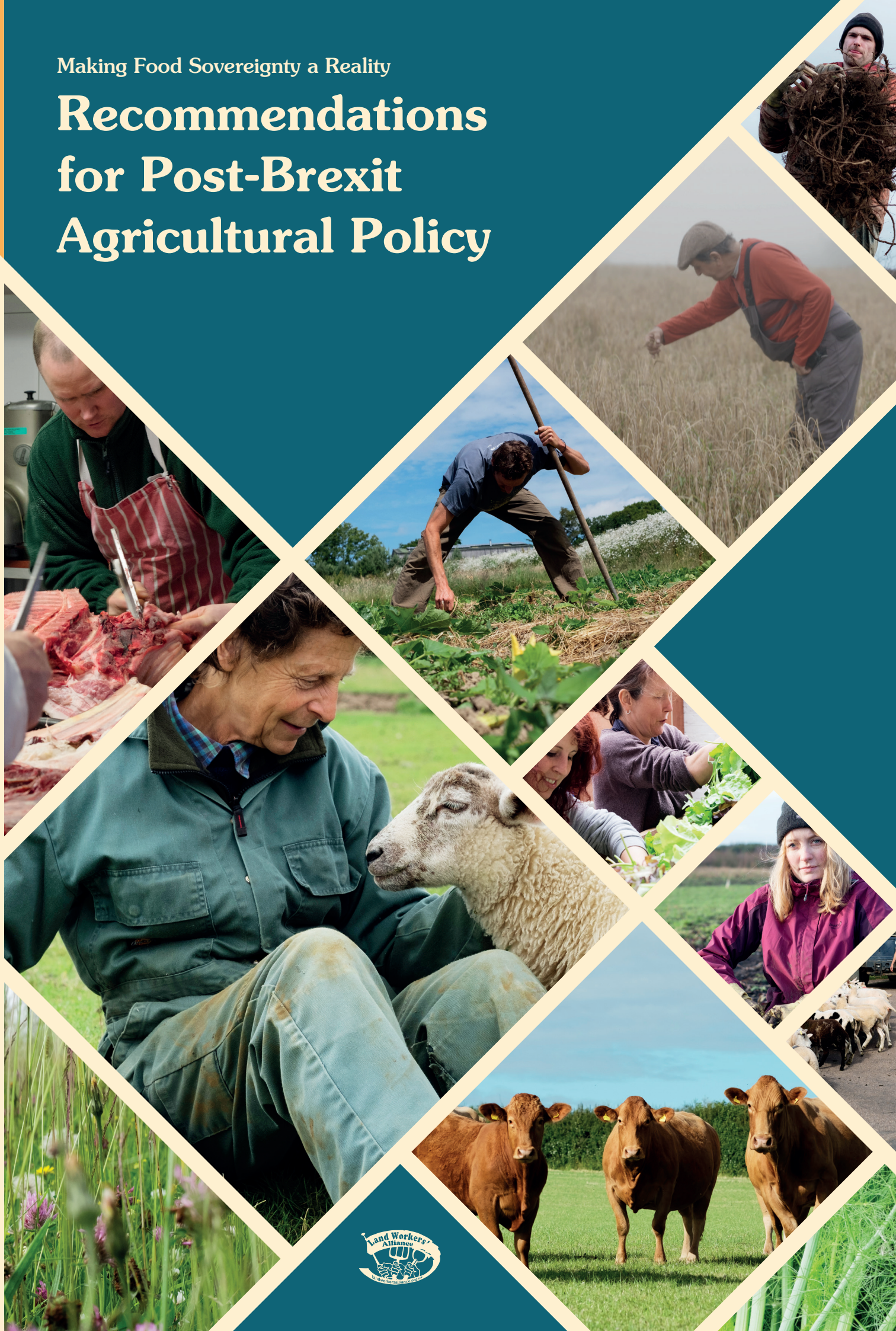
Making Food Sovereignty a Reality

Recommendations for Post-Brexit Agricultural Policy



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Key Policy Proposals of the Landworkers' Alliance

- The current budget of £3.5bn/year in farm support should be redirected to support active farmers to produce high quality food for local, regional and national markets
- Area-payments should be replaced with targeted support delivered through a single agency; the Whole Farm Management Scheme
- Individual payments should be capped at £120,000/yr
- Environmental payments should be awarded to support soil health, enhance biodiversity, improve water management and encourage sustainable forestry
- Specific support should be provided for training, apprenticeships and research to encourage new-entrants into the industry
- Specific infrastructure support should be provided to encourage farmers to convert to more environmentally, socially and economically resilient mixed farming systems and access shorter supply chains
- An "innovative farm structures" start-up grant should promote Community Supported Agriculture and Low Impact Farming Hamlets
- Special payments should be targetted to boost employment in horticulture and small-scale dairy sectors
- A tariff and regulatory regime should be applied to protect domestic markets from food imports produced to lower environmental and social standards
- The Grocery Code Adjudicator should be invested with meaningful power to provide effective regulation of the food retail sector and ensure that farmers are paid a fair price for their produce


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Our Vision: **Food Sovereignty**

The Landworkers' Alliance is a union of small scale ecological producers and traditional family farmers. All of our members are active agricultural or forestry workers earning their livelihood from the land, and all subscribe to the values we promote for a better food and farming system.

Our vision for UK agriculture policy is based on the principle of Food Sovereignty this simply means that in addition to achieving a measure of food security through increased domestic production, we need to ensure that consumers and communities are engaged with where their food comes from and how it is produced.

We currently produce less than 60% of the food we consume[1]. We rely on the EU for nearly 30% of our food imports[2] and hold only 3-5 days of food supplies in reserve. Post-Brexit increases in the price of imports, shortages of farm labour and market volatility are likely to further undermine our national food security. Food is rightly considered part of the UK's Critical National Infrastructure, and Defra's priority is to promote 'a farming sector that demonstrates resilience in the face of environmental and political threats'. It is not resilient in the long term to depend on imports for our food security, due to uncertainty about the future relative economic power of the the UK.

