

# Diocese of Hereford

## Agriculture & Rural Life

Serving the Church of England in Herefordshire,  
South Shropshire & parts of Powys & Worcestershire



THE CHURCH  
OF ENGLAND

Dear Colleague

December 2008

A few notes which I hope may be helpful in your conversations with farmers.

### **CAP “Health Check” agreed**

EU Ministers have agreed the final details of the revision (“health check”) of the Common Agricultural Policy (CAP). The three objectives were: to simplify the CAP, increase market orientation, and move more funds from agricultural support into rural development. In response to this the Commission has raised compulsory modulation (i.e. switching funds from support to rural development) to 10% by 2012, with an additional 4% being taken from those claiming more than 300,000 euros under the Single Payment Scheme (SPS), though this is a much more modest increase than originally proposed and broadly welcomed by British farmers. Additional “voluntary” modulation imposed by national governments will be cut by the same amount and as the UK has had voluntary modulation since 2005 this will effectively cancel out the rise, with the exception of some of the largest farms in Wales.

Decoupling (i.e. removing the link between payments and output) is being extended to all sectors by 2012 with the exception of suckler cow premium and ewe premium. Set-aside (removing land from production to control levels of output) has been ended though governments may introduce measures to “retain the environmental benefits of set-aside” which opens the door for the introduction of an environmental set-aside scheme in the near future by defra. All claims for SPS must now involve a minimum land area of 1ha, which will remove 14% of the smallest claimants in the UK though the government may extend that to a minimum cut-off of 5ha to reflect the larger average British farm size.

Milk quotas will be abolished in 2015 but will increase by 1% a year for the next five years to soften the impact, though the UK is unable to produce enough to meet its national quota anyway. However different regimes apply to different countries and Italy and Ireland, for example, will benefit more from the proposals. Cross-compliance (linking SPS to environmental practices) is being extended and 2m buffer strips will be required around all watercourses by 2012, although this already applies in England.

One area that UK farmers are concerned about is how the government implements an extension to “Article 68” which allows national governments to take the modulated money and target it at sectors or regions. The emphasis has been on improving the environment, but the provisions may also be used to support farmers in difficult areas, pay for crop insurance and funding for animal diseases. In Germany, for example, funding will be put into supporting the dairy sector. The concern in the UK is that all of the money will be used by defra to support environmental projects rather than supporting hard-pressed sectors of the industry.

### **Bluetongue update**

Six cattle imported from France have been slaughtered on a farm in Lancashire with bluetongue type 1 (BTV1), the first time BTV1 has been present in the UK. The indications are that the animals had complied with all relevant legislation including a 60-day pre-movement ban after vaccination. Whilst the strain is not circulating within the UK the arrival of BTV1 has prompted calls for an import ban on animals from susceptible areas.

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### **New Environmental Strategy**

Natural England, the organisation responsible for administering the government's environmental objectives, has launched a new strategy to target financial support to nationally important landscapes in 110 priority areas, which cover one third of England's land area. The hope is that farmers who sign up for the "Higher Level Stewardship" scheme within these areas will choose similar environmental activities as their neighbours, thereby improving the landscape much quicker than through a less co-ordinated approach. However environmental campaigners fear this will weaken support throughout the rest of England.

### **Organic sector suffers**

The credit crunch is beginning to have an impact on the organic food sector. Dairy Crest plans to cut organic milk prices by 4p/litre and recent consumer research suggests that almost half of those who buy organic produce plan to cut back or stop buying it altogether. Nevertheless Hilary Benn, Secretary of State at defra, has stated that organic farming has a significant part to play in guaranteeing sustainable and secure food supplies.

### **TB Update**

The incidence of bovine TB has risen by up to 28% in the first nine months of 2008 compared to 2007. Europe is likely to put pressure on defra to take further action to control the incidence of bovine TB. Defra finally persuaded farming organisations to join a "Bovine TB Eradication Group" to review the TB strategy and control measures. Although the idea of TB eradication was welcomed by the industry in a subsequent meeting Hilary Benn said that control, rather than eradication, would be the priority. However the industry is still refusing to co-operate over discussions to pass the cost of disease control onto them.

### **Pesticide legal challenge**

A High Court ruling has found that the government has failed to protect rural residents from pesticide exposure in a landmark ruling prompted by campaigner Georgina Downs, who suffered herself from pesticide exposure. It is understood that defra will appeal against the ruling but the legal profession feels that further restrictions on pesticide spraying will follow, including buffer strips around fields next to housing and compulsory prior notification to residents that spraying will happen, even though the latter is particularly difficult to achieve practically.

The High Court ruling comes days after the European Parliament significantly softened a proposal to reduce the number of pesticides approved for use on health and safety grounds (see July and October briefings); it is estimated that 15-20% of existing products will be affected by the new proposals rather than the 85% originally envisaged.

### **Nitrate Vulnerable Zones**

A further reminder that new regulations come into force from 1<sup>st</sup> January 2009 for those farming land within Nitrate Vulnerable Zones (NVZs) which are intended to reduce nitrate pollution and protect water supplies. Defra has launched a package of measures to inform the industry including a helpline that answers technical queries (0845 345 1302), local information events which are publicised via [www.crosscompliance.org.uk/cms/nvz](http://www.crosscompliance.org.uk/cms/nvz) and guidance leaflets available at [www.defra.gov.uk/environment/water/quality/nitrate](http://www.defra.gov.uk/environment/water/quality/nitrate). Software tools are available to help with some of the calculations necessary, available from [www.planet4farmers.co.uk](http://www.planet4farmers.co.uk) or by phoning 08456 023 864.

Best wishes,

**Nick Read**