



House of Commons
Environmental Audit Committee

The Future of the Natural Environment after the EU Referendum

Sixth Report of Session 2016–17

*Report, together with formal minutes relating
to the report*

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Environmental Audit Committee

The Environmental Audit Committee is appointed by the House of Commons to consider to what extent the policies and programmes of government departments and non-departmental public bodies contribute to environmental protection and sustainable development; to audit their performance against such targets as may be set for them by Her Majesty's Ministers; and to report thereon to the House.

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The following Members were members of the Committee during the inquiry:

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Publication

Committee reports are published on the Committee's website at www.parliament.uk/eacom and in print by Order of the House.

Evidence relating to this report is published on the [inquiry publications page](#) of the Committee's website.

Committee staff

The current staff of the Committee are David Slater (Clerk), Lauren Boyer (Second Clerk), Tom Leveridge (Senior Committee Specialist), Tom Glithero (Committee Specialist), Emily Pursell (Committee Researcher), Ameet Chudasama (Senior Committee Assistant), Baris Tufekci (Committee Assistant), and Nicholas Davies (Media Officer)

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Summary

This report arises from the first in a series of inquiries that the Committee intends to undertake in relation to leaving the EU. The UK's membership of the EU has been a key factor in shaping environmental policy over the past 40 years. Land management, which is crucial for promoting biodiversity, is significantly influenced by the Common Agricultural Policy (CAP). The legislative landscape within which the UK environment is protected is also heavily influenced by the EU, as are the international arrangements that control the markets within which the agricultural sector operates. In this report we examine the international, legislative and financial issues that the Government must successfully manage in order to ensure that leaving the EU does not put at risk the Government's manifesto commitment to "be the first generation to leave the environment in a better state than it found it".

The Prime Minister has indicated that the UK is likely to leave the single European market and the Customs Union. Leaving the EU will probably involve changes in the UK's relationship with international markets. Changes in the UK's relationships with international markets carry a triple jeopardy for UK farmers. First, leaving the Common Agricultural Policy will threaten the viability of some farms. Second, trade agreements which impose tariff or non-tariff barriers to UK farm exports similarly threaten farm and food business incomes. Third, new trading relationships with states outside the European Union could lead to increased competition from countries with lower food standards, animal welfare standards and environmental protection. This risks putting UK farmers at a competitive disadvantage and may make it more difficult to agree and implement a strong future UK environmental policy. The Departments for Exiting the European Union and for International Trade must recognise the influence their negotiation work and trade arrangements will have on the UK's natural environment, and must coordinate with Defra's development of plans for the future of farming and the environment.

The EU provides a number of strong legislative protections to the UK environment. The Birds and Habitats directives will no longer apply in UK law even if the UK remains in the Single Market, which has the potential for far-reaching negative impacts on the UK environment. The Government should legislate for a new Environmental Protection Act whilst Article 50 negotiations are ongoing to maintain the UK's environmental standards. The Act should be in place before we leave the EU. This would reduce the risk of 'zombie legislation', which is a term which describes EU legislation transposed into UK law which is no longer updated and which can be eroded through statutory instruments with minimal parliamentary scrutiny.

In order to achieve its manifesto commitment to "be the first generation to leave the environment in a better state than it found it" the Government must provide an equivalent or better level of protection after leaving the EU. Some legislation will be difficult to transpose into UK law, and will require new governance arrangements to be established to avoid 'zombie' legislation. Government must identify legislation with potential transposition issues sufficiently far in advance of leaving the EU to ensure proper scrutiny and must address the resource implications of this task on Defra.

Financially, much of the public funding in the environmental sector is provided through the EU, which has provided a common framework within which the devolved nations have been able to develop their own environmental policies. Government must establish clear objectives for future environmental protection in the UK and must determine and commit to the level of resources necessary to deliver these. Any new scheme of financial support for land managers must have clear objectives, focused on the provision of public goods, while allowing flexibility in approach where appropriate.

The international, legislative and financial impacts of leaving the EU are united by a need to establish clear objectives to replace the framework of environmental protections previously provided by the EU. Defra is currently preparing two 25 year plans, one for the Natural Environment and one for Food, Farming and Fisheries. These plans will be an important tool to direct post EU environmental policy. The Government must ensure that they are fully coordinated as part of a combined strategy and provide clarity on how the links will be communicated and acted upon.

This report makes seven recommendations to the Government. These are the actions that must be taken by Defra and other government departments at the outset of the process of exiting the EU, both before the UK begins negotiations by triggering Article 50 and in the months after. Failure to do so risks weakening environmental protections once the UK has left the EU, disrupting food production and presenting risks for farm businesses, leading to further degradation of the UK's natural assets and higher costs of subsequent intervention.

Our recommendations are:

- (1) **In order to meet its manifesto commitment to “be the first generation to leave the environment in a better state than it found it”, the Government must, before triggering Article 50, commit to legislating for a new Environmental Protection Act, ensuring that the UK has an equivalent or better level of environmental protection as in the EU.**
- (2) **Government must, as part of its initial work to leave the EU, assess the resources necessary to replace existing EU environmental funding to ensure that farm businesses remain viable, and that animal welfare, food security and food safety are protected, both in the UK and the Overseas Territories. Government must also provide evidence to allay our scepticism over the capacity of Defra to meet the additional pressures that exiting the EU creates for meeting the Government’s manifesto commitment in a cost-effective manner alongside its non-environmental priorities.**
- (3) **Government must recognise the interdependence of its two 25 year plans and ensure that they are fully coordinated as part of a combined negotiating strategy, including providing clarity on how the links will be communicated and acted upon. The plan frameworks should be published and consulted on before Article 50 is triggered so as to inform the Government’s negotiating position and form the basis of a new Environmental Protection Act.**
- (4) **The EU negotiations led by the Prime Minister and supported by DExEU must address the impact of international issues, including future trade**

arrangements, on the UK environment and agriculture. The Birds and Habitats directives are at risk even if the UK remains a member of the EEA. If the UK leaves the Single Market then the Government should state clearly what new measures need to be put in place to maintain food safety and security, protect British agriculture from tariff and non-tariff barriers and ensure the UK maintains our current level of environmental protection. The Government should also undertake a gap analysis to establish whether additional animal welfare and food safety standards legislation is necessary.

- (5) Before Article 50 is triggered the Government must identify legislation which may be difficult to transpose to ensure full public and parliamentary debate and scrutiny. The Government should introduce a new Environmental Protection Act to maintain and enforce environmental standards after we leave. This is needed to ensure environmental standards are not weakened when we leave the EU—whether through leaving the Single Market, changes in trading status or through the creation of “zombie legislation” resulting from our departure from EU governance and enforcement structures. Government should address the resource implications of this for Defra. Finally, the Government should guarantee that it will not trade away environmental protections, animal welfare and food safety standards, as part of the negotiations to leave, or as part of future trade deals.
- (6) Before Britain leaves the EU the Government must have clearly established the environmental objectives and governance model to be used for any future land management payments. Objectives should be clearly linked to the public goods that are to be achieved through funding rather than simply providing income support to farmers: these public goods should be supported by strong evidence of the benefits they provide and the market failure they correct. The Government must produce evidence which enables an outcomes focussed approach and supports innovation.
- (7) Defra must, as part of leaving the EU, ensure that plans for post-EU environmental coordination between the countries of the UK is sufficient to ensure that funding is allocated fairly and transparently, with shared strategic objectives complemented by minimum environmental standards, so that the UK can continue to meet its international obligations. The Overseas Territories must also receive sufficient funding and support to ensure they can meet their international obligations.

1 Introduction

1. Our report on the EU and UK Environmental Policy, published prior to the EU referendum, found that the UK's membership of the EU had been crucial in shaping environmental policy over the past 40 years. We also noted that the overwhelming view of witnesses was that EU membership has been positive for the UK environment.¹

2. This report arises from the first in a series of inquiries that the Committee intends to undertake in relation to leaving the EU. It considers the implications of the end of CAP in the UK and the changing status domestically of European environmental law for the future of land management in the UK and environmental protections. We make seven recommendations to Government, which can be found in chapter 6. These are the actions that must be taken by Defra and other government departments at the start of the process of exiting the EU, either before the UK begins negotiations by triggering Article 50 or immediately afterwards. Failure to do so risks weaker protections for the environment once the UK has left the EU, leading to further degradation of the UK's natural capital and higher costs of subsequent intervention.

3. Although our previous report did not directly examine EU farming policy the possible replacement or withdrawal of funding to the agricultural sector is an issue which could have a significant impact on UK biodiversity once we leave the EU. Over 70% of the land area of the United Kingdom is in some form of agricultural use, and it is probable that the UK will no longer be a party to the EU's Common Agricultural Policy (CAP) once we leave. CAP provides subsidies to farmers on a per hectare basis for land actively farmed (referred to as Pillar 1) and for rural development activities, including those intended to have an environmental benefit (Pillar 2). The UK countryside has been shaped by agriculture over centuries and many wildlife habitats depend on some level of agricultural use for their maintenance. However, the 2016 State of Nature report indicated that modern agriculture has been a significant contributor to the long term decline in British biodiversity, concluding that:

The intensification of agriculture has had the biggest impact on wildlife, and this has been overwhelmingly negative. Over the period of our study (c40 years), farming has changed dramatically, with new technologies boosting yields often at the expense of nature².

A more detailed discussion of the context of this report: the state of the UK environment, development of UK environmental policy and the influence of agriculture on the environment, can be found in the Annex to this report.

4. The Government has committed to introduce a 'Great Repeal Bill' - which is, in reality, a 'Great Incorporation Bill' - to retain European legislation when the UK ceases to be an EU member, with Parliament subsequently deciding whether to retain, amend or repeal these laws. The Conservative Party's manifesto for the 2015 General Election

1 Environmental Audit Committee, Third Report of Session 2015–16, EU and UK Environmental Policy, [HC537](#)

2 Hayhow DB, Burns F, Eaton MA, Al Fulaij N, August TA, Babey L, Bacon L, Bingham C, Boswell J, Boughey KL, Brereton T, Brookman E, Brooks DR, Bullock DJ, Burke O, Collis M, Corbet L, Cornish N, De Massimi S, Densham J, Dunn E, Elliott S, Gent T, Godber J, Hamilton S, Havery S, Hawkins S, Henney J, Holmes K, Hutchinson N, Isaac NJB, Johns D, Macadam CR, Mathews F, Nicolet P, Noble DG, Outhwaite CL, Powney GD, Richardson P, Roy DB, Sims D, Smart S, Stevenson K, Stroud RA, Walker KJ, Webb JR, Webb TJ, Wynde R and Gregory RD (2016), State of Nature 2016. The State of Nature partnership

included a commitment to “be the first generation to leave the environment in a better state than it found it”; achieving this commitment will require an assessment of the extent to which EU legislation is sufficient to meet the Government’s ambitions, and where there is scope to strengthen protections.

Terms of reference

5. The terms of reference for the inquiry can be found on our website.³ This inquiry has focussed on terrestrial biodiversity and environmental issues primarily linked to land management and agriculture. These are not the only environmental issues which will be affected by leaving the EU: European policy has directed the UK approach on air and water quality, on waste, on the marine environment and many other areas besides. Future Committee inquiries may examine these areas and the issues to be managed in more detail.

6. We held four public hearings with academics, farming bodies, conservation groups and Ministers from the Departments for Exiting the European Union and for Environment, Food and Rural Affairs (DEFRA). In addition, we received 162 submissions of written evidence which are published on our website.⁴ A full list of witnesses can be found at the end of this report. We are grateful to all those who gave evidence to this inquiry. We would also like to thank our specialist adviser, Geoffrey Radley OBE, former Head of Profession for Land Management at Natural England and now an independent environmental consultant, for his assistance.

7. The written evidence received by this inquiry included some submissions on issues which we have not covered in this inquiry, most notably fracking,⁵ the impact of leaving the EU on the marine environment,⁶ and pesticides, including neonicotinoids.⁷ We recognise the importance of these issues, have reported on them in previous inquiries and may do so in the future. However this inquiry is focussed on the future of environmental land management.

3 The terms of reference are found here: <http://www.parliament.uk/business/committees/committees-a-z/commons-select/environmental-audit-committee/news-parliament-2015/future-of-natural-environment-after-the-eu-referendum-launch-16-17/>

4 Written and oral evidence is found on our website here: <http://www.parliament.uk/business/committees/committees-a-z/commons-select/environmental-audit-committee/inquiries/parliament-2015/future-of-the-natural-environment-after-the-eu-referendum-16-17/publications/>

5 Including evidence from Dr and Mrs Michala and David Pearson (BRX0216), Frack Free Ryedale and others (BRX0222), and Mr Adrian Parker (BRX0231)

6 Including evidence from the Marine Conservation Society (BRX0241), the Institution of Environmental Sciences (BRX0174), and Wildlife and Countryside Link (BRX0147)

7 Including evidence from Friends of the Earth England, Wales and Northern Ireland (BRX0125), Buglife - The Invertebrate Conservation Trust (BRX0180), and the UK Pesticides Campaign (BRX0242)

2 International Issues

8. The plan for the UK's future trading relations with Europe and the rest of the world have yet to be set out by the Government. The UK might come to an arrangement which retains membership of the Single Market. It might leave the EU but remain in the customs union with EU member states and other countries. Or it may make arrangements based purely on World Trade Organisation regulations, applying tariffs on UK exports and imports, and to the rules of trade. Although nothing is finalised, the Prime Minister has indicated that the UK is likely to leave the single European market and the Customs Union.⁸ Whatever trading scenario is adopted is likely to affect the support the UK can provide to its agriculture sector, with consequences for future environmental land management.

