

Landmark Agriculture Bill becomes law

Legislation that will unleash the potential of agriculture has passed into UK law today (11 November).

The Government's landmark Agriculture Bill was introduced to Parliament in January this year, providing a boost to industry after years of inefficient and overly bureaucratic policy dictated to farmers by the EU. The Bill will empower our farmers and land managers, and make sure that we can reward them properly for the good work that they do. The Bill will help farmers stay competitive, increase productivity, invest in new technology and seek a fairer return from the marketplace.

Beginning next year, farmers will have a seven year transition period to adapt to a new agricultural system. Further details will be announced in late November.

The Agriculture Bill sets out how farmers and land managers in England will be rewarded in the future with public money for "public goods" – such as better air and water quality, thriving wildlife, soil health, or measures to reduce flooding and tackle the effects of climate change, under the Environmental Land Management scheme. These incentives will provide a powerful vehicle for achieving the goals of the government's 25 Year Environment Plan and our commitment to reach net zero emissions by 2050.

This new system will replace the poorly targeted Basic Payment Scheme subsidy system, which largely pays farmers for the total amount of land farmed and has skewed payments towards the largest landowners, rather than rewarding farmers for any specific public benefits.

At the same time, the Bill includes measures designed to support our farmers and land managers to boost their productivity, and ultimately maximise the potential of our land to produce high quality food in a more sustainable way.

Environment Secretary George Eustice said:

Our landmark Agriculture Act will transform the way we support farmers.

The funds released as a result of the phasing out of the legacy Basic Payment Scheme (BPS) will be re-invested into a roll out of our future farming policy, which will be centred around support aimed at incentivising sustainable farming practices, creating habitats for nature recovery and supporting the establishment of new woodland and other ecosystem services to help tackle challenges like climate change.

We will support farmers in reducing their costs and improving their profitability, to help those who want to retire or leave the industry to do so with dignity, and to create new opportunities and support for new entrants coming in to the industry.

The government will now be able to further champion food production by improving the transparency and fairness in the supply chain from farm to fork, as well as keeping our world-famous food producers competitive and innovative by investing in the latest technology and research.

The government will also report on UK food security to Parliament every three years. The first report will be published at the end of next year, and will include analysis of the impacts on food supply of the coronavirus pandemic, as well as a wide range of themes including global availability of food, food safety and consumer confidence.

In order to spend more of the annual budget for agriculture on boosting productivity and environmental benefits, Direct Payments will be phased out over an agricultural transition period, starting with the 2021 Basic Payment Scheme year and running until the end of 2027. This annual budget for farming support will be maintained for every year of this Parliament, providing certainty and stability ahead of transitioning to the new system.

This will allow farmers and land managers the time they need to adapt to the new approach and consider which component of the new Environmental Land Management scheme will work best for their farm.

Farmers and land managers will also be able to apply for alternative support during this time, with productivity grants on offer next year and with Countryside Stewardship schemes remaining open to new applications in the first few years of the agricultural transition period, which will help farmers to springboard into the upcoming Environmental Land Management scheme.

Further details on plans to support our farmers and land managers over the agricultural transition period are due to be published later this month.