16th March 2026

Dear Chair

I am writing to you in regard to the **Areas with Natural Constraints (Payments) Bill.** We believe that the AERA Committee will have an important role to play in the passage of the Bill and ensure that it delivers key environmental outcomes that are referenced in the Bill's Explanatory and Financial Memorandum (EFM).

Having watched this morning's evidence session, we wanted to briefly highlight two important concerns arising from the discussion.

1. **Whilst we welcome the references to positive nature and biodiversity impacts during the session, the Bill itself (aside from the EFM) contains no reference to these outcomes, nor any requirement to deliver them.** This omission needs to be addressed given the emphasis placed on biodiversity in the evidence presented.
2. **We note the questions raised regarding financing.** If funding for the Bill does not come from a new pot of money and instead comes from within the existing DAERA budget, we are concerned there may be a risk that this could divert resources away from critical nature recovery delivery and outcomes.

Where payments are directed toward the environmental stewardship that farming communities are well placed to deliver, we can support the Bill's purpose and the case for targeted investment in upland and marginal areas.

However, as this focus is currently absent from the draft legislation, we believe it is important to consider how ANC payments can be designed to support environmental outcomes. As such, we believe the Bill should be appropriately amended to ensure it contributes both to the sustainability of ANC farms and to nature recovery.

We will furnish MLAs with a full briefing on the Bill later this week.

Kind regards

Dr Sharon Thompson
Head of Policy & Advocacy