9. Defra, in its submission to this inquiry, acknowledged the impact of international responsibilities and trade conditions on environmental land management policy:

Developing our own agri-environment policy will, of course, need to take account of our international environmental obligations as well as wider trade policy, including our future relationship with the EU and our prospective commitments at the World Trade Organisation.⁹

International Trade and Competition

10. Regardless of the trading model used after we exit the EU, UK policy development will continue to be influenced by international factors from the EU and the wider international community.¹⁰ Leaving the EU will probably mean that the UK will no longer be part of the Common Agricultural Policy (CAP) or covered by key pieces of European environmental legislation, although compliance may be necessary to maintain access to the single market or remain within the customs union. According to the National Farmers Union any question about the impact of leaving the EU on UK biodiversity is hypothetical until the outcome of trade negotiations is known. Because of this, it is vital that the negotiation process to leave the EU and to enter into new trade agreements considers the impact of proposed agreements on UK land management and biodiversity, and the extent to which environmental protections are supported or hindered by new arrangements.¹¹

11. Payments to farmers are subject to World Trade Organisation (WTO) rules. The EU has a specific agreement with the WTO covering those CAP payments that are classified as market distorting or potentially market distorting subsidies, which includes aid that is coupled to production. The UK will probably need to negotiate for a share of the current EU allocation of allowable subsidy if it wishes to continue payments such as the Scottish Suckler Beef Support Scheme.¹² More broadly, WTO rules will constrain how any new payments can be made. For example, payments for environmental land management

8 As reported in The Daily Telegraph 3rd September 2016, accessible here: <http://www.telegraph.co.uk/news/2016/09/03/g20-theresa-may-in-talks-over-a-free-trade-deal-with-australia-a/>

9 Defra (BRX0251)

10 Dr Viviane Gravey (BRX0009)

11 National Farmers Union (BRX0131)

12 Dr Viviane Gravey (BRX0009)

through Pillar 2 of the CAP are currently calculated on the basis of income forgone plus costs so that they can be classified as non-trade distorting. These payments may still need to be subject to the same constraints outside the EU in order to comply with WTO rules.¹³

12. If the UK chooses not to enter into an arrangement with the European Single Market the UK farming industry may face tariffs and non-tariff barriers when exporting produce to the EU. Tim Breitmeyer of the Country, Land and Business Association told us that 95% of UK sheep exports go to the EU, and that:

If we are exposed to a common customs tariff because we do not have free access to Europe, the effect will be significant, in excess of 30% tariffs. For an industry and a sector in the industry that is already in very marginal existence, that then poses huge problems to viability in the uplands, for instance, going forward.¹⁴

Mr Breitmeyer indicated that beef farms would face even higher tariffs, potentially in excess of 50%. The Wildfowl Wetlands Association highlighted that in 2014, the average Most Favourable Nation (default rate) tariff on dairy imports into the EU was 36%¹⁵: these tariffs are set by the WTO and would apply to trade between the UK and the EU.¹⁶ Changes in tariffs and subsidies in New Zealand in the 1980s required rapid adjustment by farming businesses to increase specialisation and efficiency.¹⁷

13. Non-tariff barriers were also a cause of uncertainty and concern. George Dunn from the Tenant Farmers Association was asked whether the UK, after the leaving the EU, would be able to require imported food to meet domestic standards without falling foul of WTO rules. He replied:

That is the £64,000 question, the WTO rules and how we play that through WTO, because the non-tariff barriers are a big issue for WTO membership.¹⁸

14. We heard further concerns regarding a situation in which the UK leaves the EU and is fully exposed to the global market. Patrick Begg of the National Trust told us that there is a huge amount of damage that could be done if UK farmers attempted to compete directly on price with farms in countries such as Brazil or Argentina through over-intensification:

Any discretionary effort that might go into countryside management, environmental quality, cultural heritage or landscape, all of those things are sacrificed on the altar of that competitiveness treadmill.¹⁹

Other witnesses expressed concern that trade agreements designed to benefit other sectors of the UK economy would involve risk to the agricultural sector. Guy Smith of the National Farmers Union told us:

The best and most famous example of that is the use of hormones in South America. If the financial services sector asks Mr Fox's trade negotiation

13 National Farmers Union ([BRX0131](#))

14 Q188 (Mr Tim Breitmeyer)

15 Wildfowl and Wetlands Trust ([BRX0013](#))

16 West Berkshire Stronger Together ([BRX0108](#))

17 Dr Olaf Schroth ([BRX0145](#))

18 Q196 (Mr George Dunn)

19 Q185 (Mr Patrick Begg)

team to do a deal with South America whereby they can get their services into there and in return all we get is beef, obviously there will be a problem for our farmers because they will be placed at a competitive disadvantage.²⁰

CPRE supported this perspective, telling us:

Development of new policy could be constrained by the type of trading agreements the UK establishes with other countries; the interests of agriculture will no doubt be weighed in the balance with other industries, including the financial services sector, with greater economic weight and influence; current high standards in this country could be undermined by unfair competition from countries with lower standards.²¹

Guy Smith of NFU also said:

[T]here is concern among our members that they feel that British farmers tend to operate to world-beating high standards, particularly on animal welfare and on food safety and food assurance. We desperately do not want to see those standards watered down if we are forced to compete against agricultures in other parts of the world that clearly do not have such high standards.²²

15. UK policy has historically placed a greater emphasis on environmental funding than other EU countries. Under the terms of the CAP it is possible for countries to transfer up to 15% of funding from Pillar 1 to Pillar 2: in the period to 2020 only 11 member states plan to transfer funds from Pillar 1 to Pillar 2, typically at a much lower level than the UK (exact budget transfers are determined by the devolved nations), with 5 Member States choosing to transfer funds away from Pillar 2.²³ Existing inequalities caused by different funding approaches may get worse after leaving the EU. Evidence submitted by Dr Viviane Gravey, Dr Charlotte Burns and Professor Andrew Jordan told us that:

Further greening of the CAP is less likely without UK Government and civil society campaigning for greening from within the EU. A halt to further CAP greening, or indeed a roll-back of current greening efforts in the EU will make it difficult to green agriculture policies in the UK without putting UK farmers at a competitive disadvantage.²⁴

16. Leaving the EU will bring significant changes in the relationship between UK farmers and the international market, including risks such as the introduction of tariffs and non-tariff barriers when selling to the EU and a reduction in barriers to entry for other countries selling to the UK. Were this to happen, it would put UK farmers at a competitive disadvantage. If farmers are forced to compete on price alone they may put pressure on Government to reduce environmental standards to help them do this. Such a lowering of standards would not only be environmentally damaging but could make farming itself less sustainable. Changes to trade arrangements risk making it much harder to design a future UK environmental policy capable of achieving

20 Q257 (Mr Guy Smith)

21 Campaign to Protect Rural England ([BRX0159](#))

22 Q257 (Mr Guy Smith)

23 As reported here: <http://cap2020.ieep.eu/2015/2/13/member-state-choices-on-pillar-1-implementation-revealed>

24 Dr Viviane Gravey ([BRX0009](#))

the Government’s environmental ambitions; management of this risk requires the involvement of both the Department for International Trade and the Department for Exiting the EU, as well as Defra.

This conclusion is linked to our fourth recommendation.

Links with Europe

17. Work to protect the environment in the UK is integrated with the work of other countries across Europe in a variety of ways. Decisions regarding the UK’s future relationship with Europe may affect the extent to which this integration continues:

Research collaboration

18. In addition to influencing environmental policy in the EU, the UK has benefitted from collaboration with European research partners. According to the Society for the Environment “for the last 40 years, the UK has shared wisdom with continental colleagues in pursuit of better environmental standards across Europe.”²⁵ The Society for the Environment described the UK as part of a ‘Great European Project’ due to the international nature of environmental and natural resources management, and called for the Government to maintain relationships with environmentalists and decision makers across the EU to ensure common objectives are pursued. Dr Gravey highlighted the need for a decision to be made as to the extent of collaboration with Europe:

There are questions about whether it would be valuable for the UK to remain a member of the European Environment Agency,²⁶ to still be able to share into all that information sharing between the member states, good practices, to see what works in other countries and in the UK as well. But that would require an active decision by the Government to do so.²⁷

Research funding

19. The Scottish Wildlife Trusts highlighted the significance of European Funding for environmental research, pointing to the €6.9 billion of Framework Programme 7 (FP7) funding received by the UK over the period 2009–2013, and the €80 billion of funding available over 7 years (2014 to 2020) across Member States through the EU’s research and innovation programme Horizon 2020²⁸. This funding supported many research sectors. In addition, specific funding for environmental research has also been received from the EU LIFE Programme, which supported 8 research projects with budgets ranging from nearly £1 million to over £7 million pounds.²⁹ The UK Government has stated that business and research institutes will continue to be eligible for EU funding for multiple year projects, and that the Treasury will underwrite the payment of such awards, even when specific projects continue beyond the UK’s departure from the EU. However, the Treasury will

25 Society for the Environment ([BRX0056](#))

26 Membership of the European Environment Agency currently comprises the 28 European Union Member States together with Iceland, Liechtenstein, Norway, Switzerland and Turkey

27 Q162 (Dr Viviane Gravey)

28 Scottish Wildlife Trust ([BRX0077](#))

29 British Ecological Society ([BRX0162](#))

only guarantee projects signed after the Autumn Statement if they are in line with ‘UK priorities’, though no further detail has been given about what these priorities are.³⁰ But we have heard concerns over the availability of funding over the longer term.³¹

European biodiversity context

20. Many of the UK’s special places and nature reserves have been developed in collaboration with the other Member States of the EU. The Natura 2000 series comprises sites across the EU designated for the protection, through the Birds and Habitats Directives, of habitats and species recognised as being of European-wide importance, and this broader context helps to focus the UK’s conservation efforts. Flora and Fauna International pointed to Natura 2000 as exemplifying cross-boundary collaboration for biodiversity conservation,³² and the Shropshire Ornithological Society said it could “see no reason why” the UK should not continue to contribute to and maintain this series once we have left the EU.³³

21. Many species migrate between the nations of the EU and beyond, making nature conservation a cross-border issue. Steve Trotter of The Wildlife Trusts (England) said:

We must be aware of cross-border considerations. For many migrant species or things like newts and bats, and particularly for invasive species, there is a great potential for us to lose the positive impacts of having different European countries taking action on species that may be of interest to the UK, and Ireland for that matter. Preventative measures can take place long before species arrive here so we need to think about how we liaise and co-ordinate with Europe on cross-border issues that may not be reflected in the legislation.³⁴

Border issues

22. A number of Natura 2000 sites in Northern Ireland adjoin sites in the Republic of Ireland. The Republic of Ireland will continue to be required to report to the EU on the condition of its Natura 2000 sites and these may be affected by policy driven changes on the NI sites.³⁵ The potential divergence between UK and EU policy will require specific coordination to ensure that protection of these sites is not compromised, particularly as there is a risk that European agricultural policy becomes less green without the UK leading the way.³⁶ Dr Thérèse Coffey MP, Parliamentary Under-Secretary for Defra, told this inquiry that:

We are working, I believe, with the Republic of Ireland. There is no reason why we can’t continue to work in a collaborative way that benefits us and other members of the European Union in some of the common challenges that we have.³⁷

30 Q372 (Right Hon. Andrea Leadsom MP)

31 British Ecological Society ([BRX0162](#)), Scottish Wildlife Trust ([BRX0077](#))

32 Fauna and Flora International ([BRX0136](#))

33 Shropshire Ornithological Society ([BRX0036](#))

34 Q115 (Mr Steve Trotter)

35 Council for Nature Conservation and the Countryside ([BRX0235](#))

36 Q118 (Dr Viviane Gravey)

37 Q19 (Dr Thérèse Coffey MP)

However Ulster Wildlife argue that although the challenges of Northern Ireland's position as the only part of the UK with a land border with other EU Member States has been recognised as regards border controls, the implications for the natural environment on both sides of the border have not been sufficiently highlighted.³⁸

Overseas territories

23. Evidence to this inquiry has highlighted further cross-border concerns relating to the UK's Overseas Territories, including those physically outside the EU. These include:

- Gibraltar is the only UK Overseas Territory or Crown Dependency currently within the EU, and voted overwhelmingly to remain. The UK Overseas Territories Conservation Forum reports that Gibraltar met the requirements of EU environmental law mainly by incorporating EU Directives into Gibraltar legislation, and may require support from the UK Government to ensure that protections are not weakened once we have left the EU. There are conflicts between Spain and Gibraltar over the designation of Natura 2000 sites in the waters near Gibraltar: once the UK leaves the EU the Spanish designations will prevail. Gibraltar has also had difficulties getting UK Government support to join regional environmental agreements allowing co-operation with neighbouring countries, the need for which will become greater when EU membership ends.³⁹
- The Cyprus Sovereign Base Areas (SBAs) include substantial areas of environmental importance, including the biggest lake on the island, a Wetland of International Importance. The UK Government opted not to include the Cyprus Sovereign Base Areas in the EU, but has a policy that the laws of the SBAs follow those of the Republic of Cyprus, albeit with a delay of a year or two as the laws are enacted. Continuation of this arrangement once the UK has left the EU will require coordination with the Cypriot Government and consultation exercises with local citizens (who are citizens of Cyprus).⁴⁰

24. The sharing of environmental knowledge and approaches with Europe through membership of the EU has provided significant benefits to the sector which are at risk when the UK leaves the EU. Arrangements for collaboration over cross-border environmental issues must form part of negotiation with the EU and the Government must give clear commitments in advance about how the funding and support currently provided to UK environmental research and the Overseas Territories for management of marine reserves by the EU will be fully replaced.

This conclusion is linked to our second and fourth recommendations.

38 Ulster Wildlife ([BRX0074](#))

39 UK Overseas Territories Conservation Forum ([BRX0015](#))

40 UK Overseas Territories Conservation Forum ([BRX0015](#))

3 Legislative Issues

25. The Prime Minister has indicated that the Government intends to introduce a ‘Great Repeal Bill’ to repeal the 1972 European Communities Act and transpose all EU laws into UK law, with the intention that these laws can then be amended or repealed at a later date. As we noted in the previous chapter, and in our previous report, the extent to which the Government is able to do this will be influenced by the final position negotiated with the EU.