Yet despite this necessity, successive governments have pursued policies that have led to farm consolidation, a reduction in agricultural jobs, and rural to urban migration. We are moving towards highly mechanized corporate farms as family farms are abandoned. The UK lost 33,500 commercial holdings between 2005 and 2015, more than 9 farms a day[3].

As we lose our family farms, we are becoming increasingly dependent on food produced by industrial farms or from around the world. We believe we should not be dependent upon food imports from other countries who should be dedicating their best agricultural land to feeding their own populations. We also believe that industrial corporate farms can create harmful environmental impacts as well as diverting money away from local economies and into shareholders' pockets. Instead we believe that UK consumer spending should directly support small scale UK farmers, creating jobs and stronger communities.

Our vision for the food system is that people of all income levels and backgrounds, whether urban or rural, should have access to healthy, regionally produced, affordable food from farmers they can trust.

The backbone of this food system should be a vibrant mixture of independent small and medium farms, both traditional family farms and innovative farming models, looking after our landscapes and communities while producing the food we need.

1) Defra (2015) Agriculture in the UK report: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/557993/AUK-2015-05oct16.pdf
2 Hird, V. (2015) Double Yield, *Sustain*, p8 https://www.sustainweb.org/secure/ DoubleYield2015.pdf 3)https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/557993/AUK-2015-05oct16.pdf .

Feeding the Future

We can produce the food we need while protecting the environment and communities.

A recent study of the productivity and financial viability of small scale (20ha and less) agroecological farms found them capable of producing comparable or higher yields of vegetables and fruit, while generating meaningful and attractive jobs, and relying significantly less on subsidies than average farms[1]. The table below looks at how much of the main food products we would need and then compares this to the production capacity of just such mixed, agroecological farms.

It shows that if agroecological farms were given proper support they could compete favourably with high-input intensive farming systems in terms of productivity. A shift to agroecological food production has lower yields in some sectors but higher in others, so overall we could expect a reasonable proportion of the food we need from a more complex, integrated and sustainable system which generates high quality jobs and healthier food .

In addition to producing abundant fresh, tasty and nutritious food for local people, small scale agroecological farms result in a number of valuable environmental and social benefits. They protect and enhance biodiversity by refraining from the use of pesticides, actively creating diverse ecosystems to aid pest control and ensuring some areas are left for wildlife.

They make efficient use of natural resources, reducing inputs of artificial fertilisers, imported animal feeds and recycling older, smaller machinery for use in combination with hand tools. With cyclical, integrated cropping systems, the biproducts of one enterprise can be used as the inputs for another; such as whey from cheese-making feeding pigs and composted animal manure being used to fertilise crops. This contrasts with the specialised and linear nature of industrial agriculture in which arable and livestock have become separated, resulting in reliance on energy intensive NPK fertilisers for crop nutrition in some areas, while in others livestock slurry and manure become pollution problems due to overconcentration. Care of soil and water are primary aims due to their central role in plant health, and minimum tillage, use of cover crops, building of soil organic matter, and rainwater harvesting are routinely practised.

The local marketing methods employed by most agroecological farms also have the benefit of building strong community links around the farm, whether it be in the countryside or the city. Customers are made to feel welcome to visit the farm, helping build understanding and trust between farmers and customers. Many farms offer community events such as barbeques and farm walks, while others include courses, work with disadvantaged young people or corporate away days alongside food production in their enterprise mix. Such community connectedness contrasts with the isolation and loneliness experienced by increasing numbers of farmers due to mechanisation meaning they no longer employ so many people. Larger farms are less connected with local people, and experience higher levels of complaints about issues such as pollution and habitat destruction[2].

	Requirement to feed 70.5 million people (million tonnes/yr)	Production capacity from 18.5m ha land (million tonnes/yr)[3]
Cereals	7.2	9.9
Dairy	7.8	12.5
Meat	3.7	2.68
Potatoes	2.7	10
Fruit and Veg.	8.3	24.81

1) Laughton, R. (2017) *A Matter of Scale: A study of the productivity, financial viability and multifunctional benefits of small farms.* LWA & Centre for Agroecology, Water & Resilience, Coventry University
2) Winter, M. & Lobley, M. (2016) *Is there a furute for small-scale & family farms?* Report to the Prince's Countryside Fund, pp36-37.
3) Fairlie, S. (2007) *Can Britain Feed Itself? The Land* magazine 4 Winter 2007, pp18-25

Affordable Healthy Food

We commonly hear that consumers want a "cheap food policy". A poll conducted by Defra in 2016 identified that UK consumers continue to prioritise the quality of fresh farm produce over and above price – and the majority would be prepared to pay a little extra to support UK farmers. We agree that most consumers can afford to pay a little more for good food: in general the amount consumers pay for food as part of their overall budget has decreased over the past fifty years. For consumers who are on low incomes there should be means tested support programs, such as food stamps which can be spent at farmers markets or subsidized vegetable boxes, to help alleviate food poverty.

At the same time, we would like to see healthy food from small scale agroecological producers made more affordable. To survive, small farmers are often forced to create luxury niche products, sold at premium prices at exclusive direct sales outlets, which are often seen as financially or culturally inaccessible, when in fact most small farms would like to be able to sell foods which are affordable and accessible. In order to do that, farms producing to high standards need reliable support through the measures outlined throughout this document. This includes more support for convenient direct sales outlets.

Most of the policies that would decrease the shelf price of food sold in supermarkets have to do with regulating the middle man. There is not a clear relationship between the prices paid to farmers and the price set by retailers. The prices paid to farmers and how these relate to shelf prices should be regulated by an effective processor and supermarket adjudicator, to balance the profits for the large processors and retailers while benefiting farmers and consumers. On average, UK producers currently receive 8% of every pound spent on their produce with the remaining 92% dominated by a smaller and smaller number of wholesalers, processors and retailers[1]. In order for smaller scale producers to achieve financial sustainablity, it is essential for the Grocery Code Adjudicator to reclaim a significant proportion of the food pound for the farmer and to effectively regulate the industry to ensure that fresh produce can not be sold at below the cost of production without consumers having to pay more for their food. It is reasonable to assume that if the GCA redirected a further 8% of the food pound from the retailers to producers then farm incomes could double as a result.

