Welsh Carbon Budgets – Call for Evidence Response

Organisation

Agriculture Industry Climate Change Forum

Question 1: Does the Paris Agreement mean that Welsh emissions targets should keep open a deeper reduction in emissions than 80% by 2050? Are there implications for nearer-term targets?

The AICCF has focussed its replies on questions that it saw to be of greatest relevance.

Question 2: Do you think that leaving the EU has an impact on the targets or how they can be met?

Implementing measures that will reduce GHG emissions from agriculture would often yield economic benefits to the sector; most usually through improved efficiency (e.g. reducing input costs). Nevertheless, other potential measures (especially technical ones) may not lead to direct economic payback. With respect to Welsh agriculture, the leaving of the EU could have potentially crippling impacts on the economic viability of agricultural businesses. It must be recognised that, were the economic ramifications of Brexit were to lead to economic hardship for the sector, its ability to implement GHG mitigation measures could be impeded. Leaving the EU may well therefore have considerable implications for the scale and pace of how the agricultural sector in Wales could meet GHG emission reduction targets.

Question 3: In the area(s) of your expertise, what are the opportunities and challenges in reducing Welsh emissions in the nearer term (e.g. to 2030)?

• Opportunities
o The agricultural industry is increasingly recognising the benefit from implementing those measures that will reduce GHG emissions and lead to greater (economic) resilience (the so-called “win-wins”). For instance, some sectors (e.g. the intensive dairy sector) operate under a high degree of ‘control’, with high levels of technical expertise and investment in efficiency measures. The co-benefits of GHG and economic savings are increasingly recognised by the agricultural industry
o The agricultural industry increasingly recognises the market opportunity in being proactive rather than reactive (i.e. formulating its own responses to challenges). Welsh agriculture’s strength is in being small enough to get together, but big enough to have an impact
o There is progressive use of emerging technology, and a new generation of highly motivated, highly skilled workforce that are well-educated and with a more professional outlook. Wales also benefits from a growing culture and network of knowledge exchange (e.g. through the Farming Connect programme)
o Discussions on the next iteration of agricultural support payments are ongoing. We feel that future schemes could, and should, both facilitate and reward farmers that implement measures to reduce emissions of, or sequester, carbon

• Challenges
o GHG emissions from Welsh agriculture should be reduced without exporting the impact elsewhere (i.e. emissions displacement). There are many that advocate a considerable reduction in production (e.g. livestock numbers) as a means of meeting targets. We recognise that such measures are often not the best way to reduce emissions as produce may then be imported from areas where environmental impacts of production are greater, or different (“pollution-swapping). Instead, measures should focus on efficiency gains that will both reduce emissions and facilitate options for carbon sequestration
o Due to its landscape and environmental constraints, Welsh agriculture is dominated by livestock systems; and this is unlikely to change. Due to the often extensive nature of such systems, it could be more difficult to implement measures that reduce GHG emissions
o The agriculture sector may not receive the recognition it deserves for reducing emissions or sequestering carbon. For instance, measures that promote afforestation or generation of renewable energy would be reliant on agricultural land, but the credits for such C-savings would likely be apportioned to other sectors (e.g. forestry or energy). Unless this is changed, it may be very difficult for the agricultural sector to be credited with meeting its GHG emission reduction targets
o Welsh agriculture consists of thousands of (often small) farms. This presents a challenge in terms of encouraging behaviour change, but also in terms of the industry gaining recognition for its emission reductions due to the difficulty in measuring small changes over a large area

Question 4: What is required by 2030 to prepare for the 2050 target for an emissions reduction of at least 80% on 1990 levels, recognising that this may require that emissions in some areas are reduced close to zero? Is there any impact of the need to go beyond 80%, either in 2050 or subsequently?

The AICCF has focussed its replies on questions that it saw to be of greatest relevance.

Question 5: What are the respective roles of UK Government, Welsh Government, the wider public sector, business, third sector and individual or household behaviour in delivering emissions reductions between now and 2030? And, separately, between 2030 and 2050?