26. Our previous inquiry found that the sharing of legal authority to legislate on environmental matters between the EU and member states has provided significant benefits to solving some environmental problems multilaterally. National Parks England emphasised the volume and range of EU environmental legislation affecting the UK:

The EU has over 800 pieces of environmental legislation. Many of these are deeply woven in to UK statute, sometimes being almost directly transposed in to UK law and in others supplementing pre-existing UK regimes. Issues such as the protection of birds, pollution of water and land, Environmental Impact Assessment, Permitting Regimes, protection of air, bathing water quality and waste are all covered.⁴¹

Current legislative arrangements

27. Our previous report into EU and UK environmental policy examined the existing legislative relationship with the EU. The report noted the importance of EU membership to UK environmental protection, and evidence received by the Committee pointed out that 80% of UK environmental legislation is shaped by the EU.⁴² The overwhelming majority of witnesses to the previous inquiry believed that the UK’s membership of the EU had improved the UK’s approach to environmental protection and ensured that the UK environment had been better protected. Two points regarding the development of legislation outside the EU were made to us repeatedly during that inquiry. Firstly, the UK would still need to meet international environmental commitments made in the UN and elsewhere, many of which are reflected in EU law. Secondly, a UK outside the EU would still have to comply with some aspects of EU environmental legislation, particularly if it wished to remain in the Single Market, but with significantly less ability to influence the process of its development.⁴³

28. The Birds and Habitats directives are especially at risk from leaving the EU⁴⁴ as they are excluded from the EEA agreement,⁴⁵ so are unlikely to be requirements in order to remain a part of the European Free Trade Association (EFTA) and European Economic Area (EEA). Even if incorporated through the Great Repeal Bill they could be subject to

41 National Parks England (BRX0248)

42 European Environmental Bureau (AEP0054), accessible from the EU and UK Environmental Policy inquiry page <http://www.parliament.uk/business/committees/committees-a-z/commons-select/environmental-audit-committee/inquiries/parliament-2015/assessment-of-eu-uk-environmental-policy/>

43 Environmental Audit Committee, Third Report of Session 2015–16, EU and UK Environmental Policy, [HC537](#)

44 Q113 (Dr Viviane Gravey)

45 Dr Viviane Gravey (BRX0009)

changes at a later date regardless of the final negotiated position with the EU. Northern Ireland Environment Link provided an assessment of which environmental directives would be likely to be a requirement of continued participation in EU trade arrangements.⁴⁶

Table 1: Relevance of key EU environmental legislation to membership of EFTA and EEA

Legislation	Relevant to EFTA and EEA?
Habitats Directive	No
Birds Directive	No
Bathing Water Directive	No
Invasive Alien Species Regulations	No
Control of Trade in Endangered Species	No
Maritime Spatial Planning Directive	No
Public Access to Environmental Information Directive	Yes
Water Framework Directive	Yes (except Natura provisions)
Environmental Impact Directive	Yes
Public Participation Directive	Yes
Strategic Environmental Assessment Directive	Yes
Sustainable Use Directive	Yes
Environment Liability Directive	Yes
Plant Protection Products Directive	Yes
Nitrates Directive	Yes
Groundwater Directive	Yes
Marine Strategy Framework Directive	Yes
REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals)	Yes
Priority Substances Directive	Yes
Seveso Directive	Yes

Source: NI Environment Link

29. Some of the legislative provisions of EU Directives are given effect by existing national legislation, so these provisions will remain a part of UK law without any specific need to transpose legislation. However protections provided under UK legislation are not as strong or as extensive as those currently achieved through the transposition of EU Directives.⁴⁷ For example, The Woodland Trust explains that:

The [Birds and Habitats] Directives built on the protection that the UK had already put in place with the Wildlife and Countryside Act (1981) but have broadened its remit, for example introducing the use of appropriate assessments for activity within the vicinity of designated sites and favourable conservation status assessments for protected species.⁴⁸

46 Northern Ireland Environment Link ([BRX0055](#))

47 Cornwall and Isles of Scilly Local Nature Partnership and the Cornwall Area of Outstanding Natural Beauty Partnership ([BRX0163](#)), CPRE Lancashire ([BRX0127](#)), Malvern Hills Conservators ([BRX0076](#))

48 Woodland Trust ([BRX0115](#))

The Woodland Trust also explains that, although these additional protections have been written into UK law via the Habitats Regulations, they rely on the underlying Directives to define terms and conditions, and so would not stand alone if EU legislation no longer applies to the UK without further domestic legislation.

30. Friends of the Lake District particularly highlights that the Habitats directives give much stronger protection to the EU Natura 2000 sites (the collective term for Special Protection Areas and Special Areas of Conservation) than domestic legislation, as damage to and loss of these sites without mitigation or compensation is not allowed, unlike Sites of Special Scientific Interest which can be damaged via licencing and planning permission.⁴⁹

31. EU legislation underpins much of the UK environmental protections. The Government needs to ensure that it maintains the strength and range of protection given to the UK's most valuable wildlife sites, particularly around Natura 2000 sites currently defined through EU legislation.

This conclusion is linked to our first recommendation.

Transposition into UK law

32. This inquiry questioned the Secretary of State for Defra on the progress being made to prepare environmental legislation for the transfer into UK law. She responded:

We think that in the region of about two-thirds of the legislation that we are intending to bring into UK law will be able to be rolled forward with just some technical changes, so roughly a third won't, which means that obviously there will be work to do to ensure that we can make those measures continue to work once we leave the EU.⁵⁰

The Secretary of State was unable to confirm which third of legislation would have transposition difficulties, explaining that work to identify these and the specific issues faced is ongoing. She also mentioned that the task of transposing law was the subject of once- or twice-weekly meetings between herself and the team responsible at Defra.⁵¹

33. This inquiry has not focussed on identification of these transposition issues. However, witnesses told us that the most significant issues in transposition are likely to arise where EU legislation is designed to organise cooperation between Member States, public authorities and businesses, as the relationship between these will fundamentally change. There will also be potential difficulties where EU legislation links to international conventions, requiring the UK to establish its own reporting mechanisms directly to international institutions in place of EU measures.⁵² Steve Trotter of The Wildlife Trusts (England) also highlighted the need to ensure that transposition examines the mechanisms by which legislation is delivered, telling us:

Key issues would be how are we going to deal with the precautionary principle that is currently embedded within the European legislation. We

49 Friends of the Lake District ([BRX0062](#))

50 Q327 (Right Hon. Andrea Leadsom MP)

51 Q328 (Right Hon. Andrea Leadsom MP)

52 Dr Apolline Roger ([BRX0255](#))

need to transpose things like the imperative reasons of overriding public interest in the hierarchy of planning considerations when considering mitigation and compensation.⁵³

Martin Harper of RSPB welcomed the principle of the Great Repeal Bill, but called for full parliamentary scrutiny of any subsequent changes to legislation transposed through the bill.⁵⁴

34. Ministers have indicated that approximately a third of the over 800 pieces of EU environmental legislation will be difficult to transpose into UK law. Transposition is likely to be complex and time consuming, and Government must ensure that protections are not weakened, either during the process of leaving the EU or afterward, and provide the opportunity for full parliamentary scrutiny of the UK's future environmental legislation. The problems faced in transposing legislation and developing a governance structure once the UK leaves the EU will be the subject of further work by this Committee.

This conclusion is linked to our fifth recommendation.

Governance and enforcement

35. National Parks England reports that most environmental professionals feel that EU legislation has proved to have more “clout” than UK laws. They told us:

An important issue will be (if, as seems likely, the Habitats Directive no longer has to be applied) how the UK establishes equivalent fully independent administrative systems, to protect the most important wildlife sites. This seems likely to require some new legislative mechanisms if the current system for enforcing the Habitats Directive (ultimately, via the Commission and ECJ) becomes irrelevant.⁵⁵

Dr Viviane Gravey echoed this, saying that although European Law would be transposed to the UK, governance arrangements would not be and highlighting two problems that this could create. First, the complexity of the process of agreeing EU law means that it tends to be resistant to change, and therefore creates a stable policy environment. This encourages investor confidence when responding to environmental legislation: this stability could be lost with the increased freedom of the UK to set its own laws. Second, the EU governance structure allows Government to be held accountable for its environmental actions, for example through NGOs being able to challenge air quality policy in court.⁵⁶

36. Stephen Trotter of the Wildlife Trusts said that the issue of accountability and a reference to a higher court is critical, suggesting that there may be scope for establishment of a UK Environment Court.⁵⁷ The UK Environmental Law Association takes the view that:

53 Q115 (Mr Steve Trotter)

54 Q115 (Mr Martin Harper)

55 National Parks England ([BRX0248](#))

56 Q112 (Dr Viviane Gravey)

57 Q115 (Mr Stephen Trotter)

The level of environmental protection, and the ability of citizens to participate in environmental decisions and take action in the courts where necessary, must not be diminished by any future changes to domestic legislation following Brexit.⁵⁸

Martin Harper from the RSPB explained the difference in jurisdiction between the UK Supreme Court and the European Court of Justice:

One example of what the European Court of Justice can do, as opposed to the Supreme Court, is it can operate on a slightly broader basis than, for example, our judiciary that is following due process through the judicial review and judicial challenge process. For example, the European Court determined that all important bird areas, as identified through BirdLife International, should qualify for a special protection area under the Birds Directive. They made that judgment based on assessment of the information. As I understand it, that would not be the purview of the current Supreme Court.

Mr Harper continued:

I think it might be quite an interesting exercise to try to properly determine what the Supreme Court will not be able to do that the European Court of Justice currently does and then it is for Government to determine whether they do or they do not want to have those measures in place.⁵⁹

The Scottish Wildlife Trust was concerned about a “stalling” in Scotland’s commitment to implement EU environmental directives, given that it thought “the checks and balances in the system that have been established through the infraction proceeding mechanism will not exist post Brexit.”⁶⁰

37. The Environment Agency, in their written evidence, highlighted the importance of the cross-compliance mechanism attached to all land-based CAP payments as a means of ensuring that the minimum environmental standards set out in EU law are complied with:

Cross compliance underpins both Pillar 1 and Pillar 2. Farmers do not receive CAP payments unless they are carrying out their activities in a way that complies with the legislation and standards checked by the Rural Payments Agency (RPA). Compliance with these rules helps to protect the environment from the potential impacts of agricultural activity.⁶¹

If the cross-compliance mechanism was lost and not replaced, it would make the enforcement of transposed EU environmental legislation considerably more difficult.

38. Robin Walker MP, Parliamentary Under-Secretary of State of Department for Exiting the European Union told this inquiry that a review of European law to ensure that there

58 UK Environmental Law Association ([BRX0110](#))

59 Q119 (Mr Martin Harper)

60 Scottish Wildlife Trust ([BRX0077](#))

61 Environment Agency ([BRX0250](#))

are appropriate UK bodies to take it forward would be a matter for the end of the process of leaving the European Union.⁶² The Secretary of State for DEFRA said there would be no need to replace the European Courts with a UK Environmental Court, saying:

The UK courts have endured for many hundreds of years and we have a very clear court process in the United Kingdom that will absolutely be able to uphold the legislation that we undertake to take into UK law through the Great Repeal Bill.⁶³

39. There are particular concerns regarding the future development of transposed legislation. Professor Andrew Jordan told the House of Lords EU Energy and Environment sub-committee that without the European Environment Agency, the European Commission and the European Court of Justice there was a risk of legislation becoming “zombie legislation”, either no longer enforced or no longer updated to the latest scientific understanding.⁶⁴ Guy Smith of the National Farmer’s Union told us that even once the UK has left the European Union we will have to be mindful of what occurs within their environmental regulations, particularly the CAP, as our nearest neighbours and trading partners.⁶⁵ Rob Cooke of Natural England said that:

One would hope that in deciding those standards, Government would keep an eye on what was happening elsewhere, whether it be within the EU-27 or other parts of Europe, about what evidence is coming to bear that affects standards associated with environmental quality. I do not see any particular reason why any policy needs to be frozen in time, in my view.⁶⁶

40. Simply transposing legislation without replacing the governance arrangements will lead to significant weakening of environmental protections in many areas, such as the lack of reference to a higher court and the absence of a body updating and enforcing legislation. The Government should publish a review of European environmental law as soon as possible. Any provisions which cannot be transposed into UK law should form the basis of a new Environmental Protection Act, which should receive Royal Assent before the UK leaves the EU.

This conclusion is linked to our first and fifth recommendations.

Devolution and the overseas territories

41. Currently EU law provides a framework within which the devolved nations of the UK implement environmental law. As we have noted, the Government intends to retain European environmental legislation in UK law, at least in the short term, through its Great Repeal Bill. However the transposition of EU law raises questions about the UK Government legislating on matters that would ordinarily be devolved and altering the obligations of the devolved administrations and legislatures.

42. In terms of EU environmental law, Martin Harper from the RSPB said it was important to work out where common standards between the nations were appropriate,

62 Q40 (Mr Robin Walker MP)

63 Q328 (Right Hon. Andrea Leadsom MP)

64 House of Lords, European Union Energy and Environment Sub-Committee, 20 July 2016

65 Q262 (Mr Guy Smith)

66 Q288 (Mr Rob Cooke)

such as in relation to wildlife moving across borders.⁶⁷ A framework of common standards is currently provided through EU legislation. Replacing this would probably require UK legislation in devolved areas and changes to the scope of devolved powers, both of which may necessitate the consent of the devolved governments.⁶⁸ RSPB told us that:

In order for the Great Repeal Bill to bank all EU law, there would have to be changes to the Scotland Act.⁶⁹

The House of Commons Library has explained that if a UK Repeal Bill legislated on matters that currently fall to the EU but which would otherwise be devolved, such as the environment, “the devolved institutions would likely expect consent motions to be requested by the UK Government.”⁷⁰

43. The UK Government must also address concerns relating to the natural environment in UK Overseas Territories (UKOTs). The UK Overseas Territories Conservation Forum explained that support would be needed to help Gibraltar retain existing environmental law in its own legislation, and to ensure it became a party to international conservation frameworks outside the EU umbrella. The UK government has consistently said that UKOTs meet their obligations to the Bern convention through the EU Birds and Habitats Directives without them needing to be party to it, however these Directives themselves will probably not apply to the UK when it leaves the EU. The domestic legislation transposing them into UK law will be retained through the Great Repeal Bill but this will not apply to Gibraltar. The Forum therefore continued:

UK’s ratification includes the Cyprus Sovereign Base Areas, the Isle of Man and Jersey. As long ago as 1996, in UK Dependent Territories: a Conservation Review (part-funded by UK Government’s Darwin Initiative), UKOTCF (at the request of Gibraltar partners) called on the UK Government to include Gibraltar in its ratification of the Bern Convention and assist in its implementation.⁷¹

The Forum also called on the UK Government to increase Defra resources in order to support territories and Crown Dependencies in designating and managing Wetlands of International Importance under the Ramsar Convention.⁷²

44. Membership of the EU has provided a common framework within which the devolved nations have been able to develop their own environmental policies. References to the EU will need to be removed from devolved legislation, and the Government must substitute a new common framework. The Government must ensure that the status of EU environmental legislation in the UK Overseas Territories is understood and action taken to preserve protections where necessary.

