**Proposal for a Member’s Bill on Areas of Natural Constraint**

**Consultation Summary**

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**Summary of Policy Objectives and Proposal**

My Member’s Bill (MB) proposes the reintroduction of payments to farmers operating in Areas of Natural Constraint (ANCs). The objectives of my MB are to:

* Compensate farmers for all or part of the additional costs and income foregone due to production constraints in ANCs;
* Alleviate the burden of production costs in these difficult farming environments;
* Address the reduction in agricultural opportunities for those farming in designated ANC areas; and
* Better promote equality of opportunity for farmers in these regions.

In bringing forward this proposal, I want to restore income foregone payments that were vital to farmers in upland areas socially, economically, environmentally, and financially. These payments helped ensure the continuation of hill farming, supported low-carbon livestock production, and maintained areas of outstanding natural beauty.

My Members Bill proposes that ANC payments should be reinstated at no less than the levels provided under the Areas of Natural Constraint 2018 Act, which specifies payment rates in Schedule 2 based on qualifying forage area.

I believe my proposed bill is within legislative competence.

**Consultation**

The ANC consultation opened on 4 November 11 2024 and closed on 28 March 2025 (having been extended from 5 March.) A total of 431 responses were received to the consultation comprising 78 individual submissions via the online platform; a petition signed by 353 individuals and one submission emailed from a farming group.

**Support for Reinstating an Areas of Natural Constraint (ANC) Scheme**

**1. Respondent Profile**

The profile of respondents is broken down as follows:

* 92.31% of responses were from farmers
* 2.56% from groups/organisations
* 5.13% from individuals

**2. Farming in ANC or Upland Areas: Key Characteristics**

The key characteristics of farming in ANC or Upland Areas are summarised below.

Farming Conditions

* Long winters, cold springs, early autumns, short growing seasons
* Heavy clay, bog, mossy, and wet soils; often at elevations up to 1200 ft
* High rainfall impacts grass growth and increases feed/housing costs

Economic Viability

* Reduced livestock growth rates and lower stocking levels
* Higher input and infrastructure costs
* Limited market value due to slower maturing, traditional breeds
* ANC payments previously essential for farm survival

Market & Infrastructure Challenges

* Poor transport connectivity to markets
* Lower livestock value and less access to stock improvement resources

Emotional & Physical Impacts

* Farmers describe conditions as “a struggle,” “exasperating”
* Many farms in same family for 30–60+ years

Support Structures

* Hill farming policy is channelled through the Ulster Farmers’ Union (UFU)
* Local representation via elected hill farming members

**3. Support for the Bill’s Ambitions**

Over 96% of respondents supported the Bills ambitions.

* 88.61% said they were fully supportive
* 7.59% were mostly supportive
* 2.53% were supportive to some extent
* 1.27% opposed the ambitions of the Bill.

**4. Impacts of Ceasing ANC Support**

The consultation found that ceasing ANC support not only had negative financial impacts and on farm viability but also impacted negatively on the mental health and wellbeing of farmers in these areas and on environmental management. Respondents also expressed their discontentment with the policy approach. The key points raised by respondents are summarised as follows

Financial Impacts

* Serious loss of income and cash flow
* Overdrafts increased; off-farm income required
* Farm investment and maintenance halted

Farm Viability

* Drop in suckler cows and breeding ewes
* Loss of ANC undermined long-term planning

Mental Health & Wellbeing

* Reports of mental stress, exhaustion, suicidal thoughts
* Demoralisation and generational exit from farming

Environmental Management

* Land abandonment and biodiversity loss
* Deterioration in landscape care and public good delivery

Policy Discontent

* Widespread sense of exclusion from new support schemes
* Lack of targeting for ANC areas seen as unfair
* Strong advocacy from UFU and National Sheep Association (NSA)

**5. Additional Challenges in ANC Areas**

Additional challenges in ANC areas included higher production costs, land limitations, environmental restrictions, particular issues in relation to livestock and output as well as sustainability risks including:

Higher Production Costs

* Extended winters (Sept–April): feed, housing, fuel
* Fertiliser, drainage, labour and maintenance costs higher
* Long distances to marts or processors (20+ miles)

Land Limitations

* Shallow, stony, low-fertility soils
* Steep slopes and poor drainage
* Limited to small cattle/sheep systems; no viable cropping

Environmental Restrictions

* Planning and development curbed in Areas of Natural Beauty or protected sites
* Environmental Farming Scheme grazing restrictions (e.g. Nov–Feb upland bans)

Livestock and Output

* Hill breeds lower yielding; lighter weights; lower price
* Lower stocking rates reduce economic output

Sustainability Risks

* Viability threatened without targeted support
* ANC areas recognised for carbon storage and low-input production

**6. Is Additional Support Necessary?**

There was overwhelming agreement on the need for targeted support, the reasons cited being:

* ANC farms are high-cost, low-yield but ecologically crucial
* Many farms are small-scale family units
* Without support, farms face closure and younger farmers exit

**7. Upland Farms in the Red Meat Supply Chain**

Specific factors relating to the role of upland farms in the red meat supply chain included:

Vital Contribution

* Upland farms: key source of breeding ewes and suckler cows
* Around 70% of NI land is LFA; 44% SDA
* 75.4% of suckler cows and 79.4% of breeding ewes in LFAs (2024)

Environmental Benefits

* Hardy breeds ideal for landscape management
* Extensive grazing supports biodiversity and soil health

Systemic Role

* Hill farms supply store lambs and weanlings to lowland finishers
* Their decline weakens the entire red meat chain

Economic Contribution

* Agri-food supports 113,000 jobs in NI ([UFU](https://www.ufuni.org/ufu-welcomes-ni-food-and-drink-processing-investment-scheme))
* Over 25,000 direct jobs in the sector ([DAERA 2022](https://www.daera-ni.gov.uk/publications/size-and-performance-ni-food-and-drinks-processing-sector))
* £1 output = £1.80 economic return ([UFU Sheep Taskforce](https://www.ufuni.org/site/wp-content/uploads/2023/03/Sheep_Taskforce_Vision.pdf))

Knowledge and Skills

* Expertise built over generations
* Irreplaceable cultural and practical knowledge at risk

**8. Would Reintroducing ANC Payments Alleviate Pressure?**

There was strong support for the proposition that reintroducing payments would alleviate pressure. Comments included:

Strong Support

* Payment helps cash flow in critical period (Apr–May)
* Offset increased feed, fuel, medicine, fencing costs
* Recognises extra workload and costs in marginal areas

Environmental Role

* Payments help maintain managed uplands
* Prevents land abandonment, biodiversity loss, and wildfires

Level of Payment Matters

* Needs to be meaningful and regular

**9. Value of ANC Farmer Expertise**

A number of respondents recognised the value of ANC farmer expertise:

* Deep knowledge of upland, heather, peatland grazing
* Learned over decades — cannot be replaced by agencies
* Vital for delivering sustainable land management

**10. Community Impacts of Farming Loss**

Respondents reported the social, economic and environmental impacts of farming loss on the community to be:

Social

* Rural depopulation
* Loss of services: schools, churches, post offices
* Mental health consequences of forced exit from farming

Economic

* Farming underpins rural businesses and supply chains
* Every farm job creates ~1.5 others
* Reduced local spending, rising urban migration

Environmental

* Land abandonment = biodiversity decline, invasive scrub, fire risk
* Ecological value lost without active grazing
* Government agencies cannot match local land knowledge

**11. Further Evidence from Consultation**

Further evidence relating to ANC farming included:

Red Meat Supply Chain

* Without upland breeding herds, lowland beef supply fails
* Local lamb and weanling supply vital to food security

Carbon Sequestration

* ANC land (peatlands, grasslands) stores carbon
* Supports climate goals with low-intensity farming

Public Good Provision

* Landscape management
* Wildlife protection
* Sustainable food production

**12. Views on the Bill & Future Design**

A number of respondents provided feedback on the Bill and its future design. These are outlined below.

