<u>Farmers invited to take first step</u> <u>towards greener future</u>

Farmers are being encouraged to take part in <u>the pilot of the Sustainable</u> <u>Farming Incentive</u> – the next step in the Government's landmark plans to reward farmers and land managers for sustainable farming practices.

<u>Details of the new scheme</u> have been published today (Wednesday 10 March) and expressions of interest for the pilot will open from Monday 15 March.

Now the UK has left the EU and is no longer bound by the bureaucratic Common Agricultural Policy, the Government is introducing a new system that is tailored to the interests of our farmers. It is the most significant change to farming and land management in 50 years, designed to deliver a renewed agricultural sector, producing healthy food for consumption at home and abroad, where farms can be profitable and economically sustainable.

The Sustainable Farming Incentive is the first of three schemes to be piloted and co-designed. Further information on the other two schemes, Local Nature Recovery and Landscape Recovery, will be shared later this year.

The three schemes will reward farmers and land managers for producing public goods like biodiversity, cleaner water, cleaner air, improving soil, and carbon reduction on their land. They will help our farmers, foresters and other land managers play a crucial role in the national effort to tackle climate change by reducing carbon emissions.

The Sustainable Farming Incentive will support approaches to farming that deliver for the environment, such as actions to improve soil health, hedgerows and integrated pest management. For example, a farmer might be paid to manage and plant hedgerows to provide year-round food, shelter and breeding cover for birds and insects, or take actions to boost the levels of organic matter in soils.

The pilot will build on the great success of the ongoing programme of tests and trials, which already involve over 3,000 farmers and other land managers. Tests and trials focus on trying out individual parts of the future scheme, like land management plans or different payment methods – whereas the pilot will test a working version of the scheme from start to finish.

Environment Secretary George Eustice said:

The ethos at the heart of our future policy is to support the choices of individual farm enterprises.

The Sustainable Farming Incentive will support the environment and promote animal welfare. It will reward approaches to farm husbandry such as encouraging integrated pest management, improving soil health and enhancing hedgerows. Assets that were previously dubbed 'ineligible features' will finally have their value recognised and rewarded. I would encourage farmers to engage in this pilot to help us design the new scheme.

Farmers will need to complete a short, simple online form to submit expressions of interest in taking part in the Sustainable Farming Incentive pilot.

Successful candidates will then be invited to complete their application and, if eligible, they will enter into a pilot agreement starting from October 2021. This initial stage will be open to several hundred farmers, reflecting England's distribution of farm types and locations.

Pilot participants will be asked to take part in a range of co-design activities, providing rapid feedback on their experience of all aspects of the process — from pre-application to implementing their agreements. This will ensure the scheme is fully workable and user-friendly once fully rolled out from 2024.

For the first phase of the Sustainable Farming Incentive pilot, a farmer is only eligible if they:

- are a recipient of the Basic Payments Scheme, registered on the Rural Payments Agency system
- enter land parcels (fields) into the pilot that do not have an existing agri-environment agreement on them
- have management control of the land for the duration of the pilot. They
 must either own the land with management control or have a tenancy of
 enough length to implement their pilot agreement (including landlord's
 permission if required)
- enter land parcels that are in England
- enter land parcels that are not common land

In the first phase of the pilot, participants will be able to select from an initial set of eight standards to build their own agreements. The standards will promote cleaner air and water, and guard against environmental risks such as climate change and flooding. Within each standard there are three levels for participants to choose from – Introductory, Intermediate and Advanced. Each level is more challenging, and more rewarding, than the previous level and delivers greater environmental benefits.

For the first phase of the pilot, payment rates for land management actions will be set at a broadly equivalent level to rates under Countryside Stewardship. This is a starting position only and updated payment rates for the launch of the Sustainable Farming Incentive scheme from 2022 are currently being developed, in consultation with farmers and representative groups.

Farmers who participate in piloting will continue to receive their BPS payments while they are in pilot agreements. It would be possible for a farmer to be involved in piloting and be in a Countryside Stewardship (CS)

agreement — but not involving the same parcels of land (fields). In other words, a farmer could have some land parcels in the pilot, and other parcels in CS, but not the same parcels in both.