

Agricultural Issues: Key Recommendations

Introduction

Both extensive and intensive agricultural use of the UK's peatlands has led to reductions in the extent of peatland habitat with significant, direct loss of peat soils. The majority of UK peatlands remain in a degraded state despite efforts across the UK to restore peatlands in line with both international commitments and domestic legislation. Below we highlight the fiscal, cultural, and regulatory drivers of degradation and blockers to restoration which remain in place. Agriculture on peatland areas has not yet transitioned towards a model where peatland soils are extensively rewetted: this prevents the opportunity for renewed sequestration of carbon - and by extension emissions reductions - alongside restoration and recovery of peatland wildlife. Post-common agricultural policy (CAP) agricultural reform, though still in progress, looks unlikely to provide sufficient fiscal or regulatory drivers to encourage farmers towards regenerative peatland agriculture.

This monitoring should be undertaken by individuals with a competent knowledge of the complexities of peatland ecology and function. These 'Peatland Protection Officers' could be part of the local authority or of a third-party organisation funded by all industries that seek to develop on peatlands to avoid further stretching the existing limited local authority resources. Either way, they could advise planners, oversee active monitoring of developments that have been approved, gather the data needed for compliance cases and raise reports of non-compliance within the local authority.

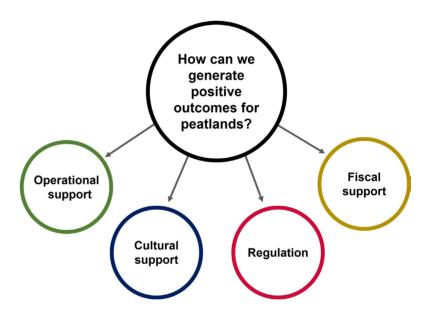


Figure 1. The key areas that need to be addressed to generate win-win outcomes for both peatland conservation and farming outcomes.

The recommendations here reflect the scale of this challenge but, we consider, are achievable given a broad understanding of the value of peatland systems by policy makers and land managers. They are divided into four areas: regulation, fiscal support, operational support and cultural support, with an overarching aim of healthy peatlands under sustainable management. The historical and environmental context along with the Dartmoor case study as well as other publications by the Peatland Programme provide the basis for these recommendations. We acknowledge that whilst policy is devolved, the general issues are similar.

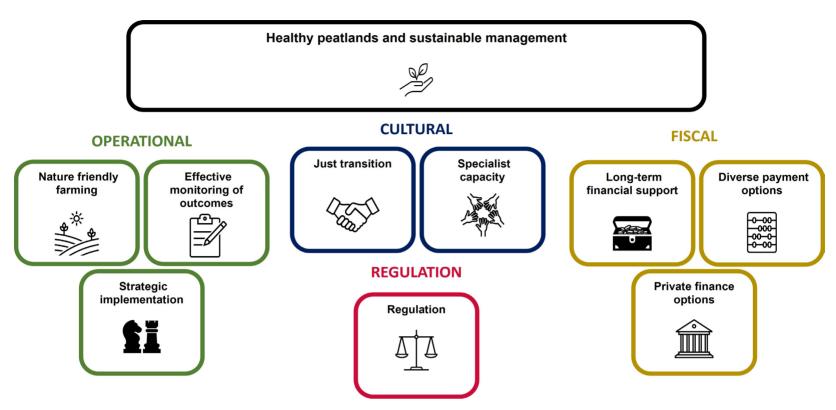


Figure 2. 10 recommendations which are key to delivering thriving peatlands via mechanisms of equitable transition and fiscal support for the farming community.



1. Long-term commitment is needed for <u>healthy peatlands and</u> <u>sustainable management practices</u>

Payments should be based on the public benefits provided by peatlands such as carbon, potable water and biodiversity. Long-term commitments are required to give land managers confidence to introduce and maintain good practice during the recovery phases post-peatland restoration and to continue the stewardship of peatlands which are already in good condition. Maintenance payments alone are unlikely to be an effective incentive in the long-term, as many peatlands will need limited maintenance input once fully rewetted.

Payments linked to measures of public benefit are likely to be more suited to peatland conservation and management objectives in the long-term. Methods to effectively quantify and value peatland benefits need to be further developed. Enhanced cross-compliance measures would also result in greater support for healthy and recovering peatlands over degraded ones and ensure that any policy or funding drivers of perverse incentives are identified at an early stage.



2. Payments must be strategically implemented to ensure that the available funds for peatland restoration deliver maximum benefit:

Greater consideration should be given to agricultural payment structures to ensure that options for peatlands are attractive and result in enhanced delivery. Agricultural

payment options are devolved within the UK, however early indications suggest that the likely post-common agricultural policy (CAP) agricultural payment systems which will be introduced risk under-delivering on peatland objectives. In some cases, basic payment rates are high enough that the enhanced option payment rates risk not being viewed as attractive and achieving low uptake. The approach where the landowner devises the scheme which is most attractive to them carries a risk; the current 'pick and mix' structure of incentives means that uptake of the most beneficial options to conservation could be low. These options are often more challenging to implement or may require land to be taken out of use for less compensation than alternative land uses.

