**Agriculture Group meeting 9th June 2022**

**Attendees**

Members were joined by Defra’s agriculture and food team as well as the CEO of AFS.

**Support for Farmers**

Defra outlined its support for farmers, highlighting the grants which have been made available to encourage innovation and diversification through the resilience fund. Defra also said, recognising the cash flow pressure farmers are under, 50% of BPS would be paid early in July.

Defra said it was helping farmers in the transition away from BPS by making the new ELM schemes as accessible as possible. They said these schemes will help deliver the improvements in land management and environment the Government aims to achieve through its shift in how subsidies are paid.

Members reflected back the pressure their farmer suppliers were under. They said cashflow was a major concern and the challenge of managing cost during such a volatile period was preventing farmers planning for the future. They said their businesses faced major challenges rewarding UK farmers whilst keeping food affordable for consumers. They pointed to labour shortages as well as price inflation as challenges their farmers were reporting. In terms of future environmental standards and schemes, they were sceptical all the value of farmers’ investment to achieve these could be recouped in the present market. Members also raised concerns that imported food would not be produced to the standards expected of UK farmers.

The BRC echoed these points; it felt in conversations with Ministers they did not appreciate the immediacy of the price challenge and that UK farming and food production was in a more perilous position than the Government had acknowledged. Defra said Ministers were aware and would continue to do everything to reduce burdens and costs where possible, however, further intervention would be difficult to achieve. On trade, Defra felt the assessments by the Trade and Agriculture Commission had demonstrated there was no significant divergence in the standards of imported food and all trade deals were subject to Parliamentary scrutiny.

**Animal Welfare**

Members raised issues about the Government’s aspiration for animal welfare; pointing to recent statements in Defra’s animal welfare strategy to implement the Better Chicken Commitment, they said this ignored consumers’ ability to pay for price increases. They also asked about labelling, particularly of non statutory methods of production and what consideration had been given to the priority of labelling more generally in helping consumer choice.

Defra suggested there would be more clarity of the Government’s aspirations for animal welfare in the forthcoming food strategy. Similarly, labelling would be covered both its overall role and potential to address specific issues.

Defra’s animal welfare team weren’t in the meeting so they agreed to follow up after the strategy is published.

**Gene Editing**

Defra said the Bill was progressing through Parliament and should become law in 2023. They said the Government recognised the sensitivity of the issue and the need to avoid it becoming the next GMO problem. They had used scientists rather than Ministers and positive examples through the media and felt the reaction, to date, had been balanced and not adverse. They recognised it was English legislation but were liaising with both Scottish and Welsh Governments to try and avoid problems for the UK internal market.

Members were interested to know the process by which GE processes would be approved; they were told FSA would do this as a novel food application. Members were also interested in the communication plan, pointing out that should be with Government than left to retailers which Defra accepted.

**AFS Environment Module**

AFS explained they had developed the module as an alternative to a change to the overall standard. Their aim was to produce a module which could get wide support from companies who choose to require higher standards from their farmers to simplify the approach. The module covers carbon auditing, soils, nutrients, recycling and biodiversity. AFS may consider water quality, air quality and sustainable soya use in the future.

AFS said farmers who join can upload their evidence to meet the module which is then verified at their next audit. AFS will begin piloting in July with full rollout in the Autumn. Produce from farms will be able to carry an enhanced AFS label.

AFS said it is considering how best to align with other schemes to reduce the burden for farmers; for example, how much of a LEAF audit or submission to the sustainable farming initiative could count towards the module. Unfortunately, it can’t work the other way for the ELM schemes as they need to be completed in full regardless of the module as they are paid for by Government.

Members were encouraged by the module, particularly the focus on carbon. A further discussion on carbon then began on how the industry can collect consistent data and how AFS and others might work together to provide it. They supported the view that using the module should have greater benefits for farmers, particularly alignment with other schemes. They agreed it was important to demonstrate the value to farmers, including beyond the direct price for their produce.

Next Steps

Clearly the Defra Food Strategy will build on much of the discussion and BRC will follow up with members and Defra after its publication. Members also thought it would be worth a specific discussion on the animal welfare strategy which the BRC will arrange.