<u>A vision for future farming</u>

Leading Defra to put farming at the heart of tackling the twin climate and nature crisis

Thank you ... I am really delighted to have been asked by the Prime Minister to return to Defra to lead the Government's really ambitious agenda on farming, on fishing, on food, on the rural economy, and on protecting our natural environment.

The decisive result in the recent general election has broken the parliamentary deadlock, which has been holding so much back in this country.

So for Defra this means we can forge ahead with our extensive legislative programme ... the biggest in Whitehall including of course – a world leading Agriculture Bill.

The Government will also, as you've heard this morning, be kicking off our trade negotiations with both the EU and the rest of the world.

Throw in vitally important UN global conferences both on biodiversity climate change ... and 2020 is going to be a really busy year for us.

All of which makes this an auspicious moment to be at this very important conference today.

And I strongly believe, like other panel speakers this morning, that we can find common ground in our shared determination to show UK leadership on the task of feeding a rapidly growing global population at the same time as addressing the massively important challenges of both climate change and reversing the deeply worrying the decline of nature, biodiversity and habitats.

Now this Government, as you know, has just been re-elected with a substantial majority, but that is on the basis of a manifesto with more far-reaching commitments on the environment than any predecessor government.

And our new approach to farm support is going to play a central role in achieving those crucial twin goals of protecting climate and protecting nature.

So, our proposals for Environmental Land Management (or ELM) will be one of the most important environmental reforms for 40 years.

And I am determined that it will be a reform which works for farmers and land managers ... as well as for our environment.

A world-leading vision for farming as we tackle the climate and nature crisis together

Now, for my whole adult life, I remember statements from successive UK

Governments criticising the Common Agricultural Policy and calling for reform.

One of the greatest advantages of leaving the EU, after all these years, is that we finally have the chance to sweep away the CAP.

In its place, we can have a fresh approach that will see farmers and land managers in the driving seat of deciding how their businesses can thrive and ... at the same time ... enable them to play a hugely valuable role in meeting our commitment to become a net zero carbon economy by 2050.

And I warmly applaud the target that Minette and the NFU have set for agriculture to meet net zero by 2040.

We want our new scheme to deliver value for money as well as boosting sustainable productivity to support farmers in their hugely important task of feeding the nation.

And, as we've heard again reiterated strongly this morning, farmers have said that they are up for the challenge ... that given the right support and opportunities, they can step up the role they play in protecting our environment.

The process on which we are about to embark will, I hope, provide an example to others around the world of what can be achieved if we rethink how we manage the land and produce food.

We have the potential to create a virtuous circle between agriculture, addressing climate change, protecting biodiversity, and securing investment in our rural economy.

Put simply, our aim is a managed and fair transition to a system tailored to our needs in this country ... based on the principle of public money for public goods.

These include those highlighted in our 25-year plan for this to be the first generation to that hands back the natural environment in a better state than it was bequeathed to us ...

... clean air, plentiful water, and a nature recovery network supporting thriving plants and wildlife and mitigating flood impact.

Improving the health and welfare of animals will also be at the heart of our reforms.

We want our reforms to play a pivotal role in meeting the legally-binding commitments on air, on water, and nature which will be set out in our landmark Environment Bill ... due to be reintroduced very soon.

That means enhancing and strengthening the public goods that we all know agriculture already delivers ...

... like habitats for species sharing land with livestock and crops ...

... and access to touchstones for our shared heritage ... from dry stone walls to the solemn stone circles in some of our uplands.

So I welcome the fact that Defra received over 300 proposals to be part of the co-design process for creating that system of public money for public goods.

38 tests and trials are up and running, with over thirty more to follow.

We are working pragmatically with you to establish what will work in practice.

Ways in which ELM can potentially help farmers deliver public goods include ... of course, vitally important peatland restoration ... planting and maintaining woodland and hedgerows ... creating and restoring ponds and lakes ... providing flower-rich habitats for pollinators ... and restoring wetlands.

We want individual farmers and land managers to be able to produce a plan for what works for them.

That will be a key part in delivering these new schemes.

We want local knowledge and landscape priorities to feed into a national framework.

We also believe that National Parks have a hugely positive part to play, particularly in those aspects of our work to support the recovery of nature.

Maximising the benefits flowing from Brexit

The Government fully recognises the concern felt about the uncertainty and wrangling in Parliament over Brexit in the last two years.

I'd like to thank everyone in this room for their hard work preparing for a possible No Deal exit.

Now we have a strong mandate to get on with Brexit, we want to start to resolve some of those uncertainties.

So in our manifesto, we have guaranteed the annual budget for farmers in every year of this Parliament – a key ask of NFU and others.

In 2021 the transition will begin.

That means we will start to reduce Direct Payments in England, but we will do that in a fair and progressive way.

We will use the money withdrawn from the Direct Payments system to launch the national pilot for our Environmental Land Management ... and, also I want to emphasise, to provide targeted financial assistance to improve agricultural productivity ... and increase the resilience of farm businesses.

We need to get moving as we shake off the shadow of the CAP ... beginning that

transition in 2021 towards radical new policies that work for planet, for people, and, of course, for the farming sector.

Our ambition is to incentivise a profitable, productive, sustainable farming sector ... using fewer inputs ...producing healthy animals and reduced pollution ... and achieving healthier soils, and cleaner water and air.

I am delighted to announce today that our updated Agriculture Bill will return to Parliament this month.

With our Bill, we aim to strengthen your position at the farm gate and improve transparency through the use of data.