To encourage high ambition environmental outcomes, funding should be weighted towards landscape-scale recovery schemes. Publicly available data on the rates of uptake for different options will allow for the benefits of these new payment schemes to be assessed for peatlands. Additionally, schemes must support farms of all sizes, recognising that all peatlands are valuable regardless of the extent or designation status.

Government financing which is decoupled from agrienvironmental schemes and specifically devised to support peatland restoration, such as Peatland ACTION grants in Scotland, could also deliver greater benefits by encompassing un-designated land. local authority, but in some situations may be referred to ministerial level or another specific body. For example, in the case of onshore wind turbines, in Wales a project with an output exceeding 10MW is referred to ministers, whilst in Scotland a project exceeding 50MW is referred to the Scottish Energy Consents Unit.



3. The <u>diversity of payment options</u> available should match the diversity of peatland delivery, and the different delivery partners involved:

Agricultural support, whilst administered at the national level, needs to be regionally flexible to meet the specific peatland and farming community needs of that area. This includes having specific crofting, commons grazing and upland farming measures in addition to specific measures directed at lowland peat issues. There needs to be greater commitment to landscape-scale delivery across the UK; currently only England has landscape recovery schemes. However, regional peatland partnerships have demonstrated the benefit of a holistic landscape-scale approach where there is coordinated effort across different landholdings and farmers. Ensuring that agricultural payment systems continue to support these existing initiatives is critical to maintaining delivery. This includes:

- providing funds for production of long-term management plans:
- full cost recovery for the practitioners that are providing advice and administering the applications for funding restoration and sustainable management delivery;
- encouragement of group schemes where several land managers combine across a project area or hydrological peatland unit;
- cost savings for partnership bodies delivering multiple agriculture grant applications;
- support for farmers on adjacent land where management is contributing to neighbouring peatland goals, e.g. around the edges of raised bogs.



4. Specialist peatland advisory capacity should be adequately

Building and enhancing peatland advisory capacity and expertise is vital to ensuring that peatland targets can be monitored and reported against. Greater farm advisory capacity with specialist peatland advisors available would ensure that the most suitable funding options are delivered where greatest benefits would be achieved. Whilst we are in a transition phase away from 'traditional' land management practices and towards a more sustainable way of managing peatlands, this additional advisory capacity is essential in helping land managers and farmers to understand the new support options that are available. As mentioned above (see recommendation 3), the existing peatland partnerships are well placed to deliver some of this advisory capacity provided they are funded to do so.

In addition, there should be greater resourcing to ensure that cross-compliance (Scotland, Wales and Northern Ireland)¹ is policed and both positive and negative contributions to peatland targets can be accurately monitored and reported. As highlighted in the Dartmoor case study, cuts have resulted in an almost 10-fold reduction in the number of advisors checking agrienvironmental compliance and many SSSIs in England have not been monitored for more than 10 years.



5. Just transition:

It is important that a just transition is ensured for farmers so that the farming and wider rural community share a holistic vision for peatland preservation and are committed to their long-term sustainable management and protection. Understanding and communicating the societal benefits that sustainable peatland management brings is essential. The Dartmoor case study highlighted the difficulties faced by farmers and the deep-rooted cultural aspects of farming; we believe that it is essential that conservation planning is inclusive and engages the whole rural community. Schemes also need to accommodate those farmers who do not own their land – tenants and commoners – as this represents a large proportion of those farming on peatlands. Local specialist capacity will be important in delivering this, as understanding of regional and country differences is vital to the avoidance of a one size fits all approach.





6. <u>Long-term financial support</u> mechanisms are needed:

Land managers (including farmers, commons graziers and crofters) require long-term financial support beyond the peatland restoration support already available. This needs to include the transition period moving into the long-term sustainable management of peatlands. The total funding available should reflect the scale and ambition of national peatland targets. Long-term policy and financial signals are needed to build a new economy around the

¹ Cross compliance ended from the start of January 2024 in England.

sustainable management of healthy peatlands and to allow the peatland sectors (e.g. restoration, carbon financing) to grow and quickly meet current and future demand. This support should also be dynamic, with the option for farmers to evolve agreements over their lifetime by expanding or adding to options and for statutory bodies to review and nimbly amend options that are not delivering.

Twinned with this is the need for recognition of non-traditional products (e.g. clean water, biodiversity, carbon) and that a fair price must be paid for the product. In some upland regions of the UK gross margins on a sheep can be as little as £1 per animal² and the current carbon price of c. £24 per tonne CO2e is not typically sufficient for restoring the most degraded sites. This driving down of the price from the top leads to greater pressure on marginal farmers to produce more in order to earn a living, leading to increased grazing pressure on vulnerable peatland habitats. Instead, there must be recognition of sustainable practice and a premium paid similar to organic production.