We found this to be a large question in terms of scope, therefore have focussed on key areas:
• The UK and Welsh Government should focus on developing a UK framework for agriculture that doesn't (dis)advantage farmers by geographic region (e.g. in the form of incentives or initiatives that mean there is disparity in how farmers can meet GHG emission reduction targets). This has particular relevance in the post-Brexit trading era
• A new support payment scheme is developed that rewards good practise, delivery of ecosystem services, and facilitates investment in efficiency measures otherwise too costly to implement
• Relevant parties should adopt a 'joined-up' approach that promotes sustainably-produced food, from businesses (e.g. retailers), to the third sector and the government (e.g. during procurement). This calls for transparent, trustful, and integrated supply chains that reward good practise, and the structure/s in place to enable the agricultural industry to be rewarded for sustainability measures (rather than be penalised on price)
• We believe that a universal C-accounting methodology should be adopted for the agri-food sector. This should be robust, yet accessible enough for the sector to understand. Repeat measurements should be undertaken for continual improvement. The GHG emission savings need to be communicated throughout, to everyone's benefit
• We believe that there should be enhanced investment in the R&D for the agri-food sector, so that all parts of the industry can be progressive and world-leading in terms of its commitment to sustainability

Question 6: As a business, as a Public Sector Body, or as a citizen, how do emissions targets affect your planning and decision-making?

The AICCF has focussed its replies on questions that it saw to be of greatest relevance.

Question 7: In your area(s) of expertise, what specific circumstances need to be considered when setting targets and budgets for Wales and how could these be reflected in the targets?

• Given the features of the Welsh landscape, a significant proportion of Welsh farms are constrained to some types of agricultural systems and there are less opportunities for change (e.g. from livestock production to cropping). The extensive nature of such systems also reduce the degree of control that farmers have over emissions. Collectively, there is therefore reduced flexibility in terms of implementing measures that reduce GHG emissions
• The fragmented nature of the farm industry (many small businesses) is of hugely significant socio-economic value in terms of sustaining rural communities and jobs. However, it has implications for ease of implementation and uptake of mitigation measures, particularly where these come at cost. Uptake of even "win-win" measures can take decades, and this should be reflected in the time profile of measurement of impacts. This is crucial when setting budgets (lifetime of different projects – not all projects will start immediately, even by the initiators). It also has implications for measuring change (e.g. sequestration of carbon in afforested farmland will take years to manifest itself). There is therefore a need to encourage a mind-set of moving towards continual improvement to maintain motivation, even if (fixed) targets are not being met at the desired speed. The temptation otherwise is to try to import solutions from elsewhere
• The climate of Wales lends itself to good grass production, that can act as a significant carbon sink, and is the basis of ruminant production systems. Displacing emissions elsewhere (e.g. reducing livestock production and importing the goods instead) to where conditions for grass growth are less favourable could result in a net increase in global emissions
• The Wellbeing of Future Generations (Wales) Act 2015 and the Environment (Wales) Act 2016 could lead to the environmental conditions of Wales representing an opportunity for Welsh agriculture to be rewarded for the delivery of ecosystem services and public goods such as carbon storage

Question 8: The power and industry sectors in Wales are dominated by a small number of large emitters. What are the key challenges and opportunities that this presents in setting the levels of carbon budgets and how should the process of setting them reflect these?

The AICCF has focussed its replies on questions that it saw to be of greatest relevance.

Question 9: What evidence should the Committee draw on in assessing impacts on sustainable management of natural resources, as assessed in the state of natural resources report?

• Periodic and continuous environmental monitoring is a long process. This time profile is recognised to some extent by SoNaRR, but not really expanded on. We recommend that the Committee should draw upon the reference list within SoNaRR as evidence (although this list does not include all relevant evidence). It should also draw upon recent projects such as the GMEP (report launched in July 2017) and the ongoing Climate-Smart Agriculture Wales project
• We feel that the Committee should include sustainable exploitation of natural resources (e.g. potential for renewable energy). Currently there is debate over what has / hasn't potential in the agricultural sector, however, evidence is available from relevant areas (e.g. the Welsh Government has a database to calculate renewable energy potentials down to farm level
• We also feel that the Committee could reflect on evidence available from the Farm Business Survey and from Census data, e.g. for recent data on farm income streams

Question 10: What evidence regarding future trends as identified and analysed in the future trends report should the Committee draw on in assessing the impacts of the targets?

The AICCF feels that much of this question has been addressed in previous answers. However, we are aware of how climate change may in itself challenge the capacity of the Welsh agriculture sector to respond to targets (e.g. due to increased frequency of extreme weather events, new disease pressures, etc.)