

# Written Ministerial Statement

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## Department of Agriculture, Environment and Rural Affairs

### FARM SUPPORT AND DEVELOPMENT PROGRAMME UPDATE

*Published at 5pm on Tuesday 3 December 2024*

**Mr Muir (Minister of Agriculture, Environment and Rural Affairs):** This statement sets out my plan for communications in relation to the Farm Support and Development Programme. I am issuing an associated press release later today.

#### Background

I previously provided an oral statement on my Department's new Farm Support and Development Programme (FSDP) on 14 May 2024 in advance of the Balmoral Show.

The FSDP will have a transformational role in the delivery of a number of the draft Programme for Government priorities together with my key priorities through striving to achieve the FSDP's four outcomes of increased productivity, better environmental sustainability, improved long-term resilience and an effective functioning supply chain.

Tackling climate change is a key priority and critically important for the agriculture sector which is both most affected by the consequences of extreme weather events, whilst also having a positive and constructive role to play in reducing our greenhouse gas emissions.

The Schemes being introduced as part of the FSDP will be essential levers in contributing to Northern Ireland's statutory obligations under the Climate Change Act (NI) 2022 and achieving a genuinely Just Transition. Their implementation and delivery will be key to meeting the targets set out in the forthcoming Climate Action Plan for the NI Agriculture Sector.

Protecting our natural environment is another key priority. Implementing the Environmental Improvement Plan is vital to achieving improved environmental sustainability in Northern Ireland and securing the recovery of Lough Neagh and other waterways. Delivery of the FSDP will be essential in helping realise the ambitions of the Environmental Improvement Plan, addressing ammonia and phosphorus related issues and incentivising and enabling actions to protect and enhance the natural environment, thereby contributing to water and air quality, soil health and biodiversity.

The Programme will provide options for all farm businesses in Northern Ireland to secure and improve their viability and environmental sustainability.

We have taken the first step on this Programme's journey of change this year through the introduction of the new Beef Carbon Reduction Scheme and it is important that we continue at pace along this path in the coming months and years.

#### Budget

The Farm Support and Development Programme is currently funded from the HMT earmarked budget for agriculture, agri-environment and wider rural economy. Funding is confirmed until 31 March 2025.

Further to the UK budget announcement from Chancellor on 30 October 2024, the removal of the earmarked status and lack of multi-year funding from HM Treasury has created a degree of uncertainty.

The overall budget position for agriculture, agri-environment, fisheries and rural development for the 2025/2026 year has not yet been formally confirmed as the Executive process to agree a draft budget has not yet completed.

Delivery of a full programme of communications is necessary to inform and motivate stakeholders to participate in the new Farm Support and Development Programme and establish the understanding required to support the necessary behavioural and attitudinal change. However whilst I await formal clarity on the budget the communications that I would wish to provide to date has been less than ideal. The need for clarity on the changes ahead has been raised regularly by the Agricultural Policy Stakeholder Group.

Taking this into account, I wish to provide as much certainty as I can to farm businesses at this point, recognising the need to support resilient farm businesses whilst addressing multiple challenges, such as reducing carbon, improving animal health and enhancing our environment.

As such I have developed an interim communication plan that will be announced later today and is outlined below.

## **Farm Support and Development Programme - Interim Plan**

### **Farm Sustainability Transition Payment**

In my Statement of the 14 May, I indicated my intention to introduce a new Farm Sustainability Payment, as previously signalled by my predecessor in March 2022, in order to provide a balance between providing a safety net which will help a farm business withstand 'shocks' that are beyond its ability to manage effectively and encouraging farm businesses to be sustainable, efficient, competitive and to manage risk proactively. As part of this a Farm Sustainability Transition Payment (FSTP) was to be introduced in 2025 and at that point my planning assumption was that from 2025, farm businesses would need to activate five entitlements on five hectares of eligible land to meet the requirements.

Given the need to provide stability and assurance to farm businesses at this time, I have decided to introduce FSTP on 1 January 2025 with minimal changes, retaining the minimum claim size at 3 ha and then introducing the historic years exercise as part of the full Farm Sustainability Payment from 2026. This will provide time for my Department to communicate with those farm businesses likely to be impacted by the implementation of the historic years exercise and the options open to them.

### **Beef Sustainability Package**

The previously announced Beef Sustainability Package aims to help ensure the future viability of our beef sector, by helping the sector keep pace with its competitors, improve resilience and importantly reduce greenhouse gas and ammonia emissions. It comprises two elements aimed at improving farm productivity while at the same time reducing greenhouse gas and ammonia emissions.

**The Beef Carbon Reduction Scheme** commenced on 1 January 2024. This Scheme incentivises farm businesses to reduce the age at slaughter of clean beef cattle over a four-year phased implementation period.

From January 2025, the second year of the Beef Carbon Reduction Scheme will commence. It will continue to incentivise farm businesses to reduce the slaughter age of clean beef animals to a maximum slaughter age of 28 months.

As part of this Package, I previously announced that the new **Suckler Cow Scheme** would plan to open in early 2025 to incentivise farm businesses to reduce the age at first calving and/or calving interval of beef breed suckler cows over a four-year phased implementation period.

It is my intention, subject to budget and legislation, to bring forward the Suckler Cow Scheme from 1 April 2025, allowing time for communications that will prepare farm businesses to fully avail of this scheme. While this very short delay on the opening of this Scheme will have a small impact on the reduction of overall emissions, it is anticipated that this will be mitigated by the additional time available to improve the flow of information and knowledge out to farm businesses and secure greater buy-in to deliver the changes required. I am pleased to announce that the Beef Carbon Reduction Scheme is already delivering emission reductions above that projected in Year 1.

## **Farming with Nature**

The Farming with Nature Package is one of my key priorities and will support farmers and land managers to make substantial contributions to environmental improvements and sustainability, with an initial focus on habitats on farmed land across Northern Ireland.

I plan to launch the Farming with Nature Transition Package in Spring 2025. A number of options are planned to increase biodiversity and improve habitat connectivity including planting of new hedgerows, creating riparian buffer strips and establishing farmland trees.

Future expansion and roll out of full Farming with Nature Scheme Package will occur in early 2026 and I will say more about this in the New Year.

### **Closing**

The Farm Support and Development Programme is fundamental to helping DAERA support our farmers and enables us to collectively achieve our environmental and climate change goals, providing the right support and policies to help us move forward on a journey of change ensuring both economic and environmental sustainability. An environmentally sustainable agri-food industry will also provide a key part of the jigsaw to improve water quality across Northern Ireland.

I hope that the announcement made today will provide clarity and stability for farm businesses at this time.

I am hopeful that I will be in a position to move forward with a fuller programme of communications on my plans for the Farm Support and Development Programme early in the New Year when there is confirmation of a draft budget and I will provide an Oral Statement to Members at this point.