This conclusion is linked to our seventh recommendation.

67 Q122 (Mr Martin Harper)

68 See UCL, the Constitution Unit, [Removing references to EU law from the devolution legislation would require the consent of the devolved assemblies](#), accessed 18 November 2016

69 RSPB (BRX0240)

70 House of Commons Library, *Legislating for Brexit: the Great Repeal Bill*, 7793, 21 November 2016, p42

71 UK Overseas Territories Conservation Forum (BRX0015)

72 UK Overseas Territories Conservation Forum (BRX0015)

4 Financial Issues

45. The Common Agricultural Policy from 2014–2020 represents 37.8% of the total EU budget.⁷³ This spend is the primary means of support to farmers in the UK. According to the RSPB over 50% of biodiversity public spending in UK is allocated through CAP agri-environment schemes, making the UK reliant on them to meet conservation goals.⁷⁴ The reallocation of funding previously paid to the EU and the extent to which EU funding streams are replaced will have a significant impact on activity in the British countryside, and on the extent to which farmers provide environmental protection as part of their business. EU farm subsidies currently make up to around 50–60% of UK farm income.⁷⁵

Targeting of funding

Current arrangements

46. Natural England reports that the CAP (plus compulsory domestic co-financing) is a significant source of funding for the natural environment. Approximately £400 million a year is invested through agri-environment scheme agreements under Pillar 2 of the CAP (rural development funding) and although it is difficult to attribute spend to a specific policy objective (such as biodiversity) Natural England believes that the majority of this spend contributes, to a greater or lesser extent, to biodiversity objectives.⁷⁶ Further CAP support for biodiversity is provided through the requirement for recipients of Pillar 1 subsidies (approximately £1.8 billion a year in England) to comply with environmental conditions (cross-compliance and greening).⁷⁷ DEFRA reports that these conditions are unpopular, add to administrative costs and deliver only modest environmental benefits.⁷⁸ However as most farmers are subject to these conditions they provide a mechanism for the widespread enforcement of minimum environmental standards. Notwithstanding the claimed benefits of cross-compliance (and these are contested; for example our previous report on Soil Health found that the cross-compliance regime was not sufficient to prevent damage to soils from maize production),⁷⁹ agricultural support under Pillar 1 is essentially a flat-rate subsidy, whereas Pillar 2 agri-environment payments are made in return for a contractual agreement to deliver environmental land management and are designed to compensate farmers for loss of production (income foregone) and additional costs.

73 Agricultural Policy Perspectives Brief: Overview of CAP Reform 2014–2020, December 2013

74 RSPB ([BRX0240](#))

75 House of Commons Library, Brexit: impact across policy areas, August 2016

76 Natural England ([BRX0244](#))

77 Cross-compliance requires farmers to comply with 13 Statutory Management Requirements and 7 Good Agricultural and Environmental Condition standards. “Greening” is a compulsory measure which attaches 30% of the CAP direct payment to maintenance of the ratio of permanent grassland; crop diversification and the creation/maintenance of Ecological Focus Areas.

78 Defra ([BRX0251](#)). DEFRA’s evidence cites the example of the Crop Diversification requirement, which they estimate as costing farmers £20m–£40m per annum without significant environmental benefit due to the very limited evidence that monocultures have a detrimental impact on biodiversity.

79 Environmental Audit Committee, First report of session 2016–17, Soil Health, [HC180](#)

47. Other non-CAP EU funding streams available to support UK biodiversity schemes include:

- The EU LIFE programme, with €3.4 billion of funding available between 2014 and 2016 for projects that address nature and environmental matters and the impact of climate change.⁸⁰
- The European Regional Development Fund, over £210m of which is allocated in England to 2020 to support Green and Blue Infrastructure projects.⁸¹
- Interreg funding to stimulate cross-border cooperation between EU regions.⁸²
- The LEADER programme of support to rural economies, providing £138m in England.⁸³
- The Horizon 2020 research and innovation programme, which has nearly €80 billion of funding available over 7 years (2014 to 2020) across Member States.⁸⁴

48. In addition to the direct benefits of spend, EU funding has an important role in leveraging other sources of funding. As Natural England has pointed out, all CAP Pillar 2 payments are subject to compulsory co-financing by the UK Government.⁸⁵ The Yorkshire Dales Rivers Trust reports their experience that:

Relatively small but critical amounts of funding have levered in substantial amounts of external funding either as cash or in kind (time and materials).⁸⁶

Sources of matched funding for EU spend include the Exchequer, National Lottery and other charitable and private funding streams: Natural England describes EU funding as having a significant multiplier effect on these domestic funds.⁸⁷

The balance of support

49. A common concern regarding the current funding system is the balance between the flat rate agricultural subsidy of Pillar 1, which provides limited environmental benefits, and the voluntary activities supported through Pillar 2, many of which are directly targeted to specific environmental objectives. Funding is currently focussed on Pillar 1, which is allocated some 90% of the CAP budget.⁸⁸ Murray Davidson of the Association of Local Government Ecologists told us:

All the reports show that biodiversity in the natural landscape is becoming more fragmented, degraded and less diverse. Part of that is due to the

80 Scottish Wildlife Trust ([BRX0077](#)). Natural England ([BRX0244](#)) reports that the LIFE fund has co-financed 235 UK projects worth €967 million since 1992.

81 Natural England ([BRX0244](#))

82 Natural England ([BRX0244](#))

83 Natural England ([BRX0244](#))

84 Scottish Wildlife Trust ([BRX0077](#))

85 Natural England ([BRX0244](#))

86 Yorkshire Dales Rivers Trust ([BRX0150](#))

87 Natural England ([BRX0244](#))

88 GOV.UK Press Release, [CAP allocations announced](#), 8 November 2013. The figure quoted in this press release does not appear to include the effect of a planned 12% funding transfer from Pillar 1 to Pillar 2: once this is included, Pillar 1 accounts for approximately 80% of the CAP budget.

perverse incentives that we have heard of before about the Common Agricultural Policy. It is an agricultural policy, and we feel that we should be reversing that to make it an environmental policy.⁸⁹

Pillar 1 of the CAP has been criticised for having limited articulation of its objectives. Consequently, farmers have complete discretion over how they use its subsidies (provided they meet the requirements of cross-compliance). Martin Harper of RSPB said:

At the moment [...] the existing Pillar 1 of the CAP has no policy objective, so people can interpret it as they see fit. So there is an opportunity to get the policy clear: what it is we are trying to achieve?⁹⁰

50. The National Trust has called for a “smart” agricultural policy focused on addressing market failures, saying that:

This means taxpayers would only be paying public subsidy to farmers in return for things that the market will not pay for but are valued and needed by the public. We may need a transition period to get there, but that means payments for goods that go beyond food production—from the species we love to the services nature provides.⁹¹

Several organisations suggested the principle of “public money for public goods” as the basis for future funding to agriculture and the wider countryside.⁹² Some elements of Pillar 2 payments already follow this ethos, and the UK focuses on these elements of Pillar 2 to a greater extent than many other EU member states.⁹³

51. Natural England indicated that the common understanding of public goods includes our natural air, soil, water, ecological and landscape assets and the benefits that flow from them.⁹⁴ Specifically highlighted as public goods are the products that the market cannot or will not pay for, such as sustainable water and soil management, natural flood management, enhancement and connectivity of wildlife habitat, improving public access, protecting and enhancing landscape character and heritage and achieving high animal welfare standards.⁹⁵

52. Martin Harper of RSPB provided an ‘economist’s definition’ of public goods, which is used by their organisation:

The mantra that we have used over the last 15 years or so is public money for the public good. So what does that mean? Economists have a view about that. It is things that all people can have access to and if one person has access to them that is not diluted to the next person. Things like an attractive countryside rich in wildlife is a public good that everyone can benefit from, whereas food is not. It is essentially one person or one business can

89 Q257 (Mr Murray Davidson)

90 Q142 (Mr Martin Harper)

91 National Trust ([BRX0158](#))

92 Shared Assets ([BRX0058](#)), Dr Christopher Sandom ([BRX0078](#)), Friends of the Earth England, Wales and Northern Ireland ([BRX0125](#)), Dr Olaf Scroth ([BRX0145](#)), British Ecological Society ([BRX0162](#)), and RSPB ([BRX0240](#)) refer to ‘public money for public goods’ directly, and many other organisations submitted evidence with similar arguments.

93 Molly Scott Cato MEP ([BRX0097](#))

94 Natural England ([BRX0244](#))

95 Wildlife and Countryside Link ([BRX0147](#))

benefit from it, so the differentiation of the two is quite important. I think the Treasury has the guidance and we hope that it allows us to have much of the £3 billion a year going back into the countryside to support these objectives.⁹⁶

53. Although there was widespread support for the principle of refocusing funding on delivery of public goods, several witnesses highlighted concerns regarding the identification of public goods to support in this way. Dr Viviane Gravey told the Committee that “public good” was a “very political concept”, saying:

In the last round of CAP reform there was a strong message that we should reform the CAP to get public money for public good, and that was taken up by the agricultural sector as, “We should keep the CAP because we are providing public money for public good” [...] it is not just about food security or the environment. It is also about perhaps maintaining farmers on the land in not so well developed areas of the UK where there is not many jobs available; is this a public good?⁹⁷

54. Some witnesses highlighted potential public goods which may be forgotten in a scheme with a purely environmental focus, such as the historic environment and cultural assets, which are currently supported by CAP but which may fall through the gaps of a new scheme.⁹⁸ There is particular debate over whether some direct benefits of farming, such as food security, can be considered a public good. Guy Smith of the National Farmers Union argued:

If you survey British consumers, they will tell you that they want to be able to source local food. You could argue that is a public good and policies should put in place mechanisms to make sure that happens. You could argue food security is a public good, but I fully confess that that is politically debatable.⁹⁹

55. In his paper “British Agricultural Policy after Brexit” Professor Dieter Helm claimed that the NFU fails to provide a reasoned case as to why it is in the public interest to “maximise production and in the process reduce external food dependency”, noting that full food self-sufficiency would be impossible to achieve without measures such as banning exports and changes in land use away from crops produced for other purposes.¹⁰⁰ However a decrease in the level of food production would have potential environmental effects, for example through increased emissions generated from the transport of imported food.¹⁰¹

Integration of agriculture and the natural environment

56. We heard broad support for greater integration between environmental and agricultural payments. This support has come from both the environmental and agricultural sectors. Patrick Begg of the National Trust said:

96 Q129 (Mr Martin Harper)

97 Q140 (Dr Viviane Gravey)

98 Chartered Institute for Archaeologists ([BRX0168](#))

99 Q274 (Mr Guy Smith)

100 Professor Dieter Helm, British Agricultural Policy after BREXIT, September 2016, available at <http://www.dieterhelm.co.uk/natural-capital/environment/agricultural-policy-after-brexit/>

101 Climate friendly Bradford on Avon ([BRX0029](#))

It seems to me mad to have a food and farming plan and environment plan when everyone is talking cross-sectoral about the integrated nature of those issues. We have an opportunity now, if we want to take it, to bring those much closer together more formally and to give us a better outcome at the end of it.¹⁰²

The Tenant Farmers Association has published a proposal for a post-EU farming policy. This proposes reallocation of the current pot of funding towards three equally weighted priorities: agri-environment schemes, farm business development schemes, and supply chain initiatives to support British produced food.¹⁰³

57. Complete adoption of the principle of public money for public goods and the resulting removal of basic payments to farmers risks putting smaller farms out of business. A 2008 Defra report modelled the likely impacts of withdrawing subsidies both alone and in combination with trade liberalisation. The report concluded that the withdrawal of subsidies would cause a decline in agricultural production, particularly in the beef and sheep sectors, and could result in 9% of cropped land coming out of production.¹⁰⁴ Dr Helena Howe recommended addressing this through offering a basic payment, with no environmental requirements, for small and vulnerable farms (such as hill farmers and organic farmers) only.¹⁰⁵

58. The Secretary of State for DEFRA acknowledged the increasing support for adopting the principle of public money for public goods and the need for a rebalance between support for environmental land management and income support. She told us:

I think that it is really important that we get the right balance of environmental outcomes and food production outcomes. I don't want to prejudge or second guess the consultation that we want to have on this, but I would agree with you that a lot of the anecdotal feedback that we get, that may translate into feedback in the consultations, is that people would like to see environmental goods being a focus.¹⁰⁶

59. Any farm subsidies after the UK leaves the EU should be refocused to provide a better balance between support to agriculture and environmental protection. Policy should have clearly detailed objectives linked to the delivery of public goods, including the promotion of biodiversity and other environmental objectives, rather than simply providing income support to farmers. The nature and range of the public goods to be delivered through a new funding regime must be carefully considered and supported by strong evidence of the benefits they provide and the market failure they seek to remedy.

This conclusion is linked to our sixth recommendation.

