most important landscapes and many of our protected sites require active management, often delivered by farmers and growers, so ensuring the long-term viability of these businesses is also important for securing the long-term management of these valuable habitats.

Some protected sites also fall within areas which support important cultural traditions, such as common land. These areas have social and cultural significance for the local community and also support unique skills and techniques which could disappear entirely if these traditions are not preserved. It is, therefore, also important that any new designation regime supports communities, such as common land, and helps to preserve the skills and traditions associated with these unique areas.

The NFU is, however, deeply concerned about the suggestion that the potential for economic use of land within some categories of protected site could be limited. For many farming businesses, land is the largest capital asset, and may be used as security for credit; in addition, the business will be dependent on deriving an income from its use of that land. Imposing restrictions which prevent economic use of the land could have serious implications for the landowner, so the NFU would be strongly opposed to any system which could result in this level of protection being imposed on a landowner without appropriate compensation and ongoing support for maintenance. The NFU believes that it is important that any protection regime works for both landowners and the environment, and supports sustainable land use, including use for economic purposes, supporting viable local communities as well as protecting our most important sites.





impacts can be taken into account. Whichever approach is taken, in developing a new designation to support nature recovery, Defra should understand the failings of the current approaches, so that these are not repeated.

However, part of the reason for the overall discussion is to simplify the designation process and establish our own domestic framework going forward. One of the drivers behind this is to simplify the designation process.

re to have a more

flexible designation compared to the current regime; a designation that can incorporate unpredictable habitat change e.g., climate change adaptation and habitat creation schemes, but this has the potential to add, rather than reduce, complexity. There also needs to be clearer principles behind such an approach and consideration must give to the consequences of such a designation. Without this knowledge, it is hard to comment.

11. How do we promote nature recovery beyond designated protected sites?

A large proportion of land is privately owned and managed by individuals who are also carrying out commercial activities on the land and rely on such activities for their livelihood.

Engagement with these landowners and the development of appropriate funding and support schemes to encourage nature recovery by private landowners will, therefore, be important if nature recovery is to be promoted outside of designated areas.

Whilst there is the potential for some private sector funding to be brought into nature recovery, for example through biodiversity net gain, but it is important to remember that this may not be accessible for all, so a degree of public funding also needs to be available. For example, where land is already rich in biodiversity it may not offer sufficient net gain potential for it to be commercially attractive, but the land may still offer nature recovery opportunities which should be supported.

Promoting and supporting nature recovery alongside productive commercial use of the land is crucial if we are to deliver widespread nature recovery.

both the space and ecological ed approach needs to be taken to this

connectively across the country'. However, a balanced approach needs to be taken to this that engages farmers and growers in the process.

production, but this approach is not sustainable in the long-term as we need to consider other priorities such as food security.

Further, without a guarantee of a long-term income stream to replace lost income, taking land out of production will not be an attractive prospect for many landowners.

Moving forward, farmers and growers will become more cautious about nature recovery activities that could lead to designations due to the unintended consequences.

Ensuring that the designation regime works for landowners and facilitates sustainable economic development with the vicinity of the protected site will be key to addressing these issues. Many agricultural businesses have operated for many generations, alongside the protected site, and it is important that this is supported going forwards.

As noted in our response to question 7, high background levels of ammonia emissions near protected sites are preventing the upgrading of farm buildings and infrastructure to meet regulatory requirements, net zero or in 8(s)4 872 0 595.4 841.58(c)9(h)-75(r)6(u)1 0 0 1 99.225 262.47



site negatively impact on the farmland. For example, blocking of drains within a SSSI has led to a lake forming in the up field, outside the SSSI site. The farmer in question has not received compensation for the loss of this asset. It would require an expensive legal case s aims to

create greater connectivity to benefit species and habitats.

If done well, Local Nature Recovery Strategies could be a useful tool for identifying areas which offer significant opportunities for nature recovery. It will be important that these strategies are used to inform other local decisions regarding nature recovery to ensure that there is a consistent approach.

