

The SFI: A summary

- 1) In making a distinction between arable land and grassland it goes against one of the core principles of sustainable land management; rotation.
- 2) It offers a subsidy to one form of crop establishment over others, a process that will be difficult to administer, gets in the way of optimal decision making, and is based on dubious science.
- 3) It rewards repair over maintenance. By offering greater payments to reinstate grassland than to maintain existing grassland, it actively encourages the ploughing up of pasture.
- 4) The level of complexity - in applying, complying and reporting - means the money will be disproportionately allocated to those who are big enough to handle the paperwork.
- 5) The timeframes necessary to achieve some of the (dubious) objectives will rule out applications from tenants. The only farming enterprises able to commit to the timeframes necessary, will be those who least need the support.
- 6) By paying the bulk of the money to the arable farmer it misses an opportunity to make use of the multiplier effect. A pound given to the livestock sector generates more economic activity, both within agriculture and the rural community as a whole, than if that pound is given to the arable sector.
- 7) By paying a flat rate, with no upper limit, it concentrates the money into the hands of the few. A progressive level of payments, with higher payments to the first x Ha, would encourage new entrants and support smaller businesses who provide a range of public goods within their rural communities.
- 8) It does nothing to increase productivity. Rather it will reduce output and increase imports, and in doing so have an adverse effect on UK GHG emissions and balance of payments.