102 Q175 (Mr Patrick Begg)

103 Tenant Farmers Association ([BRX0246](#))

104 Defra, Estimating the Environmental Impacts of Pillar I Reform and the Potential Implications for Axis II funding, 2008

105 Dr Helena Howe ([BRX0138](#))

106 Q378 (Right Hon. Andrea Leadsom MP)

The scale of need

60. The removal of the CAP means that Government must decide on the funding and objectives of any new scheme in this area. The starting point for this decision must be an understanding of the level of funding necessary to meet environmental commitments: Natural England's written evidence noted that in 2009 the network of UK Conservation and Environment Agencies (LUPG) published research estimating the scale of future environmental land management requirements for the UK. LUPG tentatively concluded that spend in the range of £2 billion per year (£1–3 billion) was needed to deliver environmental outcomes from the farmed environment in the UK, with £1.3 billion of that in England.¹⁰⁷ Natural England has reviewed these figures in response to a question from this committee¹⁰⁸ and concluded that the figure today, taking into account climate change measures, would be significantly higher.¹⁰⁹

61. Total UK CAP expenditure last year was £3.5 billion, although much of this has only limited environmental benefit due to being paid as income support through Pillar 1. RSPB reported that domestic spending on biodiversity has decreased over time, making the UK increasingly reliant on EU funding to plug the gap and ensure obligations are met.¹¹⁰ Martin Harper suggested that, even if the current cost of meeting environmental commitments remains about £2 billion a year, overall spending on environment issues is less than half what is required:

The bottom line is that the need is greater than we currently provide for through existing spend and agri-environment makes up a large percentage of that.¹¹¹

62. In determining the scale of need for funding Government must consider other means of support to environmental objectives. The National Farmers Union urged the Government to “think outside the box” and look into ways to unlock private sector funding and delivery and to encourage voluntary activity.¹¹² Guy Smith highlighted the example of water companies paying farmers to take action to improve water quality.¹¹³ However private sector funding may only be suitable for consideration as a supplement to public expenditure, rather than a substitute for it; South West Water reported their concern that a reduction in the amount of agri-environment funding available to land owners would significantly reduce the scope and effectiveness of their own investments in this area.¹¹⁴

63. There are also concerns about how private sector support might be distributed, as there are cases where incentives are only provided to land managers carrying out harmful activities and not to those who are already acting in an environmentally friendly way. Peter Melchett, from the Soil Association, reported that:

In Wessex Water they have been incentivising farmers to reduce nitrate pollution in Poole Harbour, and it has been very successful. Farmers bid. They will say, “For a certain amount of money, I will reduce the amount of

107 Natural England ([BRX0244](#))

108 Q305 (Mr Rob Cooke)

109 Natural England supplementary evidence ([BRX0254](#))

110 RSPB ([BRX0240](#))

111 Q124 (Mr Martin Harper)

112 National Farmers Union ([BRX0131](#))

113 Q268 (Mr Guy Smith)

114 South West Water ([BRX0173](#))

nitrogen from my farm flowing into the catchment and into the river”. The problem is if I was in that catchment rather than in Norfolk, and I went along and said, “Look, I have not put any nitrogen into your water system for the 18 years since I went organic. How much are you going to pay me?” I asked Wessex Water this question the other day and they said, “Nothing”. They are paying the polluter, and the non-polluter is not being paid.¹¹⁵

The private sector has no obligation to support those who are already delivering environmental benefits, implying a limit to the extent it can be relied on to support environmental protection if the public sector is unable to provide.

64. The level of spend necessary to meet the Government’s environmental ambitions is greater than that currently provided or leveraged from the private sector through funding schemes. Work to refine the Government’s understanding of the amount needed and the objectives of any new funding scheme should be undertaken, and should include consideration of how private sources of funding can be leveraged to make up any shortfall.

This conclusion is linked to our second recommendation.

Payment by results

65. The existing CAP system has been widely criticised as overly complex and prescriptive, making it difficult for farmers to engage with it. The National Farmers Union reported that a survey of members highlighted difficulties applicants faced with the Countryside Stewardship scheme: the scheme was too complex, the guidance confusing, options did not fit with farm businesses and the risks of participation were too high.¹¹⁶ National Parks England said:

The schemes are overly prescriptive rather than outcomes focused. The lack of join-up between environmental and rural development pillars means it is difficult to engage with farmers in a holistic way [...] farmers feel they are subject to a scheme, rather than having a sense of ownership of the outcomes that are being sought.¹¹⁷

66. Both Natural England and Defra have highlighted that leaving the European Union provides the UK with an opportunity to design an innovative new scheme to address these issues, and have particularly highlighted a ‘Payment by Results’ approach as an option to explore.¹¹⁸ The Tenant Farmers Association calls for:

A new agri-environment scheme which sets out a menu of costed options that farmers can choose from to deliver on their farms and judged on the basis of outcomes, as opposed to the means of achieving those outcomes, to include specific options for hill and upland farmers focusing on ruminant livestock production.¹¹⁹

115 Q270 (Mr Peter Melchett)

116 National Farmers Union ([BRX0131](#))

117 National Parks England ([BRX0248](#))

118 Natural England ([BRX0244](#)), Defra ([BRX0251](#))

119 Tenant Farmers Association ([BRX0246](#))

The National Trust has described how current prescription-based schemes, which tell farmers how to manage, can alienate them. In his oral evidence Patrick Begg said:

Setting down a recipe that they have to follow and inputs and processes to get there is less successful. That is culturally alien and is part of a lot of the problems that we have had, certainly with our tenants.¹²⁰

67. A more results based approach has also been supported by the British Ecological Society, who consider that a prescriptive approach to environmental land management restricts the range of outcomes that can be achieved, especially in response to a changing climate. They suggest that a payment by results scheme could have flexible arrangements, such as National Parks or consortia of landowners and NGOs bidding to deliver all or some of the desired environmental outcomes for a region or local area.¹²¹ Payment by results may also improve farmers' understanding of and engagement with environmental goals and so lead to more effective delivery. The Centre for Ecology and Hydrology believe that:

Payment by results and scheme self-assessment may offer opportunities for increased farmer buy-in to the schemes and improved outcomes.¹²²

68. Evidence from elsewhere in government suggests, however, that payment by results may be a more complex and risky approach than those advocating it recognise. In July 2015 the National Audit Office published a report on 'Outcome-based payment schemes: government's use of payment by results'. This examined schemes in DCLG, DWP, MoJ and DFID which used payment by results. The NAO concluded that payment by results contracts are hard to get right, increasing the risk and cost for commissioners. Use of payment by results requires credible evidence that the claimed benefits can be achieved to ensure that the approach is not used in circumstances to which it is ill-suited.¹²³ As part of its report, the National Audit Office produced an 'analytical framework' to help decision makers decide when payment by results may be appropriate, and much of this appears to be relevant to agri-environmental payments.

69. A wholesale switch to payment by results in the environmental sector may be impractical due to the potential difficulty of auditing and attributing some environmental improvements to specific land management actions and the longer timescale over which some environmental improvements must be measured. Richard Quinn of Farmcare Trading Ltd highlighted some of these difficulties:

Rather than using a blunt instrument of the outcome, as was heard in the previous panel, if we develop a wild bird seed mix then you would hope the birds are going to come. That does not mean to say that you should get penalised because in year one they do not come. How do you measure that return on investment over an extended period of time? That is really challenging and difficult.¹²⁴

120 Q202 (Mr Patrick Begg)

121 British Ecological Society ([BRX0162](#))

122 Centre for Ecology and Hydrology ([BRX0171](#))

123 National Audit Office, Outcome-based payment schemes: government's use of payment by results, June 2015, available from the NAO website at <https://www.nao.org.uk/report/outcome-based-payment-schemes-governments-use-of-payment-by-results/>

124 Q217 (Mr Richard Quinn)

70. A more cautious, step by step approach may be better. This approach is supported by the evidence from the CLA, who advises that the payments by results approach is only likely to be relevant to some types of activities, for example where biodiversity can be defined and monitored.¹²⁵ Pilots of the payment by results approach are currently underway: Rob Cooke of Natural England reports that:

We are running a couple of pilots, one in partnership with the Yorkshire Dales National Park, on a payment-by-results approach, where rather than identifying a number of management prescriptions, we are identifying what it is we would like to see as a result of the scheme. [...] Rather than specifying sward type and suchlike or grazing pressure, it is how many particular indicator species you have. These are plants that are easily identifiable; they do not require specialist botanist skills.¹²⁶

The results of these pilots are likely to be important in determining how far and how fast it is sensible to move to payment by results.

71. It is important that any future funding scheme has a clear view of the outcomes it wishes to achieve, and in some circumstances a payment by results approach may be the correct route to pursue. However the Government must ensure that it fully understands the practicalities of the approach and have rigorous empirical evidence that it will prove more cost-effective than the current approach. It is important that lessons are learnt from the pilots currently in progress and the significant difficulties faced by payment by results schemes in other areas of policy. In moving from the current CAP to new payments for public goods and payments by results, a reasonable transition period of three to five years should be given to enable farm businesses to plan for the change and to avoid perverse outcomes; or loss of employment in rural areas.

This conclusion is linked to our sixth recommendation.

Supporting innovation

72. In addition to innovation in scheme management, leaving the EU may present an opportunity for innovation in the approaches used by farmers and other land managers to protect the environment. Some of this may arise out of necessity, if a cutting back of support or new trade deals lead to less land being viable for profitable farming. The EU requirement that claimants of Pillar 1 support be an 'active farmer' limits the ability of the CAP to incentivise protecting, restoring and enhancing biodiversity, as does the designation of sites important to wildlife, such as ponds and woodland, as ineligible features for subsidy.¹²⁷ Sir Charles Burrell told us:

One of the main stoppers at the moment is the permanent ineligible features and the temporary ineligible features. We get penalised if we have trees on our landscape, if we have wood pasture, if we have scrub, if we have extended areas where we have flood plains for streams, if we have ponds. They all are penalised at the moment. We get money taken away.¹²⁸

125 CLA ([BRX0037](#))

126 Q315 (Mr Rob Cooke)

127 ClientEarth ([BRX0237](#))

128 Q254 (Sir Charles Burrell)

Sir Charles also emphasised that the need to keep land in a “good agricultural condition” limited opportunities for innovation, such as his rewilding work on the Knepp Estate, which was only possible due to a derogation supported by Natural England and scientific advisers.¹²⁹

73. Witnesses have advocated a range of innovative land management approaches that could be supported by a new funding scheme and so promote the natural environment. These include:

- Incentivisation of community growing initiatives, such as city farms and community-run allotments, so as to enhance the local environment and provide social benefits in the community.¹³⁰
- Techniques to improve soils, such as specific animal husbandry techniques claimed to increase soil depth, carbon sequestration and biodiversity.¹³¹
- Techniques involving the co-location of different plant species to increase biodiversity and improve soil health, such as agroforestry and intercropping.¹³²

These innovative techniques are not currently supported by CAP funding in the UK, but some may have desirable effects at a local scale for public engagement or for particular species, whilst others may help reduce the environmental footprint of agriculture whilst maintaining production. However for both projected benefits it is likely that further research may be required to establish if they will deliver what is promised.¹³³

74. There has been particular focus on recent years on the concept of rewilding. Rewilding is a contested term that has been applied to a range of visions and land management practices;¹³⁴ definitions range from complete land abandonment¹³⁵ to species reintroduction,¹³⁶ including of apex predators. Witnesses have called for a clear, shared understanding of rewilding so as to advance the debate.¹³⁷ For this inquiry, our preferred definition of rewilding would be similar to that given by Dr Keith Kirby, which focuses on the changes in management approach required by rewilding:

[Rewilding] is about reducing human intervention in some areas, preferably in a planned way, so that natural environmental processes will have more scope to shape the composition and structure of such landscapes. The result should be a more resilient and sustainable form of land use that is also richer in wildlife.¹³⁸

75. As with other innovative land management techniques, witnesses have pointed to the need to develop an evidence base and a critical and rigorous scientific framework

129 Q255 (Sir Charles Burrell)

130 Federation of City Farms and Community Gardens ([BRX0167](#))

131 Friends of the Lake District ([BRX0062](#))

132 Soil Association and Organic Research Centre ([BRX0129](#))

133 British Trust for Ornithology ([BRX0161](#))

134 British Ecological Society ([BRX0162](#))

135 The National Farmers Union ([BRX0131](#)) highlights this as being the perception of many, although its evidence also acknowledges other definitions.

136 Evidence offering this definition includes George Monbiot ([BRX0021](#)), WWF-UK ([BRX0142](#)) and the National Association for AONBs ([BRX0124](#))

137 Q163 (Mr Stephen Trotter)

138 Dr Keith Kirby ([BRX0007](#))

for its monitoring and evaluation if rewilding is to be considered as a component of environmental policy.¹³⁹ Work to develop this evidence base is ongoing, being particularly well developed in certain types of rewilding such as moorland restoration, but insufficient to produce a complete framework.¹⁴⁰ Professor Sue Hartley highlighted that:

Rewilding is not alone in this position. Getting ecological data at a large scale takes a lot of time, a lot of effort and a lot of money. It is important to recognise that the rewilding approaches have not been lagging behind. It is just that this is a tough gig. It is hard to get this sort of evidence; the baselines change a lot; it is difficult to have controlled experiments.¹⁴¹

76. There is an opportunity for a new agri-environment funding system to explore support to innovative land management techniques, including rewilding. The requirement for land to be in an agricultural condition can create a barrier to innovation, as does the classification of some environmental features as ineligible: a future scheme should recognise this and give scope for innovation where it is appropriate and can deliver positive environmental outcomes. Full support to innovative techniques should be dependent on a solid evidence base: Government should define its understanding of the techniques it wishes to support and consider how a suitable evidence base can be developed, which may include funding additional, properly monitored pilot projects.

This conclusion is linked to our sixth recommendation.

Administration

77. Defra's activities to protect the natural environment following the decision to leave the EU, both in negotiation of exit arrangements, future trading relationship, and in the design of any future funding scheme, are being delivered against a background of significant cuts to the department's budget. Defra's 2015 spending review settlement allocated the department a cumulative resource budget reduction in real terms of 15% over the period from 2015–16 to 2019–20, and it has been reported that that 900 staff (4%) were cut in 2014–15.¹⁴² Speaking to Farmers Weekly, the vice-president of the NFU described Defra as 'stretched' and argued that the challenges resulting from leaving the EU will require more resource.¹⁴³ The Secretary of State for Defra has acknowledged this, saying:

I am sure that we will need more staff to work on the policy set and [...] when we repatriate some of the activities that currently go on in the EU. Yes, there will be resourcing requirements and those we are constantly reviewing and discussing with Treasury.¹⁴⁴

Defra's capacity to manage the challenges of leaving the EU is likely to be affected by the necessity to protect budgets for flood prevention and mitigation, meaning that

139 British Ecological Society (BRX0162)

140 Q232 (Professor Richard Brazier)

141 Q235 (Professor Sue Hartley)

142 National Audit Office, Departmental Overview: Department for Environment, Food & Rural Affairs, October 2016, available from the NAO website here: <https://www.nao.org.uk/report/departmental-overview-2015-16-department-for-environment-food-rural-affairs/>

143 Farmers Weekly, 22nd July 2016, 900 staff go at Defra as budget cuts bite, <http://www.fwi.co.uk/news/900-staff-go-at-Defra-as-budget-cuts-bite.htm>

144 Q368 (Mr Robin Walker MP)

other areas of the department (including those areas affected by leaving the EU) will be disproportionately affected by cuts. In April 2016 the then Parliamentary Under-Secretary of State for Defra, Rory Stewart MP, told us that “the people who are feeling the strain, are the non-flooding people.”¹⁴⁵ The recent Autumn Statement reiterated support to flood defences, but made no mention of Defra’s other areas of business.

