

## **How might Silvopastoral agroforestry options work in the new SFGS within the LMC?**

### **Establishment grant aid**

Agro-forestry requires individual tree protection and staking to prevent tree damage by stock. It is thus a higher establishment cost per hectare, even though fewer trees than conventional forestry and will often not require a stock fence. Under standard costs approach this works well, but with a tariff based system, it would be straightforward to have tariffs per hectare relevant to agroforestry.

### **Single Farm Payments**

The Northern Ireland Forestry Service and Department of Agriculture and Rural Development (Northern Ireland) have determined that existing agro-forestry systems (established under a pilot scheme a number of years ago) are eligible for Single Farm Payments as if the whole field was forage area. The principal use remains agriculture and the area used by the trees negligible. Similar issues have been overcome with grazed orchards (common in England and Wales), as it has with native, open-grazed, woodlands in Scotland.

### **Farmland Premium**

In France, a proportion of land area is eligible for annual payments in silvo-arable systems, but silvo-pastoral systems are less likely to be eligible for Farmland Premium. As land is not removed from agriculture then Farmland Premium payments are unlikely and certainly it would not be possible to have Single Farm Payments and Farmland Premium on the same land.

### **What has previously stopped agro-forestry take-up in Scotland?**

Ineligibility of grant aid for establishment (or low levels if pro rata under the old WGS) has been the main barrier through the minimum stocking densities set for WGS and SFGS. Uptake in Northern Ireland was good, despite more uncertainty about the technical performance, when there was a brief period with pilot grant aid.

### **Why should farmers be interested in agro-forestry**

Highly reputable research in Scotland, Northern Ireland and Wales has confirmed that there are increases in forage and livestock production (shelter, frost protection, drought protection, shade) in the agricultural component of silvo-pastoral systems under UK conditions. Many farmers like trees, but hate loss of agricultural production. At least two thirds of sheep and beef systems are predicted to be unprofitable if decoupled payments are treated as a separate income. Only cross compliance will be the economic driver to retain livestock systems. There will be increased demand for more profitable land use systems as SFP is separated and declines.

If potentially high value timber trees can be established at close to cost, and the high maintenance requirements of them can be supported, then the long term value of the timber crop will be valued by farmers. The generally positive impacts of agro-forestry systems on wildlife and landscape would add further to many farmers' interest.

The bottom line is money. There should be increased production from stock, continued full eligibility for Single Farm Payments, with establishment of trees at close to cost and annual payments to maintain them (which farmers could pay themselves), plus the prospect of a genuinely valuable timber crop at thinning and final cropping (a pension?) then farmers could become interested in timber, rather than using putting farmland into forestry as an exit strategy. A high proportion of farmers are interested in forestry if it produces saleable timber. The EAFRD provides a framework for agro-forestry support across Europe. Scottish farmers will not want an option available to their European partners (but trading competitors), for which they are excluded by default.

### **Predictability of uptake**

There are good examples of agri-environment schemes that have failed take-up followed by ones that have done well, e.g. the Heather Moorland Scheme was followed by the Scottish Countryside Premium Scheme. The relatively high interest in the pilot woodland grazing scheme shows the latent interest of farmers in ideas that foresters thought were unlikely to have much interest. The poor uptake of woodland options in the LMC Menu Scheme is a product of the limited amount of money per farm, the large number of seemingly easy options and the very short timescale for farmers to plan their application. With greater amounts of money per farm and decent promotion, then uptake will increase. A simple programme showing farmers the impressive results and the trees themselves at Glensaugh (which will feature on BBC Landward this winter), or from Northern Ireland would be persuasive to a high proportion of the marginal upland farmers who are desperate to find ways forward.