Environmental Land Management Pilot

What is Environmental Land Management for?
We aim to design and administer schemes in a way that:
• will support farming and the countryside to make a significant and widespread contribution to environmental goals, including by reducing greenhouse gas emissions
• is trusted by the sector
• attracts wide participation – we want to increase participation rates in Environmental Land Management schemes from the current 30% in agri-environment schemes to more than 70% of farmers by the end of the transition, with even higher participation in the Sustainable Farming Incentive
• supports a sustainable and vibrant sector

Our Environmental Land Management scheme will introduce a new approach to paying for public goods, with:
• more choice and control for farmers
• a greater focus on outcomes and the main practices and interventions that support them, rather than the bureaucracy and prescription that was required under EU schemes
• a fairer, more supportive and effective approach to compliance.

We will pay for delivery of land management actions that contribute to:
• clean air
• clean and plentiful water
• thriving plants and wildlife
• reduction in and protection from environmental hazards
• mitigation of and adaptation to climate change
• enhanced beauty, heritage and engagement with the environment

Landscape Recovery will support the delivery of landscape and ecosystem recovery through long-term, land use change projects, including projects to restore wilder landscapes in places where that is appropriate, large-scale tree planting and peatland restoration projects. These projects can deliver a wide variety of environmental outcomes and support local environmental priorities while making an important contribution to national targets. We expect that this component will be competitive.

Local Nature Recovery and Landscape Recovery will be for farmers who want to go even further to achieve outcomes in a local area or at landscape and whole ecosystem scale. Eligibility for Landscape Recovery is likely to be project-specific and limited to land with the right natural capital assets and at the right scale to deliver transformational landscape recovery.

How we will pay for public goods
The way we pay for public goods will be different – less prescription, more choice and flexibility. The length of the agreements will be flexible according to individual circumstances and what farmers want to deliver through their agreements.

Examples of the types of actions we envisage paying for include but are not limited to:

• focusing on large-scale forest and woodland creation, restoration and improvement; ecosystem restoration; peatland restoration; and the creation and restoration of coastal habitats such as wetlands and salt marsh.

Payments will be set to make sure that making environmental improvements is financially viable and fair, and to encourage a high level of participation, which will be critical to achieving our environmental objectives.

There is scope to blend public and private funding and finance, including through mechanisms such as reverse auctions and marketplaces for ecosystems services that offer both public and private benefits. This is particularly likely within Landscape Recovery, given its focus on discrete large-scale projects, although there are also opportunities within the Sustainable Farming Incentive and Local Nature Recovery. This will help us deliver the environmental objectives at greater scale and ambition than we could using public funding alone. We plan to develop our policy proposition for how we might blend finance over the coming months, with a view to testing potential mechanisms through tests and trials and the National Pilot.

In developing our approach to calculating payments we are learning lessons from current schemes, testing aspects through tests and trials and are acutely aware that payments need to provide a fair return to participants if our Environmental Land Management scheme is to deliver on our challenging ambitions.

We will set out more detail on the specific types of land management action that we plan to pay for and how we will set payment rates in early 2021.

For the Landscape Recovery National Pilot, we will initiate a number of long-term projects between 2022-2024 to help us restore wilder landscapes and to form the basis of the Landscape element of the National Pilot. The focus will be on large-scale sites, typically around 2000-3000 hectares, where there are opportunities to significantly enhance the landscape to deliver a diverse range of environmental outcomes. This will support the delivery of our ambitious national targets and commitments, such as the government's pledge to protect 30% of the UK's land by 2030 and the establishment of a Nature Recovery Network.

Eligible projects could focus on creating woodland, restoring wetland and peatland, enhancing bogs, fens or saltmarshes, or other valuable land-use change, and they could create, expand or link nature reserves. Suitable sites could be provided by groups of farmers, individuals, or organisations such as Non-Government Organisations.

Agreements may be multi-annual and we will expect to employ blended public and private finance. We are considering how best to safeguard these valuable new sites for the future, and we will explore options for statutory protection, for example by designating the sites as National Nature Reserves. In recognition of the importance of food production and farming, we will aim to avoid delivering these projects on high-value agricultural land.

Eligibility

We will recruit a broad range of participants representing all types of farmers likely to be eligible for the three components of our Environmental Land Management offer, including different farm types, horticulturists and foresters. We will also take account of other considerations, such as size of holding; whether they are tenants, landowners, commoners or other types of land tenure; geography; level of digital access; and experience of farming/agri-environment schemes.

Places in the National Pilot will be limited. We will share details of eligibility and how to get involved when we launch the pilot in 2021. Our current plan is that:

• recruitment into the National Pilot will be staggered in three phases, to allow us to test improved prototypes as we go
• we intend to involve over 1,000 farmers in phase 1 of the pilot; scaling up to around 5,500 in total by the end of phase 3, with the pilot progressively evolving and extending the range of participants over the 3 years

Participants will enter into National Pilot agreements, which would last until the pilot ends. So, people who join early would be in the National Pilot longer than people who join later, and they would all finish together when the National Pilot ends in late 2024. We expect that participants will apply to transfer to the full scheme once available, but that will be the participants' choice.

Payments

Participants will be paid a competitive rate for taking part in the National Pilot. Payments will cover the cost of delivering land management actions, and time spent actively contributing to pilot learning.
Further details are still to be confirmed and these will be made available before we seek expressions of interest for participation in the National Pilot.

Timings

We will begin recruiting for the National Pilot from early 2021 and operate on the ground from late 2021 until late 2024. Timings are expected to be:

• Starting from 2022 we will begin piloting **Landscape Recovery**, through 10 large-scale projects. In 2021 we will publish more details on how we will choose early projects and invite nominations of potential sites. We aim to use these initial 10 projects to help us learn what works in delivering large-scale land-use change projects and to help us refine our approach for further Landscape Recovery projects in future.