78. Defra and its agencies have been repeatedly criticised for their performance administering payments under the Common Agricultural Policy. Farmers are dissuaded from accessing higher levels funding, such as that provided by agri-environment schemes, by administration needed to demonstrate compliance with scheme requirements.¹⁴⁶ Much of the complexity of the current funding scheme is the result of the development of CAP over a long period,¹⁴⁷ so witnesses have described leaving the European Union as an opportunity to introduce a simpler system. CLA, for example, has highlighted the opportunity for a more proportionate approach to control and verification. It points out that one of the main determinants of scheme design in the UK has been the need to avoid the risk of ‘disallowance’ fines from the Commission, and it considers that this has led to a system that is unnecessarily detailed and not designed to take account of how the UK designs agri-environment schemes.¹⁴⁸ There is support for this view across farming and environmental bodies, for example from the Game and Wildlife Conservation Trust, who stress that:

We are not advocating an “inspection free” regime; we fully accept the public should have confidence that their money is being invested in wildlife and protecting the environment [...] To be avoided are excessive regulations and inflexibility within the rules. The scheme should not just provide a financial incentive to landowners to participate but should actively encourage them to put together measures that they find personally enticing, or better still, working with others in a larger scale scheme.¹⁴⁹

79. A simplified scheme would, theoretically, be cheaper for Defra to administer than the current arrangements. However witnesses have also pointed to the need to improve the support and advice available to land managers: it is widely recognised that the potential benefits of agri-environment schemes have been reduced by minimal training of farmers and advice on scheme implementation.¹⁵⁰ RSPB has particularly noted the importance of trusted and qualified advisors as part of a funding scheme,¹⁵¹ highlighting that successful outcomes happened due to a combination of good farmers, good schemes and good advice.¹⁵² George Dunn of the Tenant Farmer’s Association said:

We will need advice, but we need advice that works with [...] the skill set that farmers have and does not treat them pejoratively. Do not treat them as lesser citizens, which we sometimes have within advisory systems.¹⁵³

145 Flooding: Cooperation Across Government inquiry, Oral Evidence 13th April 2016, Q228, available from the inquiry webpage here: <http://www.parliament.uk/business/committees/committees-a-z/commons-select/environmental-audit-committee/inquiries/parliament-2015/flooding/>

146 Farmcare Trading Ltd (BRX0245)

147 Mr Paul Cobb (BRX0188)

148 CLA (BRX0037)

149 GWCT, LEAF & FWAG (BRX0175)

150 Centre for Ecology and Hydrology (BRX0171)

151 RSPB (BRX0240)

152 Q135 (Mr Martin Harper)

153 Q202 (Mr George Dunn)

80. **The reduction in Defra’s staffing and funding over recent years has reduced the Department’s capacity significantly. Cuts have disproportionately affected the parts of the Department involved in negotiations to exit the EU and design future policy. We are unconvinced that the Department has sufficient resources to manage the much larger workload faced as a result of the referendum decision. Government must urgently examine the Defra resource necessary to deliver its environmental objectives for exiting the EU and ensure that capacity is available to support the design and implementation of any new funding scheme. Government should ensure that good quality support and advice is available to farmers and land managers through the new scheme. Simplification of future funding schemes may reduce the direct costs of administration, and an opportunity exists to reinvest these in other aspects of support.**

This conclusion is linked to our second recommendation.

Devolution

81. The question of funding and the devolved administrations was also brought to our attention. Bound up with this were questions about where responsibility for policy making and delivery would sit. CAP Pillar 2 payments currently fund rural development programmes which benefit the wider rural economy. The CAP provides a framework with common standards for the four nations, which then devise and implement their own policies: each devolved administration in the UK has its own rural development programme. But in terms of funding, the UK Government allocates EU money to the administrations in proportions which it decides.¹⁵⁴

82. On the question of policy, Wildlife and Countryside Link (WCL) said the “level playing field” which the CAP had created across Europe and the UK should be emulated domestically, because it required a minimum level of commitment to environmental land management schemes. WCL also suggested that any UK policy should place a floor under environmental standards, “while allowing all four nations to make additional commitments and to introduce country-specific approaches and schemes”. From a practical point of view, it suggested landscape-scale outcomes would be challenging without a consistent approach in cross-border catchments.¹⁵⁵ We heard from the Centre for Ecology and Hydrology that from a scientific perspective there continued to be great benefit in maintaining a common approach to environmental land management policy across political boundaries. But the Centre noted an increasing tendency towards divergence and suggested any further deviation could be managed through a common approach to monitoring environmental outcomes, data analysis and informatics.¹⁵⁶ The British Ecological Society also pointed to this trend, which it said could be attributed not only to different environmental conditions within the four nations, but to variation in political structures and priorities, and the co-ordination of the countryside agencies within them. It recommended a “common reporting framework” to ensure each nation’s approach is

154 The allocation for 2014–2020 is in the same proportions as the previous round, but in this round Scotland argued unsuccessfully (and unsupported by the other administrations) for a larger share.

155 Wildlife and Countryside Link ([BRX0147](#))

156 Centre for Ecology and Hydrology ([BRX0171](#))

consistent with the UK's international obligations and adapted to environmental change.¹⁵⁷ The UK Environmental Law Association agreed, stating that any amended schemes or new ones should be based on, and comply with, international laws and standards.¹⁵⁸

83. On the question of the future of funding across the four nations, and how it would interact with policy development, the RSPB said there should be a shared high level approach across the UK, but one that was:

more outcome focused [than CAP], setting shared objectives for environmental funding, and leaving each of the four UK countries free to design funding policies to deliver these outcomes whilst working together to ensure high environmental standards.¹⁵⁹

84. Although CAP funding is allocated by the UK Government, the four nations are able to determine the proportion of Pillar 2 rural development funds that they assign to environmental land management schemes. For example, England intends to spend 71.4% of its Pillar 2 funds on them between 2014 and 2020, while Scotland intends to spend 15.71% of its funds on such schemes.¹⁶⁰ The nations also differ on how much they transfer from Pillar 1 funds to Pillar 2: Wales has committed to transfer 15%, the maximum permitted; Northern Ireland has not transferred any funds.¹⁶¹

85. On a more fundamental note, the Soil Association noted the potential implications if EU funding were not replaced. It suggested that the Barnett formula, the system of grants dictating the level of public spending in Scotland, Wales and Northern Ireland, allows for only half of what the EU currently provides.¹⁶² They did not speculate on how this might change once we leave the EU.

86. We asked the Secretary of State what consideration had been given to the allocation of money for environmental funding to the devolved governments. We also suggested there was a danger that the involvement of the devolved administrations in the allocation of funding might be undermined by the centralisation of responsibility of funding allocation to a UK-wide body. In response she said:

Our commitment to the environment is absolutely solid, as is our commitment to [...] fairness and transparency [...] with the devolved parliaments.¹⁶³

157 British Ecological Society ([BRX0162](#)). The Scottish Wildlife Trust ([BRX0077](#)) noted some of these international obligations: Aichi biodiversity targets; the UN Sustainable Development Goals, the Paris Agreement on Climate Change, the Ramsar Convention, the Convention on Biological Diversity, the Bonn Agreement, the Bern Convention and CITES. Ulster Wildlife ([BRX0074](#)) also suggested these agreements might provide the basis for common standards.

158 Jenny Sable ([BRX0010](#)). UKELA noted some of these international obligations: Convention on the Conservation of European Wildlife and Natural Habitats 1979 (the Bern Convention), the Convention on the Conservation of Migratory Species of Wild Animals 1979 (the Bonn Convention), the Convention on Biological Diversity 1992 (the CBD) and the European Landscape Convention 2000 (the Florence Convention). The Scottish Wildlife Trust ([BRX0077](#)) also referred to the Aichi biodiversity targets; the UN Sustainable Development Goals, the Paris Agreement on Climate Change, the Ramsar Convention and CITES.

159 RSPB ([BRX0240](#)). See also Fauna and Flora International, [BRX0136](#); Chartered Institute of Ecology and Environmental Management, [BRX0153](#); and CLA, [BRX0037](#), which suggested in England local authorities should be responsible for devising and implementing policies.

160 Dr Viviane Gravey ([BRX0009](#))

161 Transfers are discretionary and can also be made from Pillar 2 funds to Pillar 1.

162 Soil Association and Organic Research Centre ([BRX0129](#))

163 Q364 (Right Hon. Andrea Leadsom MP)

87. The UK Government must ensure there is sufficient coordination within and between the devolved nations to ensure a common, high level approach to environmental protection, within which framework the devolved nations can determine their own priorities and implementation approach. This should include agreement of common standards for monitoring and reporting, to which the four nations should adhere, based on continuing international standards. The Government must ensure fairness and transparency in the allocation of funds, and allow the devolved nations to develop their own funding mechanisms and priorities, as they currently do under the CAP rural development programme, subject to the maintenance of a UK-wide ‘level playing field’ of minimum environmental standards.

This conclusion is linked to our seventh recommendation.

UK Overseas Territories

88. UK Overseas Territories also currently benefit from EU funding and, therefore, had their own particular concerns. The Anguilla National Trust reported that EU funds such as LIFE, BEST, and the EDF Caribbean Overseas Countries and Territories scheme provide vital financial resources to support biodiversity conservation in the UKOTs. It said:

If the UKG is committed to protecting its biodiversity, increased funding to both government and nongovernment agencies to conserve and preserve habitats and species in the UKOTs is necessary.¹⁶⁴

The UK Overseas Territories Conservation Forum pointed out that BEST was the most significant source of EU funding for the UKOTs, and that securing their eligibility for it took “about a decade” of lobbying. The Forum added:

This fund is important because there are so few funds available to UKOTs. They cannot apply to most international funding sources because they are not independent states and it is assumed that the parent state meets needs. Whilst this is largely true for the overseas territories of France, the Netherlands and Denmark, it is not so to anywhere near the same degree with UK and its territories.

The Forum therefore recommended that the UK Government make available funding to replace the funding external to the UKOTs lost due to leaving the EU.¹⁶⁵

89. Government’s plans for leaving the EU and the subsequent funding regime must include consideration of the particular problems that the UK Overseas Territories will face once EU environmental funding ceases. It needs to agree key principles with the UK Overseas Territories over how much environmental funding will be needed in future and in what form this is best made available.

This conclusion is linked to our second and seventh recommendations.

164 Anguilla National Trust ([BRX0126](#))

165 UK Overseas Territories Conservation Forum ([BRX0015](#))

5 A way forward

90. The previous chapters of this report have shown how the future of the natural environment after the EU referendum is dependent on a number of factors—both domestic and international. This final chapter highlights the next steps that Government should take to begin to manage these issues and ensure that leaving the European Union does not result in a reduction in environmental protections, and instead to take advantage of the opportunities available to improve the UK’s approach to land management.

Defining objectives

91. One of the most cogent criticisms of the current CAP that the Committee received was that Pillar 1, which accounts for most of the money, has no clear objectives.¹⁶⁶ There seems to be an impressive degree of cross-sectoral consensus that whatever replaces the CAP should have clearly defined objectives, within which the objectives for agriculture and for the environment are fully integrated. With this in mind, it would seem sensible not to replicate the two Pillar structure of the CAP.

92. Natural England, in their written evidence, pointed out the need for ‘a clear overarching policy framework for the use of the agri-environment scheme mechanism’.¹⁶⁷ They also pointed out the need for a ‘clear national strategy’ and warned of the need to ‘avoid one policy being used to counter the negative consequences of another’. A wide range of bodies have given evidence that there is a major opportunity to develop a new, more efficient and more effective system of support for land management as a whole. Government environmental bodies argued that leaving the European Union offers potential opportunities to develop alternative arrangements for a better environment, better farming and a better countryside.¹⁶⁸ Sir James Bevan of the Environment Agency said:

My greatest fear will be that we do not seize the opportunity that we have to make things better. This is an opportunity. Whatever you think of EU legislation, it is not perfect.¹⁶⁹

93. Achieving better outcomes for the environment is dependent on the work of those who directly manage the countryside. However, we heard that farmers in particular often feel they are subject to a scheme, rather than having a sense of ownership of the outcomes that are being sought.¹⁷⁰ Government needs to engage with farmers and their organisations and with environmental bodies to discuss its future policy objectives.

94. The current CAP model allocates funding on a farm by farm basis, with no consideration of the relationship between farms and the wider landscape. Several witnesses have advocated adopting a landscape scale approach for any future funding model, involving spatial targeting so as to be flexible enough to meet local needs but with a clear line of sight to national environmental objectives.¹⁷¹ Patrick Begg of the National Trust said:

166 Q142 (Mr Martin Harper)

167 Natural England ([BRX0244](#))

168 Environment Agency ([BRX0250](#))

169 Q284 (Sir James Bevan)

170 National Parks England ([BRX0248](#))

171 RSPB ([BRX0240](#))

It is about, at a sensible level—landscape scale, catchment perhaps—setting a range of outcomes that we want to buy, and then working with the farmers and the land managers to define the path to get there. Setting down a recipe that they have to follow and inputs and processes to get there is less successful.¹⁷²

95. Setting of clearer objectives and the adoption of a landscape scale approach could be compatible with the stronger articulation of public goods and innovation discussed in chapter 3 of this report. Witnesses have also highlighted the importance of determining to what extent the devolved nations should share high level objectives. Martin Harper of RSPB said:

The issue to work out is where common standards are appropriate and where they are necessary. Clearly we operate within the United Kingdom with wildlife moving around and water moving around. I think the judgment is: do we want to maintain common standards and approaches?¹⁷³

Mr Harper also highlighted that establishing a UK-wide national framework, if it were desired, would pose difficulties for Government due to the potential need to amend legislation such as the Scotland Act, which devolves environmental matters to Scotland by reference to EU legislation as a national framework.¹⁷⁴

96. Any new scheme of agricultural funding and environmental protection must have clearly defined and internally consistent objectives which are integrated across the whole land management sector, rather than replicating the current two Pillar system. As we have already discussed, the provision of public goods, especially positive environmental outcomes, should be central to this. The legislative framework and the system of financial support should both be designed to achieve these objectives. There is widespread support for an approach which focuses on a landscape scale, rather than individual landholdings, so as to respond to local needs and use local knowledge. This would still require clear articulation of national objectives through a national framework, including coordination within and between the devolved nations.

