

22nd March 2021

Dear Janet Hughes,

Re: Ensuring that the SFI will attract the horticulture sector and incentivise best practice

I am writing on behalf of the "Environment and Net Zero Working Group" of the Fruit and Vegetable Alliance to respond to the Policy Paper on the Sustainable Farming Incentive, published on 10th March.

We represent the UK horticulture sector and we are ambitious to help fruit and vegetable, plant and flower producers achieve net zero emissions by 2040, while adopting best environmental practice in natural resource efficiency, water management and biodiversity creation and conservation. We aim to position British produce as the best environmental option compared to imported alternatives. Our industry is highly diverse, ranging from intensive peri-urban market gardens and high tech glasshouse production of tomatoes and soft fruit to medium and large scale top fruit producers, field scale vegetables and vineyards, and encompasses both IPM and organic producers. While innovative environmental measures are already practised by some growers, a bespoke scheme for Horticulture has the potential to incentivise ALL growers to achieve best practice.

We are concerned that as it is currently presented, the Sustainable Farming Incentive will benefit very few growers, but understand that further standards are being developed. We also understand that Defra is keen to address the historically low uptake of agri-environment schemes by the horticulture sector. Our reason for writing now is to outline measures that would make ELMS more attractive to growers of all scales and types and to encourage you to engage closely with our group as you develop further SFI standards, as well as the Local Nature Recovery and Landscape Recovery schemes.

In particular we would like to highlight two reasons why the current SFI would not work for horticulture:

- Payment Mechanism and Rate The two standards presented so far that explicitly mention horticulture (Arable and Horticulture Land and Soil Standards) are based on a per hectare payment rate. Due to the small and highly intensive scale of growers, the payment rates proposed do not provide an incentive and we predict that uptake would be negligible. Within the horticulture sector, an area based payment is inappropriate.
- 2) Diversity of Sector The diversity of scale and systems employed by growers means that the system of having one standard to apply to all arable and horticulture systems will not succeed unless much greater flexibility is built in. We have ideas for a system that could accommodate the range of horticultural systems and would welcome the opportunity to discuss them with you.

Our chair, Rebecca Laughton is already engaged in an ELMS Test and Trial (Growing the Goods) focussing on horticulture, and solutions to the problems we have outlined are emerging from the results of the trial. As a group, we encourage the ELMS team at Defra to pay attention to the ideas arising from "Growing the Goods", but also to engage closely with our FVA Environment and Net Zero Working Group. We would like to invite members of the ELMS development team to come to one of our meetings, so we can discuss our concerns and share our ideas. Please do let us know when this might be possible.

Kind regards,

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Ali Capper (NFU, British Apples and Pears); Phil Morley (British Tomato Growers, APS); Steven Jacobs (Organic Farmers and Growers); and Greta Hughson (Organic Growers Alliance)

On behalf of the Fruit and Vegetable Alliance - Environment and Net Zero Working Group*

*The <u>Fruit and Vegetable Alliance</u> is a group of small and large fruit and vegetable producers, producer organisations, trade associations, and health/food charities who have come together to collectively make the case for supporting the production and consumption of fruit and vegetables in the UK in order to support the UK's public health. We have five working groups to take forward the objectives outlined in our "Vision Document (September 2020)", of which the Environment and Net Zero group is one.