The LWA feels that it should NOT be necessary for consumers to pay too much more for good quality food. The purpose of public sector support for food and farming is to guarantee affordable food for all. The government should aim to support farming to the extent that farmers can survive while providing us with the healthy food we need.

Policy proposal

The Grocery Code Adjudicator should be invested with meaningful power to ensure the affordability of food while farmers are paid a fair price for their hard work

1) CPRE (2012) Campaign for the Protection of Rural England; *From Field to Fork* - the value of England's local food webs pp24.

Intensification – an outdated assumption

Recent debate concerning Agricultural Policy, both in the UK and internationally, has been dominated by the 'need to produce more food to feed a growing population'. This assumption is the foundation of the argument made by agribusiness and government ministers alike that we must embrace the 'sustainable intensification' of our farms - along with mega-dairies, agrochemicals and GM-crops.

The reality however, identified by a series of UK, EU, United Nations and independent investigations, is that our small scale traditional farming systems already produce more than enough food to feed our current populations - while at the same time we waste an estimated 30-50% of the food we produce[1]. The studies also illustrate that the best way to feed the world is to focus on improving the productivity of small farms using low-tech, ecofriendly methods that secure livelihoods. To reduce hunger, we simply need to develop strong local markets which enable people to access healthy affordable food and to educate consumers on how to reduce food waste in the home.

It is unacceptable for the government and the industry to perpetuate an outdated assumption in order to justify pursuing intensive industrial farming strategies.

Food is a Public Good

We believe that there is a strong case for continued public support for UK agriculture. The founding principle of the Common Agricultural Policy, 'to ensure adequate and affordable food supplies', is a central tenet of responsible government.

Farming provides public goods that the market does not pay for, similar to healthcare and education, and should therefore be supported to provide these responsibly.

Compared to public money spent on education or the NHS, £3.5 billion for healthy food, is a tiny fraction of our budget: enough to keep the NHS running for 11 days![2]

Subsidy is not a bad word however the UK agricultural support system is currently inefficient & destructive. We urgently need to scrap area-based payments and recreate a new subsidy system which supports the type of food system we need.

Public Spending on Different Sectors of the UK Economy

Figues in units of £1billion. from http://www.ukpublicspending.co.uk/

Policy proposal

Government should keep spending levels on our food system at or above the current level of spending for farming of £3.5 bn per year (about £19,000 per farm)

1) IAASTD (2009) International Assessment of Agricultural Knowledge, Science and Technology for Development, commonly known as the World Agriculture Report
2) http://ukpublicspending.co.uk/ ; table courtesy of The Land Magazine 2017

The problem with area-based payments

There is a clear disadvantage for small scale producers under the current subsidy system. In 2015 the top 100 recipients of the current policy received a total of £87.9m in agricultural subsidies: more than the total amount paid to the bottom 55,119 recipients combined[1]. Under the current policy, farmers who own less than 5 hectares get nothing.

Since 2005 the majority of CAP funding paid to farmers in the UK (84% in 2015) has been delivered through a direct payment most recently known as the Basic Payment Scheme (BPS). The BPS is a flat-rate payment made to landowners for every hectare they own in return for meeting 'cross-compliance' requirements. These measures are intended to ensure farmland is managed responsibly – although in reality they provide only a token regulation of the industry.

Until 2013 this scheme, then known as Single Farm Payments, was available to every landowner in the UK with entitlements totalling one hectare or more. Following the 2013 reform of the CAP, the government raised the minimum claim area to five hectares – automatically excluding 18,000 landowners who had previously been eligible for support[2]. Many of these were active farmers running viable businesses.

One of the most significant failings of the BPS to date is that payments are unrelated to productivity, meaning that a landowner can claim direct payments even if their farming activity is negligible. To put it bluntly, landowners are paid to own land. There is an active farmer clause for the payments, but there is no minimum level of activity and landowners can rent the land out to farmers and still claim payments. Land is now a popular form of investment, exempt from inheritance tax, with investors able to financially benefit not only from the area based payments but also from the sharp increases in the value of land. The meteoric rise in the price of UK farmland from £2,400 in 2004 to over £7,000 per acre today coincides with the introduction of the area-based payment scheme[3].

This inflation has had a number of knock-on effects. First and foremost it has made it harder for new entrants to afford land. Secondly it provides collateral for larger farmers to invest in bigger machinery and more land to intensify their operations, disadvantaging smaller-scale producers. The nature of the area payment scheme currently awarding 80% of direct payments to the largest 20% of UK landowners[4], has allowed ever larger and more specialised farms to invest in infrastructure and machinery, enabling them to supply vast quantities of fresh produce at below the cost of production.

This trend has facilitated a concentration of the supply chain into the hands of a few multiple-retailers (supermarkets) that demand high volumes of uniform produce on competitive contracts, allowing them to dictate farmgate prices for a range of fresh products.

As a result, anyone who chooses to farm on a small acreage, or those farmers who prioritise quality and ecology over output, face a financial disadvantage in the marketplace. In this environment the smaller-scale farmer has to choose between cutting costs further, to the detriment of good farming practice, or attempting to add value through local or niche marketing. Failing this, the small farmer has little choice but to diversify or sell-up and leave the industry, as 33,500 have done since 2005.

The evidence of accelerated land concentration in the UK, land price inflation, declining farm incomes, loss of small scale and family farms and the dominance of food retail by a handful of supermarkets suggests that the BPS model is fundamentally flawed.

Along with a growing number of progressive NGO's and commentators, we propose that area-based payments should be comprehensively abandoned as a founding principle of post-Brexit UK agriculture policy.

1) Dowler, C. & Carter, L. (2016) Common Agricultural Policy: Rich list receive millions in EU Subsidies. *Energy Desk*, 29 Sept 2016
2) RPA (2014) *Rural Payments Agency*, Press Release 16.10.2014: Reminder to smallholders about minimum claim size https://www.gov.uk/government/news/reminder-to-smallholders-about-minimum-claim-size .
3) EFRA (2013) The Common Agricultural Policy after 2013. *UK Parliament Environment, Food and Rural Affairs Select Committee* report: https://www.publications.parliament.uk/pa/cm201011/cmselect/cmenvfru/671/67104.htm

Healthy land, more farmers, better food

We support a move away from area-based payments towards a system in which all agricultural payments are linked to the delivery of environmental, social and economic benefits integral to the production of high quality food for domestic markets.