This conclusion is linked to our first and sixth recommendations.

Providing certainty

97. Several witnesses have expressed concerns about uncertainty over the future of funding beyond the point of leaving the EU, as it may lead to farmers taking actions which preserve their revenue from other sources at the cost of environmental management. Without certainty farmers may, for example, plough grassland as a means of securing maximum flexibility in future farm practice (as happened during previous rounds of CAP Reform).¹⁷⁵ There is a short timeframe within which this certainty can be provided, as farmers typically have long planning horizons, and supply chain planning of food production for 2019 will begin in mid-2017.¹⁷⁶

172 Q202 (Mr Patrick Begg)

173 Q121 (Mr Martin Harper)

174 Q122 (Mr Martin Harper)

175 The Wildlife Trusts (England) ([BRX0072](#))

176 Farmcare Trading Ltd ([BRX0245](#))

98. To date, the Government has guaranteed funding to all multi-year EU agreements, including agri-environment schemes, which are signed prior to leaving the EU providing they meet UK priorities and value for money criteria.¹⁷⁷ The Secretary of State for Defra could not say what these criteria are, as they were under discussion with HM Treasury,¹⁷⁸ and no further certainty on arrangements for the environment or agriculture was provided in the Autumn Statement, despite the Minister indicating that more detail would be provided around then.¹⁷⁹ Witnesses have however welcomed the degree of certainty provided by the announcements so far. George Dunn of the Tenant Farmers Association said:

As far as they go, what the Treasury has announced has given the breathing space that we need to do the thinking necessary for the long-term changes that will be required.¹⁸⁰

The Secretary of State has expressed a commitment to ensure a smooth transition and provide business certainty in the process of leaving the EU, although she was unable to confirm whether this would be through a clear policy announcement in the near future or through further interim commitments.¹⁸¹

99. However, the Secretary of State also refused to distance herself from statements made prior to entering Government in which she said she was in favour of phasing out farm subsidies altogether. In her evidence to this inquiry she was unable to provide the agricultural and food industries with any certainty that there will be a replacement for the CAP in the long term after we leave the EU.¹⁸²

100. The guarantee of continued funding for CAP agreements signed up to the point the UK leaves the EU is welcome. Farmers will begin planning for 2019 in 2017 and so will require further reassurance regarding the arrangements which will be in place after this point. This must be provided in a timely fashion so that farmers can be confident in the inclusion of environmental protection measures in their business plan.

This conclusion is linked to our second recommendation.

25 year plans

101. The Conservative manifesto for the 2015 election contained a commitment to produce 25 year plans for England for the Natural Environment and for Food, Farming and Fisheries. The Government has remained committed to developing these plans. However, both agricultural and environmental witnesses to this inquiry have criticised the separation of the sectors. Patrick Begg of the National Trust said:

It seems to me mad to have a food and farming plan and environment plan when everyone is talking cross-sectoral about the integrated nature of those

177 This commitment was made by the Chancellor during a speech at the Conservative party conference on October 3rd 2016

178 Q372 (Right Hon. Andrea Leadsom MP)

179 Q29 (Dr Thérèse Coffey MP)

180 Q174 (Mr George Dunn)

181 Q365 (Right Hon. Andrea Leadsom MP)

182 Q387 (Right Hon. Andrea Leadsom MP)

issues. We have an opportunity now, if we want to take it, to bring those much closer together more formally and to give us a better outcome at the end of it.¹⁸³

George Dunn of the Tenant Farmer's Association supported this view, saying that:

It is madness that we should be looking at these things in isolation. They feed off each other. They will benefit from each other's thought processes.¹⁸⁴

102. Witnesses are unconvinced that there is a reason to keep the plans separate beyond making them easier to manage for Government.¹⁸⁵ However the Secretary of State defended this separation, saying:

They do need to complement each other but they are focused on slightly different targets. One is a huge economic question, a big employment question, a big subject around the great British food brand, animal welfare, food safety, food traceability. The other is very much about what environment do we want to be living in for our children and grandchildren. I think it is right that we have two separate plans.¹⁸⁶

103. Development of the 25 year plans will occur alongside negotiation to leave the EU, and should inform that process. The Secretary of State has indicated that consultation on the plans will take place in 2017 following the publication of a framework for each plan.¹⁸⁷

104. The development of 25 year plans could have provided a means by which the issues presented in this report can be addressed in the period up to leaving the European Union. The Government should have had a clear view of its objectives before entering into negotiations to leave the EU. However, the 25 year plans will not be completed before entering negotiations. This risks the Government negotiating towards an undefined goal.

105. We have not been presented with a strong case by Defra as to why having the plans separate is the best solution for the natural environment, especially after the referendum result. Defra must ensure that the plans are clearly part of a strategic whole, with mutually reinforcing objectives.

This conclusion is linked to our third recommendation.

183 Q175 (Mr Patrick Begg)

184 Q178 (Mr George Dunn)

185 Q179 (Mr Tim Breitmeyer)

186 Q343 (Right Hon. Andrea Leadsom MP)

187 Q347 (Right Hon. Andrea Leadsom MP)

6 Recommendations

106. The international, legislative, and financial issues raised in this report must be successfully managed by the Government during negotiations to leave the EU. We have been told that while negotiation with the European Union will be led by the Prime Minister and the Department for Exiting the European Union, other departments are expected to provide support and advice as part of the negotiation. The future of the natural environment after the EU referendum will therefore be determined by both Defra and DexEU. We expect both departments to consider our conclusions and recommendations in their work. In particular, Defra must ensure that the links between agriculture and the environment are given sufficient prominence within DexEU, as there is no single senior DexEU official with responsibility for issues of both agriculture and the environment.

107. ***Based on the conclusions throughout this report, the committee considers that the Government must address the following recommendations during negotiations to leave the EU:***

- (1) ***In order to meet its manifesto commitment to “be the first generation to leave the environment in a better state than it found it”, the Government must, before triggering Article 50, commit to legislating for a new Environmental Protection Act, ensuring that the UK has an equivalent or better level of environmental protection as in the EU.***
- (2) ***Government must, as part of its initial work to leave the EU, assess the resources necessary to replace existing EU environmental funding to ensure that farm businesses remain viable, and that animal welfare, food security and food safety are protected, both in the UK and the Overseas Territories. Government must also provide evidence to allay our scepticism over the capacity of Defra to meet the additional pressures that exiting the EU creates for meeting the Government’s manifesto commitment in a cost-effective manner alongside its non-environmental priorities.***
- (3) ***Government must recognise the interdependence of its two 25 year plans and ensure that they are fully coordinated as part of a combined negotiating strategy, including providing clarity on how the links will be communicated and acted upon. The plan frameworks should be published and consulted on before Article 50 is triggered so as to inform the Government’s negotiating position and form the basis of a new Environmental Protection Act.***
- (4) ***The EU negotiations led by the Prime Minister and supported by DExEU must address the impact of international issues, including future trade arrangements, on the UK environment and agriculture. The Birds and Habitats directives are at risk even if the UK remains a member of the EEA. If the UK leaves the Single Market then the Government should state clearly what new measures need to be put in place to maintain food safety and security, protect British agriculture from tariff and non-tariff barriers and ensure the UK maintains our current level of environmental protection. The Government should also undertake a gap analysis to establish whether additional animal welfare and food safety standards legislation is necessary.***

- (5) *Before Article 50 is triggered the Government must identify legislation which may be difficult to transpose to ensure full public and parliamentary debate and scrutiny. The Government should introduce a new Environmental Protection Act to maintain and enforce environmental standards after we leave. This is needed to ensure environmental standards are not weakened when we leave the EU—whether through leaving the Single Market, changes in trading status or through the creation of “zombie legislation” resulting from our departure from EU governance and enforcement structures. Government should address the resource implications of this for Defra. Finally, the Government should guarantee that it will not trade away environmental protections, animal welfare and food safety standards, as part of the negotiations to leave, or as part of future trade deals.*
- (6) *Before Britain leaves the EU the Government must have clearly established the environmental objectives and governance model to be used for any future land management payments. Objectives should be clearly linked to the public goods that are to be achieved through funding rather than simply providing income support to farmers: these public goods should be supported by strong evidence of the benefits they provide and the market failure they correct. The Government must produce evidence which enables an outcomes focussed approach and supports innovation.*
- (7) *Defra must, as part of leaving the EU, ensure that plans for post-EU environmental coordination between the countries of the UK is sufficient to ensure that funding is allocated fairly and transparently, with shared strategic objectives complemented by minimum environmental standards, so that the UK can continue to meet its international obligations. The Overseas Territories must also receive sufficient funding and support to ensure they can meet their international obligations.*

Annex: Context for decision making

This annex provides context for our report by discussing in more detail the context within which decisions about the future of the natural environment after leaving the EU will be decided. This includes the development of UK environmental policy to date, and the evidence for the extent to which agriculture impacts the environment.

Environmental Context

Agriculture, biodiversity, and the interaction between the two, were of concern before the EU referendum, with evidence showing a long term decline in UK biodiversity (although there have been gains as well as losses). The 2016 State of Nature report¹⁸⁸ found that 56% of surveyed species declined between 1970 and 2013. The 2014 official UK report to the United Nations Convention on Biological Diversity¹⁸⁹ reported that 9 of 15 measures on the status and trends of biodiversity showed a decline between 1990 and 2007.

The previous Coalition Government commissioned an independent report, led by Sir John Lawton, to look at how to halt and reverse decline in England's wildlife.¹⁹⁰ This concluded that a 'step-change' in nature conservation was needed, saying:

We need to embrace a new, restorative approach which rebuilds nature and creates a more resilient natural environment for the benefit of wildlife and ourselves.

The report also concluded that more wildlife sites are needed and existing sites need to be bigger, better managed and more joined up to form a coherent ecological network.

Informed by the Lawton report and other documents¹⁹¹ the Coalition Government published a Natural Environment White Paper in 2011,¹⁹² which set out the ambition 'to be the first generation to leave the natural environment of England in a better state than it was inherited.' The White Paper set out a direction of travel that involved 'moving progressively from a position of net biodiversity loss to net gain, by supporting healthy, well-functioning ecosystems and coherent ecological networks.'

The Coalition Government followed up the White Paper with Biodiversity 2020: A strategy for England's wildlife and ecosystem services.¹⁹³ This strategy was designed 'to halt overall biodiversity loss, support healthy well-functioning ecosystems and establish coherent ecological networks, with more and better places for nature for the benefit of wildlife and people.'

188 The State of Nature Partnership, State of Nature 2016

189 JNCC. 2014. Fifth National Report to the United Nations Convention on Biological Diversity: United Kingdom. Peterborough: JNCC.

190 Lawton, J.H., Brotherton, P.N.M., Brown, V.K., Elphick, C., Fitter, A.H., Forshaw, J., Haddow, R.W., Hilborne, S., Leafe, R.N., Mace, G.M., Southgate, M.P., Sutherland, W.J., Tew, T.E., Varley, J., & Wynne, G.R. (2010) Making Space for Nature: a review of England's wildlife sites and ecological network. Report to Defra.

191 Including the UK National Ecosystem Assessment, the commitments made under the Convention on Biodiversity's Strategic Plan for 2011 to 2020 and the EU Biodiversity Strategy

192 The Natural Choice: securing the value of nature, HM Government (2011)

193 Available online here: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/69446/pb13583-biodiversity-strategy-2020-111111.pdf

Biodiversity 2020 contains a commitment to achieving a series of specific outcomes by 2020 in partnership with wider society. For habitats and ecosystems on land these included improving the condition of wildlife habitats, less fragmentation of wildlife areas, and restoration of degraded ecosystems as a contribution to climate change mitigation and adaptation.

The governments of Scotland, Wales and Northern Ireland have also published strategies explaining how they intend to achieve the commitments made under the Convention on Biodiversity's Strategic Plan for 2011 to 2020 within their countries.

The influence of agriculture on biodiversity

Over 70% of the land area of the United Kingdom is in some form of agricultural use, making agriculture a major factor in the observed changes to biodiversity. Many habitats that support the biodiversity of the UK are a by-product of traditional forms of farming, but agriculture in the UK has changed significantly in scale and approach since the Second World War. The 2016 State of Nature report concluded that:

The intensification of agriculture has had the biggest impact on wildlife, and this has been overwhelmingly negative. Over the period of our study (c40 years), farming has changed dramatically, with new technologies boosting yields often at the expense of nature.¹⁹⁴

However State of Nature also reports that agriculture can be part of the solution as well as part of the problem. For example, it stresses the importance of traditional management, including grazing, burning and cutting, which is crucial for the maintenance of habitats such as heathland and grassland.¹⁹⁵

In addition to concerns over the impact of farming on biodiversity, there is growing concern about future global food security. The UK Government's Office for Science commissioned a report in 2011 on the future of food and farming.¹⁹⁶ This acknowledged the scale of the challenge of feeding an estimated global population of 9 billion people by 2050 but recognised that food production already dominated much of global land surface and water bodies and was having a major impact on all the Earth's environmental systems.

The future of food and farming report sets out a series of five challenges for the international community and for food producing countries, including, "Maintaining biodiversity and ecosystem services while feeding the world". The report states that it is necessary to both improve productivity sustainably using existing knowledge and to invest in new science and technology to raise the limits of sustainable production and address new threats. It also recommended the further development of evidence-based environmentally friendly farming.