We want to secure greater fairness in a complex supply chain where we all know financial returns can be so unevenly distributed.

And there will be new provisions to require the Government to conduct a regular review of food security.

Planning for a possible no-deal outcome ... including a focus on potential disruption at Dover has provided a timely reminder of the huge importance of domestic food production.

I firmly believe that society's approach to farming, if guided by simplistic economics, hugely under-estimates its significance in so many ways ...

... its importance for the wider rural economy ... for environmental stewardship ... for keeping the cost of living down ... and for feeding the nation.

In an uncertain world, food security is an issue that we must take very seriously and this is a point I will always emphasise around the Cabinet table.

The Agriculture Bill will be accompanied by an updated policy statement on what we expect from our reformed system, based on public money for public goods.

I want to emphasise that those who use the new support scheme will have a big say in shaping it.

So we will engage extensively with farmers and their representatives on that policy statement.

We will continue that engagement through the seven year transition— to test thinking, and share input ...

... so that together we design a range of options you can tailor to suit your businesses, so your business can flourish while it helps the environment.

There will be no 'one-size-fits all'.

We envisage supporting farmers and land managers working at different scales and in different ways.

So that farmers and land managers can make doing their bit for the environment an integral part of what works for their business.

Getting this right means working with people from the full range of different types of agriculture ... including, of course, livestock farmers and those facing challenging conditions in upland areas.

We want your voices to be heard before the National Pilot launches in 2021, and as we move forward with a wider range of schemes at levels that you can benefit from in 2024.

But of course the climate and nature crisis is biting now.

And I encourage you to continue your efforts for the environment by applying for the new round of Countryside Stewardship agreements.

And I can confirm that those who enter into new agreements of Countryside Stewardship from 2021, will be able to exit those agreements at agreed points, without penalty, if they have a place in ELM.

And I very much hope we can engage the knowledge and expertise of our farmers in as we deliver our big promises on trees.

This was the first election where there was a bidding war between the parties on tree planting.

Our manifesto commits us to stepping up planting across the UK to reach up to 75,000 acres a year by the end of this Parliament.

Supported by our Nature for Climate Fund, we will overhaul our approach to tree-planting and in the spring we'll launch our consultation on the English Tree Strategy.

I urge you to take up whichever tree offers — the one which fits your business best … whether it's woodland creation grants or the Woodland Carbon Guarantee.

We're also focusing strongly on investment into sustainable productivity, to get technology out to farms and into the fields, by offering competitive grants to support investment in equipment and infrastructure, more precise application of nutrients, and greater use of robotics and energy-efficient machinery.

And we'll invest more in R&D, building on the Transforming Food Production Fund.

We want to increase input of farmers into our approach to research and innovation to make it more farmer-led because we know the use of your expertise can increase productivity sustainably whilst also moving towards net zero.

We look forward to the report from Food and Drink Sector Council's Agricultural Productivity Working Group, recommending ways in which we can improve productivity, not least by harnessing the power of data and benchmarking have great potential.

So we are investing in research through our Strategic Priorities Fund to bring together expertise from across the supply chain ... to consider how we transform the way we produce, manufacture, and consume food.

And we'll be hearing later today from Henry Dimbleby about his food review ... the first in 75 years ... which will of course have farming at its core.

Exporting our values to lead global ambition in 2020

Lastly, turning to those trade issues which I know are crucial for this audience and for our panel of speakers.

Our strong British food brand is built on the high standards to which we hold ourselves.

The high standards of British farming are the backbone of our biggest manufacturing sector — food and drink — that exports £22bn to over 200 countries.

We've opened burgeoning markets for sheep meat in India and Japan, and put British beef back on Chinese plates for the first time in 20 years.

We're helping smaller businesses make the leap to export too ... through our Food is GREAT campaign and by capitalising on the expert advice of the AHDB.

Also we're investing in the Livestock Information Programme ... a game-changing data tool that will support biosecurity and showcase traceability to underpin consumer confidence.

Backing better standards is a core part of the Government's approach to Brexit.

We can maintain and indeed enhance UK standards as we negotiate new trading relationships with friends and neighbours in the EU and leading global economies.

Minette, I will continue to work with you and others across the food and farming sector to understand your concerns as these negotiation progress and to make sure your voice is heard loud and clear at the negotiating table and at international forums.

Please be reassured...hear this — as our manifesto, as the Prime Minister has said, we will not imperil our domestic and international reputation built on quality, and grounded in our shared national values.

We will not dilute our strong environmental protection, we will not dilute our high standards of food safety and animal welfare.

Let's face it — it's worth restating ... even limited access to our £47bn market for food is a big prize for any country to aspire to.

So in our forthcoming trade negotiations, this Government will defend our national interest strongly ... and will be prepared to walk away from those negotiations if that is in the national interest.

Let me end by saying that after difficult years of division, we are now on the brink of an opportunity to really unleash this country's potential ... and farming can play a vital role in that process.

We have the opportunity to replace the flawed CAP with a system which supports both farmers and the environment and the climate.

... and we have the opportunity to open up new markets for our high quality produce around the world and promote our values overseas through our trade negotiations.

And I want to take this opportunity to thank farmers for all you do to put food on our tables ... to support the rural economy... and to safeguard our countryside and our natural environment.

This is a Government which will always back Britain's farmers.

There are many challenges ahead but if we work together on the basis of our shared values, then we can succeed in our goal of a successful, resilient, sustainable, and productive agriculture sector playing its full part in the hugely important environmental challenges we face today.

Thank you.