Environmental

Protection and improvement of soils; Enhancement of biodiversity; Protection of valued landscapes and wildlife habitats; Reduction of carbon emissions; Increased sequestration of carbon; Reduction of artificial fertilizer coupled with more efficient use of farmyard manure and slurry; Reduced pesticide use; Responsible water management; Reduced reliance on imported commodities which cause degradation elsewhere in the world; More efficient use of energy, especially fossil fuel energy

Social

Reversing the decline of family farms; More innovative independent farms; More and better land-based jobs and livelihoods; Increased opportunities for physical outdoor work for those whose aptitudes lie in that direction; Increased vitality of villages and rural areas; Provision of healthy food; Enhanced animal welfare; Healthier affordable food

Economic

Greater food security through increased home production of temperate commodities; Reducing the imbalance between rural and urban economies by improving remuneration for land based work; Avoiding the use of land in other countries for our food production and the "dumping" of surplus produce on vulnerable peasant economies

Policy proposal

The subsidy system should be reconfigured to ensure that farming in the UK provides environmental benefits, supports thriving farming communities, and supplies a substantial proportion of the UK's food

Whole Farm Management Scheme: a simplified way to deliver support

The LWA proposes a new payment system based on public goods which brings all farms under one streamlined "pillar": ensuring support distributed on the basis of which positive farming activities a farm would like to adopt, while requiring farmers to follow stringent rules for environmental protection and animal welfare.

This scheme would comprise a number of options, but to cut red tape it would involve just one application, one monitoring procedure and one payment. Each farmer would be assigned an adviser to assist them with the process; evaluating the holding, assigning points for environmental activities, and making recommendations which could be used as a basis for grant funding. Organic certification could be carried out by the same body of advisers, as part of the same scheme. The Whole Farm Management Scheme (WFMS) would be loosely based on the framework of existing stewardship schemes and administered using a similar points based system. A separate ad hoc administrative body would need to be created, but the existing team of Natural England and Organic Farming Scheme advisers, could be built on. The objectives of the scheme would include rural development and agricultural productivity as well as environmental protection. Affiliation to the scheme would be obligatory for all commercial holdings and all holdings of agricultural land over a certain size. This would be to ensure and enforce compliance with statutory environmental conditions such as prevention of nitrate flow into water courses, and also for the purpose of collecting agricultural census information. However, in contrast to the current BPS, all subsidized components would be voluntary and only accessible to active farmers producing over a certain threshold. The options could be delivered on a points based system rather than an area based system.

There would be no direct payment based on the area of land farmed these would be scrapped. Any payments for environmental benefits based on the land management techniques adopted would be weighted according to the grade and ecological classification of the land. All such payments would be **tapered**, so that larger areas of land received less per hectare, on the grounds that there are economies of scale. In addition all payments would be **capped** over a certain threshold, we suggest £120,000, to help support a healthy mix of small and family farms. In the following sections we examine in more detail some of the potential conditions and components of the WFMS. All of the infrastructure programmes, suggested later in this paper, would also fit under the WFMS, except for regional projects not grounded in a single farm (eg grants for collective processing facilities) or for wider catchment scale activities. However, everything that can be assessed on a farm basis should be included within the WFMS format, so that it is as far as possible a "one stop shop".

Examples of options under the WFMS

- Wildlife Conservation
- Farm Woodland Schemes
- Orchard Planting and Maintenance
- Organic Conversion and Maintenance
- Mixed Farm Conversion and Maintenance

Environmental options

We support payments for environmental benefits paid to farmers based on measures taken to promote agroecology. These payments for "ecosystems services" should be coupled with stringent rules to prevent irresponsible farming practice.

The LWA is in broad agreement with most NGO's about maintaining payments for environmental benefits so that all active farmers receive compensation for delivering farm scale public goods which improve soil or water quality. The primary goal of these environmental payments should be to encourage more agroecological farms.

Agroecology is a way of farming similar to organic agriculture, though the farms might not be certified. The farming systems work with natural systems to produce food while at the same time improving soils and water catchments and enhancing biodiversity. Agroecological farms are often mixed farms, where the different parts of the farm work together- recycling the nutrients on the farm so that not much fertility needs to be bought in. On higher level agroecological farms, seed, feed and other inputs like energy are also produced on-farm.

We will not go into detail about the measures that should be rewarded. These should be worked out in an open consultative process involving both farmer organisations and environmental NGO's. However one principle to bear in mind when determining these measures is that the environmental payments should not result in a substitution for the area based agri-environment direct payments. The payments should be based on work done, not land owned.

Payments for carbon sequestration based on grazing area should be avoided and all environmental payments capped at a maximum of £120,000 per farm.

It is also important that the payments are only awarded to active farmers, with a robust definition of active farmers in place.

In addition, these payments would be coupled with regulations prohibiting damaging farming practices and a taxation policy on farmers using harmful inputs. If a farmer chooses to use inputs that cause environmental damage, they should pay, just as other sectors of the economy should cover the external costs they impose on the rest of us. Taxing harmful inputs to farming, like nitrogen fertilizers or herbicides, would also raise additional revenue to finance the WFMS. It would be sensible to use this finance to pay for the costs of organic certification and organic farming maintenance payments.

Policy proposals

- Payments will be delivered through a points based system rather than an area based model, in a similar system to that of the Countryside Stewardship programmes. Entitlement points will vary according to the model of production on the farms, with mixed agroecological farms being eligible for more points
- Wider landscape and catchment options will be awarded on a points system, as opposed to area-based
- All payments will be capped, at a maximum of £120,000 and subject to a strict "Active Farmer" clause
- Farm advisers will audit the levels of agroecological methods applied on farms to award these points, providing a basis for a farm improvement grant scheme. This would help farms create the infrastructure needed to convert to more agroecological farming systems
- Payments for ecosystems services would be coupled with stringent rules on environmental pollution and soil protection, animal welfare, animal health and prevention of disease
- A "Polluter Pays" principle is adopted to tax harmful farm inputs

Infrastructure support schemes

Stream 1:
Mixed Farm Conversion

This scheme promotes conversion to mixed agroecological farming systems. Each farm under the WFMS has an advisor to evaluate the payments eligible under the stewardship envelope. This advisor would also recommend the measures needed to create mixed agroecological systems on the farm. The programme would support the infrastructure costs associated with the conversion.