Considering how private finance can work to support nature recovery and developing mechanisms that allow landowners to stack environmental off-sets on the same area (e.g. separately selling carbon, nitrogen and biodiversity off-sets) could increase the resources available for private nature recovery actions. Consideration also needs to be given to how the future maintenance of these areas can be supported/encouraged after the end of the initial term, either by allowing maintenance to be sold as a further off-set or by ensuring that public funding is available to those willing to continue to maintain these areas.

Ultimately, the key to securing nature recovery outside of protected sites at a large scale will be to ensure that nature recovery is an attractive proposition for private landowners, many of whom will be dependent on deriving an income from their land. Ensuring that the designation scheme works for private landowners and supports sustainable economic activities will be key to addressing the negative perceptions associated with having land designated which may deter landowners from improving the natural habitats on their land. Long-term financial support for environmental land management (ELMs) will also be key.

12. Do you see a potential role for additional designations? Please provide detail in the free text box.

The example projects highlighted in the consultation paper have happened because they have been driven by innovative individuals. To designate and formalise the process would remove that innovation. Hence, the NFU does not consider that it would be appropriate to create a designation for nature recovery areas as it is not clear that any such designation would achieve any significant benefits for the environment. Instead, areas which offer the potential to make a contribution to nature recovery should be identified through Local Nature Recovery Strategies, helping to target funding to those areas. Where the landowner is interested entering into commitments to deliver nature recovery, they will be able to explore options such as offering biodiversity off-sets, entering into conservation covenants or entering into ELMs to secure and facilitate the delivery of nature recovery on their land. These obligations will be enforceable, so there will already be a mechanism in place to ensure that efforts are being made to deliver the commitments entered into. However, there will always be a degree of uncertainty regarding the final outcome, and it is inevitable that some projects may have to be modified due to unforeseen circumstances, so it is important that a degree of flexibility is maintained to ensure that projects can be adapted in response to events.

If there is to be a designation for nature recovery areas, the NFU considers that it should be targeted at areas where long-term nature recovery commitments have already been entered into, and where the landowner consents to the land being designated.

Such areas will require active management to deliver results, so it is essential that landowners are supportive of the designation.



The HRA process is very difficult for an individual business to navigate or even engage with. For example, where a small family dairy farm is told that their proposed replacement building is required to go through the HRA process due to potential ammonia impacts on a nearby designated site. Without expert help, it is very difficult for a small business to establish the in-combination effect of all ammonia emissions that potentially impact on that site.

The NFU also believes that social and economic factors should be given greater weight in the decision-making process than is currently the case. Article 2(3) of the Habitats Measures taken pursuant to this Directive shall take account of economic, social and cultural requirements and regional and local characteristics the time the Directive was implemented, it was intended that the social and economic consequences of actions taken under the Directive should be considered. However, our experience is that the HRA process does not allow for the consideration of social and economic consequences, regardless of the extent of the impacts on the applicant, unless the impacts are





If Defra pursues further changes to streamline environmental assessments, the requirements must be made proportionate to small and medium sized business. The requirements need to make sense to those working in the environment. The regulations need to give sufficient weight to economic impacts, particularly where requirements negatively impact on capital assets. Many environmental regulations are written and implemented without any regard to socio-economic factors.

In reviewing the EIA process Defra should not seek to change the purpose of EIAs. There are always changes that could be made to make Environmental Impact Assessments (EIAs) more effective e.g., refine and clarify the appeals process. The current version of EIA agriculture guidance has extended definitions and changed the scope of EIAs. It has also increased the evide1 0 0 1 81.225 5 pufr n o72 0 595 €081.225 582.55 Tm-7(★ 0e sm apmpae 58.35 Tmthe 0ehe(i)4(o



Our vision for nature improvement, including 30 by 30 is based on a preference for land sharing (the delivery of multiple outputs and benefits from the same land parcel) to deliver for nature, not land sparing (the re-purposing of farmland to deliver new outcomes) and must represent viable business propositions, in harmony with the production of food, fibre and energy. In addition, should also not be pursued in isolation: optimal environmental outcomes should seek to enhance air and water quality and build soil health.





Management requirements should also be taken into account, as it is important that species can be managed in a proportionate manner to ensure that, for example, damage to crops and livestock can be minimised.