Suggestions for Support Models

* Suggested names:
  + Northern Ireland Rural Disadvantage Area Scheme (RDAS)
  + Less Favoured Area payment (LFA)

Support Areas

* Forest creation and carbon payments
* Covering upkeep costs: fencing, weeds, heather, tourism maintenance
* Protecting schools, churches, rural services

Policy Fairness Concerns

* Some land wrongly excluded from previous ANC classifications
* Suggested thresholds: 200m elevation, productivity vs Grade 1
* Frustration at lack of evidence base for withdrawal of ANC

Urgency and Delivery

* “Get the job done now,” “Please do something”
* Preference for integration into existing agri-supports (e.g. BPS, beef)
* Call for simplified and cost-effective administration

**Financial Implications**

Around 10,000 farmers operate in Severely Disadvantaged Areas (SDAs)[[1]](#footnote-1), now referred to as Areas of Natural Constraint (ANC), with the greatest concentration in Fermanagh and Tyrone. Fermanagh is the most affected, with nearly 92% of its land designated as SDA[[2]](#footnote-2) These areas face natural limitations that hinder productive farming. To prevent land abandonment, the European Union provides financial support through rural development and income schemes. Historically, support was provided under the Less Favoured Area Compensatory Allowances (LFACA), which covered both Severely Disadvantaged Areas and Disadvantaged Areas, but this was replaced by the ANC Scheme under the 2014–2020 Rural Development Programme introduced by Minister Michelle O’Neill.

The ANC Scheme targeted Severely Disadvantaged Areas land only, which comprises about 41% of Northern Ireland’s total land area. In 2016, Minister Michelle McIlveen introduced a one-year ANC Scheme worth £8 million, with around 9,000 applications submitted and payments concluding in 2018. Payment rates for that year were set at £26.57 per hectare for the first 200 hectares and £19.93 per hectare thereafter[[3]](#footnote-3) According to the 2018 ANC Regulations, future payments should not fall below those amounts, as outlined in Schedule 2 of the Act. Any new scheme must, at a minimum, maintain these financial levels to provide fair support to farmers in the most challenging landscapes.

**Correspondence with the Minister, the Commissions and the Assembly Committee**

I submitted correspondence to Minister of Agriculture, Environment and Rural Affairs to outline that I would be taking forward a Member’s Bill to legislate on Areas of Natural Constraint (ANC) payment and to ensure that no legislation was being developed in Departments to achieve this policy objective. The Minister responded on 23rd October 2014 and stated that he has no plans to reintroduce an ANC support scheme.

I also wrote to the Equality Commission and the Human Rights Commission. I await their responses.

I wrote to the Agriculture, Environment and Rural Affairs Committee on 30th of June 2025 to inform it of my intention of taking the Member’s Bill forward in this mandate. My bill on Areas of Natural constraint was raised under Chairpersons Business at the AERA committee meeting on 3rd July 2025.

**Conclusions and impact on the final proposal**

I believe that my proposal for an ANC scheme remains relevant and does not require any further development or refinement. The scale of the responses to the ANC consultation demonstrates the vital importance of this payment in a number of ways: socially, economically, environmentally and financially to the upland areas. I therefore intend to introduce my Member’s Bill as soon as possible.

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1. Page 6; Research and Information Service Briefing Paper; 1st July 2020; NIAR 203-20; Areas of Natural Constraint overview; Mark Allen; [↑](#footnote-ref-1)
2. Mapping Northern Ireland Severely Disadvantaged Areas by County, NIAR 58-2020, RaISe briefing note, 28 February 2020 [↑](#footnote-ref-2)
3. Page 6; Research and Information Service Briefing Paper; 1st July 2020; NIAR 203-20; Areas of Natural Constraint overview; Mark Allen. [↑](#footnote-ref-3)