By mixed farming we refer to the production of both arable crops and livestock, where ruminant livestock are an integral part of the arable rotation. The waste products of one enterprise (crop residues), which would otherwise be loaded on to the natural resource base, are used by the other enterprise, which returns its own waste products (manure) back to the first enterprise. Mixed farming offers many opportunities for more efficient resource use, nutrient recycling and a varied traditional landscape. For example, dairy can also be combined with pigs to recycle the whey produced by cheesemaking.

Many mixed farms in the UK rely for their fertility on legume/grass leys, which are effective at sequestrating carbon. In a typical mixed farm, the role of livestock will be (a) to take advantage of the fertility building grass and legume crop; (b) to support a diversity of crops that help to keep the land weed free; and (c) transfer nutrients, in the form of manure, from outlying permanent grassland to arable land.

Mixed farming was intrinsic to all farming systems throughout Britain until the end of the 19th century, because there was no other convenient way of ensuring the continuing fertility of the land. With the introduction of synthetic fertilizers in the 1950s farmers were encouraged to specialise in either crops or livestock. This resulted in a severe nutrient imbalance, as arable farms became reliant on fertilizers while livestock farms accumulated slurry which they pump back onto grass land already saturated with nutrients, resulting in nitrate leaching and pollution of watercourses.

Reverting to genuine mixed farms will bring many environmental and social advantages: (i) Arable farms that became mixed farms will be less reliant on chemical fertilizers, more biodiverse, less dependent upon pesticides and herbicides and would sequestrate more carbon; (ii) Dairy and other livestock farms that revert to mixed farming will cause less pollution, produce more food per acre, and support more biodiversity; (iii) Mixed farms will result in less transport since straw and animal feeds would be used on site.

Specialized arable and livestock farms will require considerable investment to convert areas of the land to horticulture, livestock and/or other mixed cropping. This Scheme would provide both capital for conversion and time limited maintenance grants.

Making Rural Development grants accessible to small farmers

Since 2005 the CAP has been awarding grants for farm infrastructure projects under its rural development programme. In reality, however, smaller-scale enterprises are often excluded by the scale of the grants, the eligibility requirements or the weight of paperwork involved. An example are the the growth and processing grants under the RDPE for 2017. The minimum grant is £35,000 , which is 40% of the eligible cost- the rest to be raised from private sources. This means the total cost of the project has to be at least £87,500. This is too high an investment for many smaller projects. Excluded from eligibility are any costs associated with standard agricultural equipment and other inputs like animals. There are also no grant schemes that support core production. Any infrastructure support schemes under the RDPE should be carefully designed with the help of active small scale farmers, so that they are accessible and match the needs of farmers in creating mixed, sustainable, productive farms that supply value-added products locally.

Stream 2:
New Entrants

There is a well documented and growing demand among younger people to engage in land-based livelihoods as a positive response to the challenges of climate change, consumerism and inequality. Policies should be designed to recognize this demand and increase opportunities for land-based livelihoods and ancillary processing facilities, which in turn would support a wider range of rural services and a more vibrant self-sufficient rural economy.

A secure UK food supply built on the foundations of sustainable agriculture is dependent on increased numbers of new entrant farmers. If we are to increase our national food security from the current position of only producing 61% of what we need, we must increase domestic output. A calculation carried out by The Land magazine estimated the UK needs 157, 000 more farmers and farm workers in order to maximise domestic production from agroecological and mixed farms.[1]

New entrants are trying to establish themselves today meet large financial barriers in terms of the cost of land and infrastructure. We propose a New Entrant scheme similar to the Scottish scheme, which provides capital investment for a wide variety of possible installations and improvements, including agricultural buildings, fencing and hedges, electrical equipment, etc. The scheme could also provide low cost loans toward the purchase of land.

Stream 3:
Farm Improvement

In addition to start up schemes, it is important that existing farms have the opportunity to apply for funds to create changes in their businesses. Most existing farms operate on very tight margins and rarely have enough surplus profit to re-invest in continuous improvement of the farm. This stream provides capital for farm improvements which create more effective core production on farms. Scotland's Small Farms Scheme, is similar to the type of scheme the LWA would propose as a Farm Improvement Scheme to be rolled out across the UK.

It is proposed that the funding for the Farm Improvement Scheme (FIS) will be based on a report compiled by the farm advisor for the Whole Farm Management Scheme. It will support the capital costs of, for example; barns, fencing, polytunnels, packing sheds, cattle-crushes, weigh scales, tracks, water systems, composting bays, etc., with the flexibility to support standard agricultural equipment and handmade or second hand equipment. The funding is subject to reasonable limits, but farmers have the option of applying annually.

For the FIS funding is conditional on the project meeting at least one of the following objectives: to redirect production for local markets, improve quality, preserve or improve the environmental management of farming methods; improve hygiene conditions and improve animal welfare standards.

Stream 4:
Processing and Marketing

This stream of funding provides support for processing and marketing initiatives: preserves, juice and cider facilities, meat cutting rooms, local abbattoirs, micro-dairies, milk vending machines, farm shops, etc.

Agriculture produces raw products - livestock, dairy, vegetables, grains – which require some form of secondary processing before they can be legally and safely sold to consumers as food products. Significant resources are required for secondary processing from simply washing and grading root vegetables, to slaughtering, hanging, butchering and packaging meat products.

Traditionally much of this processing was integrated into the farm business, enabling farmers to sell their produce directly to local markets. Over the past fifty years, however, successive food hygiene laws have been introduced to protect consumers. While many of these regulations have led to welcome improvements in hygine and traceability, the cost of establishing these facilities has made it harder for smaller scale farmers to compete with larger producers.