7. Facilitate existing <u>private finance</u> <u>mechanisms</u> to enhance the long-term payment options available and enhance uptake of restoration:

Ensure synergy of government agriculture funding with private finance mechanisms (such as the Peatland Code) – particular care is needed to ensure that agricultural carbon initiatives align with the greenhouse gas (GHG) mechanisms of peatlands. These are primarily net emissions reduction-based rather than stock change (in view of the huge carbon stock in peatlands any short-term gains are unlikely to be statistically significant, whereas reducing emissions through restoration or maintenance is more effective, especially given the extensive degradation and emissions from UK peatlands).



8. Where intensive management of peatlands continues, incentives should be introduced to ensure that nature-friendly farming principles are adopted to deliver benefits wherever possible:

For some areas of peatlands under agricultural management, a complete change in management systems to ones which are wholly aligned with peatland conservation and sustainable management goals will not be practical. In these areas, measures should be introduced to encourage

2 Moxey, A. Assessing the opportunity costs associated with peatland restoration. *IUCN UK Peatland Programme*. 2016. Available: www. iucn-uk-peatlandprogramme.org/files/Andrew%20Moxey%20Assessing%20the%20opportunity%20costs%20of%20peatland%20restoration%20revised%20v2.pdf. Accessed 29/11/2023

the uptake of nature-friendly farming interventions which are beneficial to peatlands. These may include elements of restoration, a mixed grazing or cropping model, or a paludiculture approach could be adopted. The Peatland Programme has set out some over-arching principles for how these wetter farming systems can be managed in its Principles for Sustainable Peatland Paludiculture briefing. Crops such as typha represent a greater caloric return per hectare than some crops which are currently grown in the UK; however, consumer markets will need to be established to support transition.





9. <u>Monitor effectiveness</u> of policy and individual farm outcomes:

It has proven difficult to account at a national level for past agricultural funding on peatlands2. The data is not always accessible or cannot be separated at habitat level. Designing an agricultural funding scheme that enables monitoring towards government targets for peatlands is vital to enable reporting on strategic goals including restoration delivery, biodiversity and habitat targets, and GHG accounting. In addition, there is still much to be learned about the effectiveness of farm management methods and some form of farm-level monitoring either through national surveys (e.g. bird surveys) or individual farmer reports would improve understanding and better quantify the outcomes delivered. The Dartmoor review also highlighted the need for more robust, scientifically rigorous monitoring: for this to be a realistic goal there must be an increase in the specialist advisory capacity with training to support this (see recommendation 4).

A further issue is the contrary issuing of agri-environment agreements most commonly at the individual level across units of ownership by the country nature conservation bodies, whilst they undertake monitoring of protected sites holistically at the whole designated feature level. Undesignated peatlands are not routinely assessed.



10. Ensure that there are <u>regulatory</u> <u>measures</u> specifically designed to protect peatlands:

Whilst peatlands designated as SSSI features are afforded protection by the habitat regulations, it is unclear whether these protections have been thoroughly enforced given the condition status of many of the UK's peatlands (up to 80% of our peatlands are in unfavourable condition). Undesignated peatlands, which in some regions are extensive areas, are even more vulnerable. There are no formal protections for these sites meaning that they may be at risk of ploughing or new drainage should this become economically attractive.

Regulations around the following may support the protection of peatland environments, but in the main they are not explicitly crafted to protect them:

- Water environment internal drainage boards;
- Atmospheric pollution (especially ammonia);
- Grazing levels (stocking calendar in agreements regulates grazing levels);
- Burning on designated sites (except for the ban on deep peat burning in England and future licensing in Scotland);

 Habitat regulations which are in place to protect sites from damaging operations.

In some cases, this means that the enforcement of regulation in other sectors/related sectors can exacerbate damage and generate dis-services from peatlands e.g. flooding and soil loss resulting from mandated drainage. Monitoring and enforcement/compliance is a barrier to effectively tackling these issues and, as previously discussed (see recommendations 4 and 9), specialist capacity and sufficient resourcing for this will be necessary. Framing of regulation is often focused on preventing harm, but this is largely built around designated sites with little regulation of activities on peatlands outside of these areas. More join up between regulations and regulatory bodies would serve to halt the ecosystem service silo approach. It is also important that there is accountability and that legal duties are upheld by both regulatory authorities and councils as highlighted in the Dartmoor case study.

New regulations are needed to protect soil and prevent soil loss and other additional regulations may be needed to protect the services that peatlands provide.



The International Union for the Conservation of Nature (IUCN) UK Peatland Programme exists to promote peatland restoration in the UK and advocates the multiple benefits of peatland through partnerships, strong science, sound policy and effective practice.

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