



Department
for Environment
Food & Rural Affairs



Environmental Land Management (ELM)

Our vision for a future scheme

Defra's vision for future farming



Rewarding Public Goods with Public Money



A thriving, self-reliant and resilient farming sector



A trusting and productive relationship between farmers and government



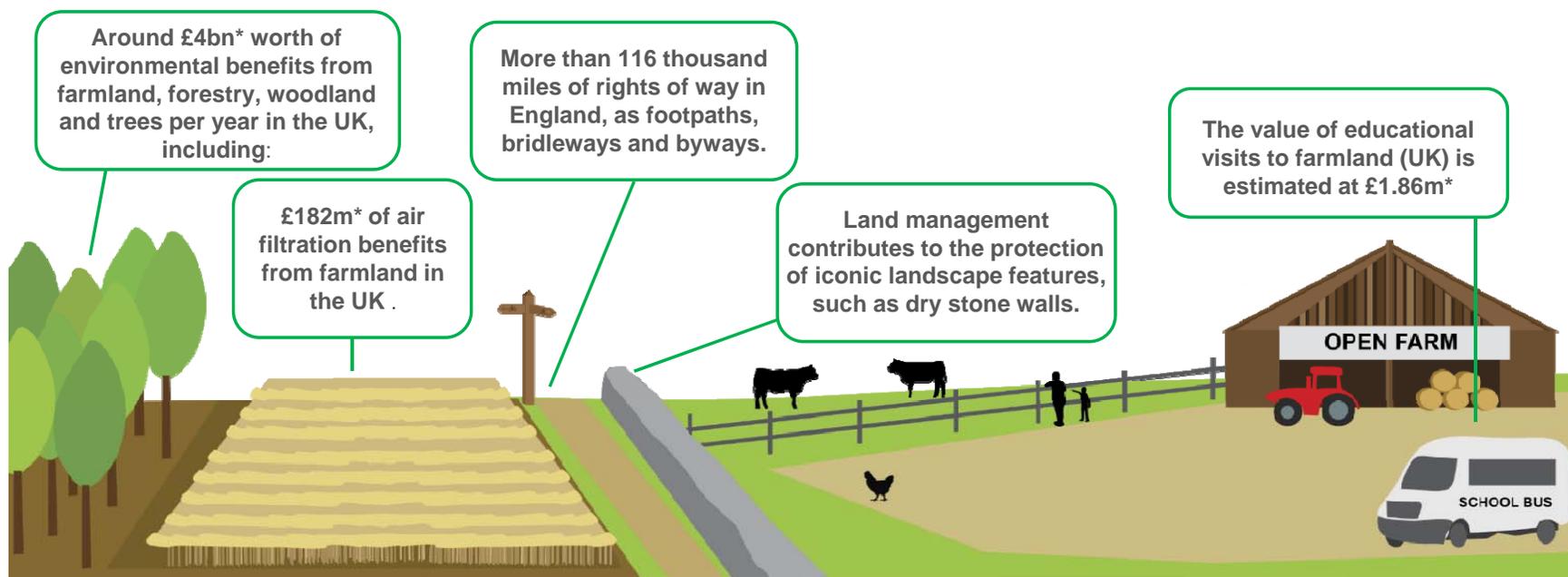
World Class Animal Welfare Standards

What do we mean by public goods?

Public goods are things that benefit **more than just the recipient** and cannot be rewarded by the **market alone**

Our new agricultural policy in England will be underpinned by the principle that **public money buys public goods**

Examples of public goods provided by the farmed landscape



ELM Public Goods



Clean and plentiful water



Clean air



Protection from and mitigation of environmental hazards



Mitigation of and adaptation to climate change



Thriving plants and wildlife



Beauty, heritage and engagement

Learning lessons from previous schemes

Current agri-environment schemes

Relatively good return on investment and well regarded compared to other AE schemes across Europe, but:

- criticised for being prescriptive and bureaucratic
- limited scope to tailor actions to local circumstances



How ELM will be better

Lighter-touch approach

Paying public money for public goods

Giving land managers flexibility to create 'land management plans' appropriate for their area

Delivery of the 25 Year Environmental Plan and achieve net zero target by 2050

Advantages:

- better value for money
 - motivation – payment scales may motivate land managers to do more
 - flexibility – enables land managers to innovate and adapt to their local circumstances
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ELM Strategic Objectives



To secure a range of **positive environmental benefits**, **prioritising** between environmental outcomes where necessary



To help tackle some of the **environmental challenges** associated with agriculture, focusing on how to address these in the **shorter term**



In doing the above, ELM will provide an opportunity for farmers to derive an **additional income stream** through the delivery of environmental benefits as and once **direct payments are phased out**

ELM Design Thinking



ELM design proposals

-  3 Tiered scheme design
-  Packages of options
-  Increased local involvement
-  Provision of advice
-  A new range of payments methodologies

We are proposing a high level three tier scheme design for ELM

Tier 1

We want to make sure we design something that is easy for **all farmers** to engage with.