It is widely recognized that direct sale of finished products is the best way for producers to make primary production economically viable, as well as creating local employment in the processing and retail food sectors.

Stream 4 funding can be distributed to individual farms or used for regional initiatives. Extra funding should be available for innovative co-operative projects or community facilities, because they are often better value for money and allow farmers to maintain diverse mixed farms rather than specializing.

1) Hamer, E. (2012) "Can Britain Farm Itself?" *The Land 12*, 2012, http:// www.thelandmagazine.org.uk/articles/can-britain-farm-itself-2

Improving the productivity of small farms

Training and Apprenticeships

One of the greatest barriers to productivity is lack of training to implement both tried and tested and new methods for increasing yields. More training would enable established farmers to improve their skills, and new entrants to get started running. In the past, Defra had a fund enabling all farmers with a holding number to apply for training they wanted, whether it was an independent short course at an accredited agricultural college or a study tour. This fund should be re-established with a substantial amount of dedicated funding. Eligible training would include farmer to farmer training methods such as skill sharing events, and paid apprenticeships.

Research and Development

More funding should be made available for the development of seed varieties and agricultural techniques suitable for organic, low input and smaller scale farming. The government should also explore innovations in agriculture that enhance resilience to climate change through broad scale holistic management. Currently the government spends £45 million on agricultural research. We would like to see at least 10% of this spent on researching agroecological/organic practices.

Additionally, agri-tech investments should not serve to reinforce corporate control of farm inputs. Agri-tech strategies should develop freely available, low-tech, accessible technologies which reduce the burden of work and increase productivity on farms but do not reduce the number of jobs.

Innovative Farming Models

Community Supported Agriculture (CSA)

Community Supported Agriculture refers to farms in which affiliated consumers or members have a share, taking on some of the risks as well as benefiting from the produce. In some cases, members may contribute to the labour and management of the farm, while in others members simply pay the farmer a subscription in return for a share of the produce. There are several examples of successful CSAs in the UK and the movement is growing. CSAs provide a guaranteed market for farmers, allowing them to adopt a more low-input model of production. They could play a particularly valuable role in the management of land in Green Belts and on the edges of towns and large villages[1].

Low Impact Farm Hamlets

Low Impact Farm Hamlets are farms where large parcels of land are bought by a Land Trust then divided into plots which are rented as ecological farms with "low impact" self-built accommodation. The Land Trust sets standards for the management of the plots and interviews potential leaseholders to ensure that they are intending to run environmentally and economically sounds smallholdings. The Trust takes care of the purchase of the plots and basic common infrastructure and applies for planning permission, all common barriers for new entrants to farming.

1) UK CSA Network: www.communitysupportedagriculture.org.uk

Local, regional before global

Agricultural policies should protect food sovereignty in the UK and respect it in other countries. Meeting home demand for indigenous food should take precedence over establishing export markets.

In 2016 the NFU commissioned the "Wageningen" report to assess three distinct scenarios for post-Brexit agricultural trade: (i) a Free Trade Agreement with the EU, (ii) a policy of trade liberalization, and (iii) a policy of imposing tariffs to the extent permitted by the WTO, The report concluded that UK farmers would benefit most from scenario (iii), in which tariffs on imported agricultural goods are highest.[1] The Landworkers' Alliance fully supports the NFU's objective of protecting UK farmers from being undercut by cheaper imports; however, we also believe that this policy should be actively supported by a commitment to prioritise local, regional and national food security over and above export markets.

Only 61% of the food consumed in Britain is currently produced here, raising legitimate concerns about national food security. In 2014 the UK imported agricultural goods worth €57bn and exported goods worth €26bn, resulting in a €31bn trade deficit - two thirds of this trade was with the EU. If, after Brexit, agricultural trade between the EU and the UK is reduced, then the UK's trade balance will improve and UK farmers will have a larger domestic market.

Our position does not exclude importing food that cannot be produced here. We would suggest a common sense approach when working with tariffs: encouraging local and regional domestic markets to be as strong as possible in products that are key to our food sovereignty, and then prioritising European imports before we encourage global markets. The foundations of a profitable UK farming sector depend on protecting our farmers from being undercut by cheaper imports. Protectionism is not a nationalistic withdrawal from our global responsibilities, it is an entirely legitimate financial measure to insulate against the volatility of global markets.

90 million people dependent on the dairy industry in India risk losing their livelihoods if undercut by UK dairy exports[2]

The Landworkers Alliance is an official member of La Via Campesina. This is an alliance representing over 200 million small scale farmers worldwide. All of the small and family farmers organisations of LVC recognise that 'food is not a commodity' and reject Free Trade in agriculture.

Policy proposals

- A ban on the imports of food produced to lower environmental, social and animal welfare standards than those of UK producers, including; genetically modified crops, (rBGH) hormone infected beef, chlorinated chicken and food produced with exploited labour
- A commitment to the Precautionary Principle in all policy decisions relating to food and farm products
- An integrated tariff regime to enforce the maximum permissible tariff rates under current WTO rules relating to agricultural goods and services
- Official recognition that food is not a commodity but a basic human right. A commitment to exempt the sector from future free trade agreements

1) NFU (2016) Implications of a UK exit from the EU for British agriculture Study for the National Farmers' Union (NFU), Warwickshire, UK 2016
2) GRAIN (2014) Defending People's Milk in India; https://www.grain.org/e/4873-defending-people-s-milk-in-india

Special payments for employment

Special Payments are options under the WFMS to support targeted sectors.

Some farming sectors critical to food security and public health are not thriving. As long as the market fails to pay prices high enough for farmers to make a living, the UK government will need to provide some form of annual farm payment in order to maintain the viability of targeted sectors of the industry and reverse the decline in the number of small and family farms in those sectors. Targeting payments for certain types of farm enterprise would allow the government to give additional support to sectors which are struggling or need to expand and to provide reduced or no support to sectors that are thriving. Currently the dairy industry is an obvious example of a struggling sector, while horticulture is a sector that needs to expand.