194 The State of Nature Partnership, State of Nature 2016

195 Further discussion of the role of agriculture in the UK environment can be found in the UK report to the United Nations Convention on Biological Diversity 2014

196 Foresight. The future of food and farming (2011) Final Project Report. The Government Office for Science, London.

Formal Minutes

The following declarations of interest relating to the inquiry were made:

Tuesday 11 October 2016

Peter Aldous declared the following interest: as a partner in a family farm who are members of the National Farmers Union.

Wednesday 14 December 2016

Members present.

Mary Creagh, in the Chair:

Peter Aldous	Kerry McCarthy
Geraint Davies	John Mc Nally
Peter Heaton-Jones	Dr Matthew Offord
Caroline Lucas	

Draft Report (*The Future of the Natural Environment after the EU Referendum*), proposed by the Chair, brought up and read.

Paragraphs 1 to 107 read and agreed to.

Annex and Summary agreed to.

Resolved, That the Report be the Sixth Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[The Committee adjourned

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the [inquiry publications page](#) of the Committee's website.

Tuesday 7 September 2016

Question number

Dr Thérèse Coffey MP, Parliamentary Under-Secretary of State, Department for Environment, Food and Rural Affairs, and **Mr Robin Walker MP**, Parliamentary Under-Secretary of State, Department for Exiting the European Union

[Q1–111](#)

Tuesday 11 October 2016

Dr Viviane Gravey, Lecturer in European Politics, Queen's University Belfast, **Mr Steve Trotter**, Director, The Wildlife Trusts (England), **Mr Martin Harper**, Conservation Director, Royal Society for the Protection of Birds (RSPB) and **Professor Carolyn Roberts**, Vice-president, Institute of Environmental Sciences (IES)

[Q112–169](#)

Mr George Dunn, Chief Executive, Tenant Farmers Association (TfA), **Mr Patrick Begg**, Rural Enterprises Director, National Trust, **Mr Richard Quinn**, Chief Executive, Farmcare Trading Ltd, and **Mr Tim Breitmeyer**, Deputy President, Country, Land and Business Association (CLA)

[Q170–227](#)

Tuesday 18 October 2016

Sir Charles Burrell, Chair, Rewilding Britain, **Professor Richard Brazier**, University of Exeter, **Professor Sue Hartley**, British Ecological Society, and **Dr Keith Kirby**, University of Oxford

[Q228–256](#)

Guy Smith, Vice President, National Farmers Union, **Peter Melchett**, Policy Director, Soil Association and Organic Research Centre, **Murray Davidson**, Association of Local Government Ecologists, and **Sarah Fowler**, Chief Executive, Peak District National Park

[Q257–275](#)

Tuesday 25 October 2016

Sir James Bevan, Chief Executive, Environment Agency, **Richard Greenhous**, Director for Forestry Services, Forestry Commission, and **Rob Cooke**, Director of Biodiversity, Natural England

[Q276–326](#)

Rt Hon. Andrea Leadsom MP, Secretary of State, Department for Environment, Food and Rural Affairs

[Q327–411](#)

Published written evidence

The following written evidence was received and can be viewed on the [inquiry publications page](#) of the Committee's website.

Environmental Audit, The Future of the Natural Environment after the EU Referendum, Memo List

- 1 Aldersgate Group ([BRX0243](#))
- 2 Alison Finn ([BRX0040](#))
- 3 Amphibian & Reptile Conservation ([BRX0031](#))
- 4 Ancient Tree Forum ([BRX0189](#))
- 5 Anguilla National Trust ([BRX0126](#))
- 6 Association of Local Government Ecologists ([BRX0120](#))
- 7 Augusta Lewis ([BRX0002](#))
- 8 Bat Conservation Trust ([BRX0069](#))
- 9 Bill Grayson ([BRX0030](#))
- 10 Birmingham & Black Country Local Nature Partnership ([BRX0038](#))
- 11 British Ecological Society ([BRX0162](#))
- 12 British Trust for Ornithology ([BRX0161](#))
- 13 Buglife-The Invertebrate Conservation Trust ([BRX0180](#))
- 14 Butterfly Conservation ([BRX0023](#))
- 15 Campaign to Protect Rural England ([BRX0159](#))
- 16 Centre for Ecology & Hydrology ([BRX0171](#))
- 17 Chartered Institute for Archaeologists ([BRX0168](#))
- 18 Chartered Institute of Ecology and Environmental Management ([BRX0153](#))
- 19 CIWEM ([BRX0075](#))
- 20 CLA ([BRX0037](#))
- 21 ClientEarth ([BRX0237](#))
- 22 Climate Friendly Bradford on Avon, biodiversity group ([BRX0029](#))
- 23 Compassion in World Farming ([BRX0008](#))
- 24 Confederation of Forest Industries ([BRX0200](#))
- 25 Cornwall Ancient Tree Forum ([BRX0090](#))
- 26 Cornwall and Isles of Scilly Local Nature Partnership and the Cornwall Area of Outstanding Natural Beauty Partnership ([BRX0163](#))
- 27 Cotswolds Conservation Board ([BRX0122](#))
- 28 Council for Nature Conservation and the Countryside ([BRX0235](#))
- 29 Countryside Alliance ([BRX0141](#))
- 30 CPRE Lancashire ([BRX0127](#))
- 31 Cranborne Chase Area of Outstanding Natural Beauty ([BRX0024](#))
- 32 DEFRA ([BRX0251](#))

- 33 Devon Hedge Group ([BRX0104](#))
- 34 Dipterists Forum ([BRX0099](#))
- 35 Dorset Local Nature Partnership ([BRX0165](#))
- 36 Dr and Mrs Michala and David Pearson ([BRX0216](#))
- 37 Dr Apolline Roger ([BRX0255](#))
- 38 Dr Christopher Sandom ([BRX0078](#))
- 39 Dr Helena Howe ([BRX0138](#))
- 40 Dr Keith Kirby ([BRX0007](#))
- 41 Dr Margaret Bradshaw ([BRX0160](#))
- 42 Dr Mark Fisher ([BRX0049](#))
- 43 Dr Olaf Schroth ([BRX0145](#))
- 44 Dr Robert Evans ([BRX0006](#))
- 45 Dr Viviane Gravey ([BRX0009](#))
- 46 Durham Bird Club ([BRX0014](#))
- 47 EDF Energy ([BRX0143](#))
- 48 English Green ([BRX0247](#))
- 49 Environment Agency ([BRX0250](#))
- 50 Environmental Protection UK ([BRX0190](#))
- 51 Farmcare Trading Ltd ([BRX0245](#))
- 52 Fauna & Flora International ([BRX0136](#))
- 53 Federation of City Farms & Community Gardens ([BRX0167](#))
- 54 Field Studies Council ([BRX0022](#))
- 55 Forestry Commission ([BRX0252](#))
- 56 Foundation for Common Land ([BRX0179](#))
- 57 Frack Free Ryedale and others ([BRX0222](#))
- 58 Freshwater Habitats Trust ([BRX0123](#))
- 59 Friends of the Earth, England, Wales & Northern Ireland ([BRX0125](#))
- 60 Friends of the Lake District ([BRX0062](#))
- 61 George Monbiot ([BRX0021](#))
- 62 Greater Lincolnshire Nature Partnership ([BRX0135](#))
- 63 GWCT, LEAF & FWAG ([BRX0175](#))
- 64 Hagge Woods Trust ([BRX0082](#))
- 65 Hampshire Ornithological Society ([BRX0085](#))
- 66 Heather Marshall ([BRX0050](#))
- 67 Hedgelink ([BRX0113](#))
- 68 Historic England ([BRX0156](#))
- 69 Hugh Watson ([BRX0185](#))
- 70 Institute of Fisheries Management ([BRX0100](#))

- 71 Institution of Environmental Sciences ([BRX0174](#))
- 72 IUCN UK Peatlands Programme ([BRX0155](#))
- 73 Jeremy Sabel ([BRX0010](#))
- 74 John Hill ([BRX0025](#))
- 75 John Humphreys ([BRX0001](#))
- 76 John Thomson ([BRX0170](#))
- 77 Kent Nature Partnership ([BRX0118](#))
- 78 Landscape Institute ([BRX0035](#))
- 79 Malvern Hills Conservators ([BRX0076](#))
- 80 Marine Conservation Society ([BRX0241](#))
- 81 Mary Lindsey ([BRX0019](#))
- 82 MEP Molly Scott Cato ([BRX0097](#))
- 83 Miss Rhian Pierce ([BRX0012](#))
- 84 Moors for the Future Partnership ([BRX0253](#))
- 85 Mr Adrian Parker ([BRX0231](#))
- 86 Mr Graham Gill ([BRX0196](#))
- 87 Mr James William Buckley ([BRX0026](#))
- 88 Mr Jamie Alison ([BRX0164](#))
- 89 Mr John Harrison ([BRX0098](#))
- 90 Mr Kit Bennett ([BRX0095](#))
- 91 Mr Mark July ([BRX0139](#))
- 92 Mr Paul Cobb ([BRX0188](#))
- 93 Mr Richard Bruce ([BRX0087](#))
- 94 Mr Seán O’Hea ([BRX0080](#))
- 95 Mr Stuart Coleman ([BRX0183](#))
- 96 Mrs Melanie Dodd ([BRX0102](#))
- 97 Mrs Susan Atkinson ([BRX0016](#))
- 98 Ms Nicola Packer ([BRX0048](#))
- 99 Ms Sally Huish ([BRX0039](#))
- 100 Ms Susan Hedley ([BRX0067](#))
- 101 National Association for AONBs ([BRX0124](#))
- 102 National Farmers Union ([BRX0131](#))
- 103 National Forest Company ([BRX0051](#))
- 104 National Parks England ([BRX0248](#))
- 105 NATIONAL TRUST ([BRX0158](#))
- 106 Natural England ([BRX0244](#))
- 107 Natural England ([BRX0254](#))
- 108 NI Farm Forestry ([BRX0042](#))

- 109 North East LNP ([BRX0071](#))
- 110 Northern Hill Farming Panel ([BRX0109](#))
- 111 Northern Ireland Environment Link ([BRX0055](#))
- 112 Northumbrian Water Group ([BRX0149](#))
- 113 Open Spaces Society ([BRX0130](#))
- 114 Oxfordshire Green Party ([BRX0146](#))
- 115 People Need Nature ([BRX0134](#))
- 116 Pesticide Action Network UK ([BRX0112](#))
- 117 PlantLINK ([BRX0154](#))
- 118 Professor Richard Brazier ([BRX0249](#))
- 119 Rewilding Britain ([BRX0065](#))
- 120 River Nene Regional Park ([BRX0005](#))
- 121 Rockingham Forest Trust ([BRX0027](#))
- 122 RSPB ([BRX0240](#))
- 123 Rusland Valley & Fells Landscape Partnership ([BRX0119](#))
- 124 Scottish Wildlife Trust ([BRX0077](#))
- 125 Shared Assets ([BRX0058](#))
- 126 Shropshire Hills AONB Partnership ([BRX0148](#))
- 127 Shropshire Ornithological Society ([BRX0036](#))
- 128 Society for the Environment ([BRX0056](#))
- 129 Soil Association & Organic Research Centre ([BRX0129](#))
- 130 South West Uplands Federation ([BRX0028](#))
- 131 South West Water ([BRX0173](#))
- 132 Tenant Farmers Association ([BRX0246](#))
- 133 The Chartered Institute of Environmental Health ([BRX0017](#))
- 134 The England & Wales Wildfire Forum ([BRX0177](#))
- 135 The Environment Bank Ltd ([BRX0034](#))
- 136 The Froglife Trust ([BRX0033](#))
- 137 The Geological Society ([BRX0101](#))
- 138 The Heather Trust ([BRX0178](#))
- 139 The Land Trust ([BRX0084](#))
- 140 The Ramblers ([BRX0063](#))
- 141 The Rivers Trust ([BRX0070](#))
- 142 The SOURCE Partnership ([BRX0064](#))
- 143 The Southern Uplands Partnership ([BRX0114](#))
- 144 The Wild Trout Trust ([BRX0107](#))
- 145 The Wildlife Trusts ([BRX0072](#))
- 146 The Wildlife Trusts ([BRX0073](#))

- 147 The Wildlife Trusts ([BRX0074](#))
- 148 UK Environmental Law Association ([BRX0110](#))
- 149 UK Overseas Territories Conservation Forum ([BRX0015](#))
- 150 UK Pesticides Campaign ([BRX0242](#))
- 151 Upper Teesdale Agricultural Support Services ([BRX0011](#))
- 152 VINE Values In Nature and the Environment ([BRX0144](#))
- 153 Warwickshire Coventry and Solihull Local Nature Partnership ([BRX0176](#))
- 154 Wessex Water ([BRX0233](#))
- 155 West Berkshire Stronger Together ([BRX0108](#))
- 156 Wildlife and Countryside Link ([BRX0147](#))
- 157 Woodland Trust ([BRX0115](#))
- 158 World Land Trust ([BRX0032](#))
- 159 WWF-UK ([BRX0142](#))
- 160 WWT (Wildfowl & Wetlands Trust) ([BRX0013](#))
- 161 Yorkshire Dales Rivers Trust, as CaBA catchment host for the Swale, Ure and Nidd and the Wharfe catchments ([BRX0150](#))
- 162 Yorkshire West Local Nature Partnership ([BRX0105](#))

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the [publications page](#) of the Committee's website.

The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

Session 2016–17

First Report	Soil health	HC 180 (HC 650)
Second Report	Flooding: Cooperation across Government	HC 183 (HC 645)
Third Report	Environmental impact of microplastics	HC 179 (HC 802)
Fourth Report	Sustainability in the Department for Transport	HC 184 (HC 819)
Fifth Report	Sustainability and HM Treasury	HC181
First Special Report	EU and UK Environmental Policy: Government Response to the Committee's Third Report of Session 2015–16	HC 644

Session 2015–16

First Report	The Airports Commission Report: Carbon Emissions, Air Quality and Noise	HC 389
Second Report	The Future of the Green Investment Bank	HC 536
Third Report	EU and UK Environmental Policy	HC 537
First Special Report	Local Nature Partnerships: Government Response to the Committee's Twelfth Report of Session 2014–15	HC 377
Second Special Report	Climate change adaptation: Government Response to the Committee's Tenth Report of Session 2014–15	HC 590