The NFU has concerns about using protections to support reintroductions. Reintroductions have the potential to result in unintended consequences. These impact directly on farm businesses and the wider community. A system must be in place to address these impacts immediately to the satisfaction of the affected businesses. Protecting the species could be detrimental to this flexibility, thereby increasing the harm caused. The NFU believes that species reintroductions should be dealt with outside of the protected species regime and after national consultation with relevant stakeholders, as well as consultation with local communities in the initial trial areas. Part of the species reintroduction project consultation should consider the long-term impacts and potential future management arrangements. Any decision regarding protected status should be taken only where there is sufficient information regarding the implications of any proposed reintroduction, so that the wider social, economic and ecological impacts of the proposal are understood prior to protection being granted.

The NFU agrees there is a need to support the recovery of some species that meet certain criteria. It should not extend to all species that may see a decline in numbers as that would



general licences. Having robust general licences which meet the underpinning legal tests will help to avoid that, which is a position the NFU believes Defra has reached





As we noted in response to the Dame Glenys Stacey Review, a single inspection field force would help to provide integrated approach to current inspection and enforcement. This could provide much needed clarity of purpose, consistency in messaging, enforcement, and possible reduced delivery costs.

enforcement, we disagreed. The NFU believes that regulation and enforcement would be significantly improved by separation of these functions. The functions of inspector, enforcer, determiner, penalty-applier, and costs collector should not be embodied in the same agency or worse, the same department or individual. In the criminal justice regime, the inspector is the police; the enforcer is the Crown Prosecution Service; and the determiner, penalty-applier and costs collector is the Court. The consequences for farmers and growers of regulatory breaches can be serious; enforcement should therefore be fair, objective, and independent. However, it may be possible to explore an adaptation of the model proposed by Dame Glenys Stacey whereby there is a single point of contact on guidance and advice (on public policy) with a separate body acting to enforce legislation.

A single regulator with revised purposes and duties would need significant cultural change in order to be successful. This may present upheaval and challenges and we do not underestimate the significant undertaking this would represent.

11 Tf1 0 0 1 313.7 519.13 Tm0 5951 0 0 1 4g3008872 0 595.4 841o1 0 0 1 313.8-aepppoo00008872 0 594q0.0

voluntary schemes should have this effort recognised when compliance with regulation is being assessed.

Therefore, earned recognition should therefore feature in the design and implementation of future regulation.

Transparency in how costs are derived is important. In our experience however, the level of transparency is poor. In the recent past, very little information has been provided by the Environment Agency as the base for charges or any charge increases, and any services that will be charged on a time & materials basis. The onus should be on the relevant agency

to demonstrate greater transparency and show that these costs are fair, proportionate and competitive; and

to show that it is efficient in its processes and doing everything it can to keep these costs of these services to a minimum.

Full cost recovery may not be fair in all cases and difficult to justify across the board.

There may be a strong argument for the continued use of grant in aid to contribute to costs and charges. For example, an environmental permit nearly always has additional and wider socio-economic benefits, such as flood mitigation, improvement in air quality or water quality or waste recovery, which provides wider public goods.

We would have concerns if regulators were able to recover the costs of providing advice. Advice has a number of benefits, and not just to those who are being regulated. As we noted in relation to our response to question 32, recognised that public interventions need a full spectrum of interventions, including advice and guidance.

Financing nature recovery

35. What mechanisms should government explore to incentivise the private sector to shift towards nature-positive operations and investment?

The NFU supports the approach outlined whereby the government is exploring its role for enabling the development of a robust market framework centred on clear principles, standards and governance arrangements. The NFU believes the government has a central role to play in driving the realisation of common standards which underpin high integrity environmental markets in turn driving investment in nature-positive operations in agriculture. The NFU has conducted a review of the existing barriers to the development of environmental markets suitable for the agricultural sector and through engagement with a broad range of industry stakeholders and farmers and growers within our membership, the lack of a coherent framework to underpin the integrity of environmentterkets ctenrlyctedasthegrm



financial and legal support to devise appropriate operating models. Government-led green finance institutions can help build financial capacity through encouraging financing of such