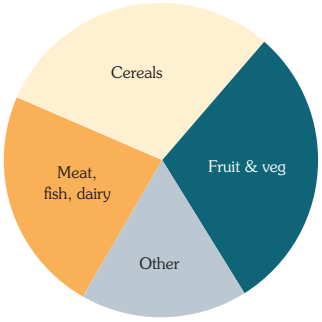
Over the last century there has been a severe decline in the number of jobs in farming. This decline has been driven, in part, by technology that has improved 'efficiencies' within the industry. It is widely accepted that sustainable farming practices including organics, small scale horticulture, and livestock farming carried out to high animal welfare standards all require higher labour inputs than conventional agriculture. This scheme is designed to provide jobs for people whose aptitudes are best suited for physical work and to help check the tendency towards intensification and fossil-fuel-powered machinery.

Payments supporting people employed on the holding, including farmer and family labour, rather than area-based payments, shift the focus of funding from land owned to work done.

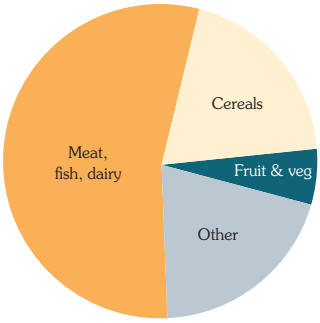
Identified sectors will receive a flat rate payment towards employment.

It is difficult to devise any such system which does not bring with it perversities and injustices, but almost anything would be better than the current Basic Payment system calculated according to the area farmed, which operates to the benefit of large landowners and provides large sums of money to farmers who don't necessarily need it. The number of people employed is a better indicator of contribution to the rural economy than the number of acres owned.

Dietary targets WHO/FAO (%)



Common Agricultural Policy budget (%)



The disconnect between subsidies and health

These charts illustrate which sectors the current CAP payments support in comparison with the foods we need for healthy diets. Currently, the least support goes towards horticulture, despite the fact that we all need an affordable supply of healthy local fruit and vegetables.

The policy proposals we make throughout this document aim to redistribute subsidies towards the foods we need. Scrapping area based payments and targeting horticulture will help achieve this aim.

Table from: Birt, C. (2007). A Cap on health? The impact of the EU Common Agricultural Policy on public health. *Faculty of Public Health*. [www document]. URL http://ec.europa.eu/health/ph_overview/health_forum/docs/ev_20070601_rd05_en.pdf

Horticulture

The UK's horticulture sector producing fresh fruit and vegetables, accounts for only 3.5% of our farmland but produces £3.7 billion worth of produce per year. In addition we currently import £7.8bn worth of fruit and vegetables per year, by far the largest trade gap of any agricultural sector. Of these imports, 80% of our vegetables come from the EU, as does 39% of our fruit.[1] Considering the uncertainty over future trade deals with the EU, the UK's exit from the single market presents a welcome opportunity to expand production.

The UK has a traditionally successful horticultural sector that has consistently produced high yields of staple vegetables; potatoes, carrots, beets, swedes and brassicas across the Fens, as well as higher-value protected crops of salads, soft-fruit and top-fruit from the south east to the far south west. The intensive nature of horticulture has enabled it to employ 12% of the total agricultural workforce on a relatively small amount of land [2] .

In addition, access to fresh horticultural produce forms the backbone of Public Health England's 2016 Tackling Obesity Strategy, while eating more fruit and vegetables and less meat, dairy and processed foods is currently championed by the UK government and the World Health Organisation[3]. Despite these endorsements the horticultural sector has been allowed to dwindle significantly in recent years. The area of land under horticultural production dropped by 27% between 1985 and 2014, while the sector has seen some of the highest rates of consolidation within the industry as the fresh produce market is increasingly dictated by multiple-retail buyers.

It is imperative therefore to rejuvenate the horticultural sector. The widely anticipated increase in the price of imported fruit and vegetables should act as an incentive to increase domestic production. Brexit represents a unique opportunity for targeted government support to expand the sector, creating jobs and bringing agricultural policy into line with public health targets.

Widespread local vegetable and fruit production would reduce food miles, refrigeration, waste and packaging costs, while organic horticultural husbandry tends to store carbon and improve biodiversity. Small scale, agroecological horticulture can produce yields of labour intensive vegetables such as salad, kale and beans that exceed those for average non-organic production[4]. An expansion in the number of farms of this type on the outskirts of towns and cities could dramatically increase access to really fresh, organic vegetables while providing skilled and meaningful employment.

Policy proposals

- Fruit and vegetable producers eligible for special payments to support on-farm employment
- An infrastructure support scheme for horticultural enterprises
- The Mixed Farms scheme supporting farms to create areas for production of fruit and vegetables as part of larger farm units
- A targeted support scheme for peri- urban vegetable production in green belts to develop them as a community resource for both production and training
- An Orchard Planting and Maintenance Scheme under the WFMS

1) Schoen, V. & Lang, T. (2010) Horticulture in the UK: Potential for Meeting Dietary Guideline Demands, *Food Research Collaboration*, http:// foodresearch.org.uk/horticulture-in-the-uk/
2) Van Berkum, *et al*, (2016) Implications of a UK Exit from the EU for horticulture
3) WHO (2015) World Health Organisation. Increase Fruit and Vegetable Con- sumption to Reduce the Risk of Noncommunicable Diseases
4) Laughton, R. (2017) *A Matter of Scale: A study of the productivity, financial viability and multifunctional benefits of small farms*. LWA & Centre for Agroecology, Water & Resilience, Coventry University
5) Berkum, S. van, R.A. Jongeneel, H.C.J. Vrolijk, M.G.A. van Leeuwen and J.H. Jager, 2016. Implications of a UK exit from the EU for British agriculture; Study for the National Farmers' Union (NFU), Warwickshire, UK. Wageningen, LEI Wageningen UR (University & Research centre), LEI Report 2016- 046. 52 pp.; 14 fig.; 12 tab.; 9 ref.

Dairy

Britain's dairy industry is currently in a state of crisis. Within the last 20 years more than two thirds of our dairy farms have gone out of business due largely to aggressive price cuts from wholesalers. The industry is now losing one farmer a week and there are now only 10,500 dairy farms across England, Scotland and Wales.

