenda for ELMs, explaining exactly how the schemes will deliver against both the Net Zero Strategy and the Environment Act, and drive forward a regenerative and just transition across the entire framework.

This should be based around three key objectives:

1. TARGET PUBLIC MONEY ON THE MOST IMPACTFUL NET ZERO AND NATURE OUTCOMES

The scale of the challenge in getting to net zero and reversing the loss of nature means that we need to see significantly more ambition and urgency across all ELM schemes. Agricultural emissions continue to stagnate and are increasing as a proportion of overall UK GHG emissions as other sectors decarbonise ^v, current peatland restoration rates are only one sixth of that needed to meet net zero ^{vi}, tree planting less than half needed ^{vii} and we continue to lose over 100 hectares of saltmarsh each year ^{viii}. Meanwhile, UK species abundance continues to decline, with farmland birds declining more severely than those in any other habitat ^{ix}.

Scaling up ELM should focus on the areas where the gap to meeting these targets will be most impactful, particularly through the Local Nature Recovery/Countryside Stewardship + and Landscape Recovery elements. These elements of ELM offer the greatest 'bang for buck' in terms of habitat restoration and creation and are therefore where public money will make the most difference to delivering climate, nature and other environmental outcomes. In the immediate term this could include surcharging environmental payments on a quarterly basis, as has been done previously for Countryside Stewardship.

2. STRUCTURE AND FUND ELMS TO DELIVER A SYSTEMIC REGENERATIVE TRANSITION

All parts of ELMs must be structured to clearly support a regenerative farming transition and have the size, consistency and credibility to drive systemic change. This specifically means **maintaining the overall budget in real terms and the even funding split between schemes** and **accelerating the rollout of SFI standards** which support any farmer with regenerative outcomes (such as nutrient management). ELM must allow farmers to stack their income options and **must retain and boost the more advanced, targeted**/ **collaborative actions of LNR/CS+ and the landscape scale LR schemes that deliver the most socially valuable interventions**, such as nature-based flood risk mitigation. This in turn will catalyse private investment, especially if services, advice and markets are also supported ^{x,xi}.

Businesses, such as financial institutions and food retailers, can also play an important role in supporting a sustainable agricultural transition in the UK. However, **unlocking the potential of the private sector will not be possible without the strong and secure policy signal from government** that ELMs can provide.

We should be clear that **private money can add to but not replace ELM funding** where markets are not set up to properly invest in agriculture and nature. Currently, these markets focus too much on carbon at the expense of other public goods and lack robust standards to avoid greenwashing. The Government needs to work with the private sector to develop the institutional and regulatory frameworks that will be needed to underpin markets for a wide array of environmental services.^{xii, xiii}

3. DELIVER WIDER FOOD SYSTEM CHANGE TO SUPPORT FARMERS AND GROWERS

While critical, any change to ELMs that rewards farmers for making positive steps towards a sustainable agricultural transition will only be effective if the food system as a whole provides the support and incentives that farmers need.

Here there are several other levers at the Government's disposal to ensure farmers are fairly rewarded for the food they produce and the public goods they deliver. Set out in WWF's Land of Plenty^{xiv}, these include:

- Working with retailers to accelerate the actions set out in the WWF Basket XV
- Changing public procurement criteria for schools, prisons and hospitals to reward nutritious food produced in line with ELM objectives
- Maintaining strong and effective regulation that holds those who pollute to account for undermining positive progress
- Creating a standardised set of core food metrics that reduce the burden of data collection, and allow farmers, retailers, and banks to measure progress against reducing environmental impact
- Introducing a set of mandatory core environmental standards that apply through UK trade policy, ensuring a level playing field for food imports and domestically produced food
- Establishing a Land Use Framework process so that rural communities have a meaningful way of shaping the wider future of their landscapes with farmers bring involved
- Providing more opportunities for young people to develop farming skills, tailoring ELMs to recognise the role small-scale and family farmers play in UK food and farming



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