This tier could focus on encouraging **environmentally sustainable farming** and **forestry** and include actions to create environmental benefits that we know the **majority of farmers** could take across their farmed and forested land.

Whether that's using cover crops or planting wildflower margins, this tier could pay farmers across the country to adopt (or continue) practices that can generate **valuable outcomes**, focusing on those practices that are most effective when **delivered at scale**.

Tier 2

This tier would be designed to support land managers in the delivery of **locally targeted environmental outcomes**.

As it would be important for this tier to target agreed priority outcomes, making sure the right things are delivered in the right places, it may need to use some form of **spatial targeting** and **local planning**.

Many of the outcomes this tier will deliver may rely on **collaboration between land managers** and as such this would include a variety of mechanisms for encouraging and rewarding collaboration and join-up between farmers, foresters and/or other land managers.

Tier 3

This tier would be focused on delivering **landscape scale land-use change** projects, where such projects drive added value over and above what can be delivered through tiers 1 and 2.

It would coordinate projects that are critical in helping us meeting **ambitious environmental commitments** such as **net zero carbon**.

What we could pay for within each tier and who might be eligible

Tier 1

Who could be eligible?

All farmers

What could we pay for?

- Nutrient management (including manure management)
- Pest management
- Livestock management
- Soil management
- Field margins (buffer strips)
- Field cover (cover crops)
- Water storage/efficient water use

Tier 2

Who could be eligible?

All land managers

What could we pay for?

- Tree, shrub and/or hedge planting and maintenance
- Habitat creation/restoration/management
- Instream/river and overland flow attenuation and diversion (natural flood management)
- Species management
- Rights of way, navigation and recreation infrastructure
- Education infrastructure, events and services
- Geodiversity and heritage asset management.

Tier 3

Who could be eligible?

All land managers

What could we pay for?

- Forest and woodland creation / restoration / improvement
- Peatland restoration
- Creation / restoration of coastal habitats such as wetlands and salt marsh

Supporting the approach



Agreement lengths



Determining what we pay for



Scheme compliance monitoring and evaluation

ELM Tests and Trials Programme



Tests and Trials

We are working across England to develop and collaboratively design ELM with a wide range of stakeholders, farmers and land managers.

We developed **6 priorities** for tests and trials. These are:

- ✓ Land Management Plan
- ✓ Role of advice and guidance
- ✓ Payments
- ✓ Spatial prioritisation
- ✓ Collaboration
- ✓ Innovative delivery solutions

Through Phases 1 & 2 we have agreed to take forward 62 proposals, testing started in September 2019 and two have already been completed

We will publish quarterly thematic reports.

ELM National Pilot



The ELM National Pilot is the means by which Defra will pilot ELM

It aims to learn and innovate prior to full rollout and build confidence in delivery and amongst stakeholders.

The pilot will have a **modular structure**, and will test three main things:

- 1 How best to construct **different types of ELM agreement at different scales**
- 2 How to **target ELM incentives** to deliver specific environmental outcomes in specific areas
- 3 Underlying **scheme mechanics**