At the same time the UK currently runs a dairy trade deficit: in 2016 we imported £1.3bn more of dairy products than we exported[1]. Owing to the stranglehold of milk processors and supermarkets, margins are so tiny that only large mega-dairies enjoying economies of scale and investing millions of pounds in hyper-efficient systems are expected to survive. 75% of British dairy farms on a non-aligned contract are currently operating at a loss, casting a shadow on how many will be able to remain afloat in the coming years[2] .

We need to create an alternative to the bleak expand-or-die reality of negative returns faced by the fast-shrinking population of dairy farmers in this country. The only way to preserve their presence on our much loved pastoral landscape is to help dairy farmers find ways to sell milk which pays a living wage. The solutions lie in creating supply chains that give farmers a fair share of profits.

Today's average size family farm with 133 cows produces approximately 800,000 litres of milk with a retail value of about three quarter of a million pounds. It is a staggering indictment of our market based food system that these farmers cannot earn a living wage. The more we encourage mega-dairies exporting globally, the more we undermine smaller dairy farms by exposing them to market volatility. Volatility is an inherent feature of a globalised free market, which is why dairy farmers need to be protected by a system of tariffs and some form of price regulation.

The Landworkers Alliance opposes the risky strategy of targeting export markets for dairy produce in regions such as Russia, Latin America, India and Africa. A policy of dumping surplus milk produce on poorer countries will cause further gluts in supply and exacerbate market volatility. It will also threaten the livelihoods of millions of small-scale dairy producers in countries that are less well equipped to compete on a global market. What we would like to see is the re-localization of the milk industry.

Small dairy farms are an important part of our cultural farming heritage and critical to national food security. The LWA supports traditional methods of pasture based dairy farming. Cows should have a diet based primarily on pasture, supplemented with domestically produced legumes, such as peas and lucerne instead of being fed concentrates based on imported soya - most of which is from GM crops.

Policy proposals

- The re-establishment of a body similar to the Milk Marketing Board but adapted to modern conditions, to guarantee a stable price for milk by requiring all milk processors and retailers to pay farmers a set price up to a certain volume of production
- Payments to support the cost of employees on dairy farms
- A capital grants scheme supporting infrastructure for small and medium scale start up dairy farms (not mega-dairies) and dairy farms needing to make step changes to their systems to improve efficiency, environmental sustainability or animal welfare
- Government support for all measures that enhance the local distribution of milk and milk products, including milk delivery rounds using returnable bottles, vending machines, and on-farm processing of cheese, yoghurt and other products

1) Defra (2016) *Agriculture in the United Kingdom* report 2016; based on figures derived from the June Census
2) Agriculture and Horticulture Development Board (AHDB) 2016 3):

Pork & Poultry

Pork and poultry farmers are particularly vulnerable to narrow profit margins because pigs and chickens are classed as granivores. They cannot be raised simply on pasture but depend on grain or other high protein feed for fattening. Intensification and specialisation in these enterprises has led to a dependence on bought-in cereal feeds and concentrates, with significant land use and carbon costs. A much more progressive solution would be to re-introduce the option of feeding certified food waste in these enterprises - thereby cutting environmental impacts and reducing waste at the same time.

Currently both kitchen food waste and meat and bone meal (MBM) are prohibited from entering the food chain by EU Directives. Both bans were initiated as a result of UK incompetence in preventing Foot and Mouth disease and BSE respectively. In the UK, MBM can be sold to feed dogs and cats, but not pigs or chickens, although most is incinerated. Other countries in the world feed food waste and MBM to omnivores such as pigs and chickens without problems (pig meat can be separated out from MBM destined for pig food).[1] Recycling waste is the role that pigs have filled over the last eight thousand years. The bans on these animal feeds constitute a pointless and harmful waste of resources. The meteoric rise in soya imports from South America in the last 20 year has been directly attributed to both bans [2].

During WWII, recycling food waste was common sense.

Policy Proposals

- Reversal of EU legislation forbidding the feeding of food waste and slaughterhouse waste to pigs, subject to robust health and hygiene conditions
- Restrictions on imported animal feeds, such as a tariff on the import of soya, to increase the incentive for the UK to produce more home-grown animal feed
- Measures within the Mixed Farm Scheme and Environmental Payments, like three crop rotation, to increase the production of UK grains and legumes for animal feed

Beef & Sheep

Beef and sheep sectors both generate considerably higher incomes, particularly per unit of labour, but still receive the highest share of subsidy because they use a lot of grazing land (see table on page 17). Still, they are vulnerable to being undercut by imports. In the absence of effective regulation imports of lamb from New Zealand undercut prices for UK lamb producers. Beef prices would be undercut by the import of intensively reared beef, fed on GM and injected with hormones. If the UK protects the beef and lamb sectors by imposing high tariffs on imports and maintaining regulatory standards, these sectors will gain a higher share of the domestic market and not be dependent on exports to survive.

Beef and sheep are essential to holistic grassland management and should ideally comprise a fertility building element of a mixed farm enterprise. It is however rarely justifiable to dedicate high quality agricultural land solely to the production of beef or sheep. There are widely accepted environmental consequences from the overproduction of beef; including the carbon footprint associated with producing feed-concentrates, and increased greenhouse gas emissions associated with fattening store cattle on cereals instead of grass. Scrapping area based payments would result in a decrease in overall meat production, while incentives and trade rules would support higher quality pasture fed meat.

Policy Proposals

- Incentives configured within the WFMS for farmers to adopt exclusively pasture-fed enterprises, to reduce their dependence on bought-in inputs, and overall 'carbon hoofprint'
- Trade rules (import tariffs and regulatory standards banning hormone beef) that allow the UK to produce pasture fed beef and lamb to high standard for domestic markets

1) Hamilton, C. (2007) Real and Perceived Issues Involving Animal Proteins, ftp://ftp.fao.org/docrep/fao/007/y5019e/y5019e13.pdf
2) Elfrink, E.V. et al (2007) Does the Amazon Suffer from BSE Prevention? *Agricultural Ecosystems and Environment*, 120, 2007, pp467-469

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