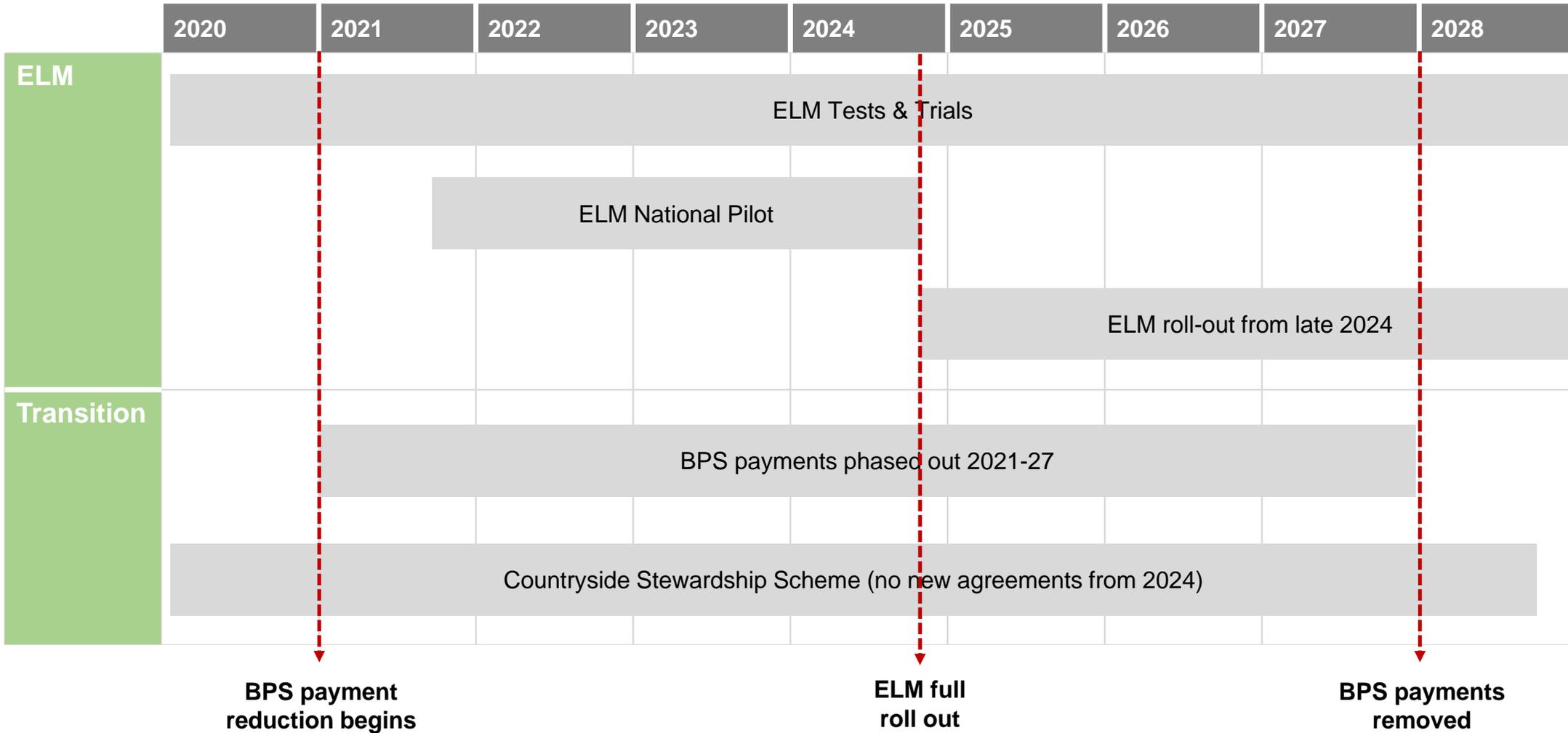
National Pilot Delivery Partners

Working together as one team to deliver the Pilot

- The Environment Agency
- Forestry Commission
- Joint Nature Conservation Committee
- Natural England
- Rural Payments Agency



Proposed timeline



Moving from the current to the new scheme

The changes set out in the Agriculture Bill will be made gradually over **7 years**. We want to give you enough time to adapt and prepare

Applications for the **simplified Countryside Stewardship scheme are open**

No one in a Countryside Stewardship agreement will be unfairly disadvantaged when we move to new arrangements under ELM

Until then, signing a Countryside Stewardship agreement gives a viable, long-term source of income for providing environmental benefits and is the **best way to start to prepare for ELM**

The **last Countryside Stewardship agreements** will start in **January 2024**

Direct Payments will be phased out in England from January 2021 until 2027

Future support during the transition

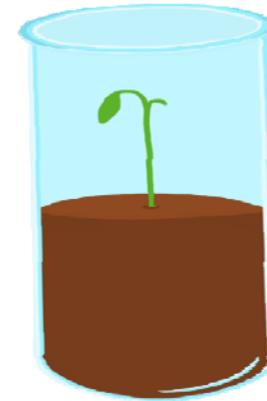
Animal welfare grants



Investment support



Research and development projects



Next steps: The Policy Discussion Document

- The ELM Policy Discussion Document sets out our initial thinking for ELM scheme design, providing an update on progress and an overview of high-level design options
- You have until 31st July to submit a response to the Document
- The Policy Discussion Document and details of how to submit your response can be found at:
<https://consult.defra.gov.uk/elm/elmpolicyconsultation/>
- We will analyse all responses submitted by the deadline and publish an update later this year



THANK YOU



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