

## ***ANNEX 1: LIST OF STAKEHOLDERS CONSULTED***

### **Department for Environment, Food and Rural Affairs (formerly the Ministry of Agriculture, Fisheries and Food)**

David CAWLEY, DEFRA HQ

Dean CHAPMAN, DEFRA HQ

Paul CHAPMAN, AAPS Cambridge Regional Centre for Anglia

Stuart MARSHALL, DEFRA HQ

### **Farming and Wildlife Group**

Richard MACMULLEN

Andrew BOLTON

### **Fertiliser Manufacturers Association**

### **National Farmers Union**

Paul IBBOT, Chief Arable Adviser

Peter KING, Arable Economist

Rachel JUSTER, Policy Adviser

### **University of Cambridge**

Ian HODGE, Department of Land Economy

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## ***ANNEX 2: DETAILS OF COP SURFACE AREA 1985 TO 2000 IN THE EASTERN REGION OF ENGLAND***

Details of main crops surface area 1985-2000 in Eastern Region of England

	1985	1986	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
<b>TOTAL CEREALS EXLCUDING MAIZE</b>	868,657	859,427	808,681	815,993	792,477	765,721	756,168	656,095	660,063	713,022	732,664	748,493	729,822	671,865
<b>TOTAL OILSEEDS</b>	69,534	68,186	74,636	69,776	81,912	93,219	88,338	63,637	67,356	64,191	83,260	82,397	97,289	87,142
<b>TOTAL LINSEED</b>	<i>na</i>	<i>na</i>	<i>na</i>	<i>na</i>	<i>na</i>	<i>na</i>	<i>na</i>	<i>na</i>	12,751	11,240	20,933	24,059	38,048	11,195
<b>TOTAL PROTEINS</b>	39,076	54,361	87,962	73,330	70,240	63,251	62,441	71,315	72,682	57,053	58,095	61,727	63,210	58,292

*na* - not available

## ANNEX 3: SURVEY ANALYSIS SUMMARY - EASTERN REGION of ENGLAND

### 1. General Data

	Size (ha)	COP (ha)	Irrigated	Actual rate of set aside	Average set aside (ha)
Average	399.3	311.7	0	16.5	51.5

Cereals (ha)	maize (grain) (ha)	maize (silage) (ha)	oil crops (ha)	protein crops (ha)	industrial set aside (ha)	Other agricultural area (ha)
216.5	0	1.6	24.5	31.0	7.5	74.5

### 2. Adaptation to set aside

<b>1.1 Did you have fallow before set aside</b>	
yes	10%
no	90%
no response	0
<b>1.2 If yes why</b>	
· with countryside stewardship, 1 with fruit not IACS registered	
<b>1.3 If yes what area</b>	
· ha in total	
<b>1.4 On what type of terrain</b>	
not available	
<b>1.5 Mode of Adaptation</b>	
1.5.1	16.7
1.5.2	40
1.5.3	43.3
1.5.4	36.7
1.5.5 if answered yes, towards which crops	
1.5.6. others	20
· squaring off	
· reduced cereals	
· only when s-a 17.3%	
· average yields	
· some smaller fields as s-a in fixed	
· no OSR w/o s-a	
· max env benefits	
· less spent on machinery	
· reduced acreage	
· OSR and b4	
<b>1.6 Administrative problems</b>	
1.6.1 difficulties in calculating areas	10
1.6.2 minimum size of parcels	13.3
1.6.3 minimum economic scale for industrial set aside	0
1.6.4 timing difficulties	0
1.6.5 late information on the level of set aside	13.3
1.6.6 bureaucracy	33.7
1.6.7 lack of integration with other payment systems	3.3
1.6.8 disbursements late	6.7
1.6.9 others	16.7
<b>1.7 What improvements seem possible to you</b>	
· could be simplified, more flexible, implications on labour better thought through	
· prone to error of detail - maps need to correspond with fields better	
· more flexibility (especially in min 0.3ha) because difficult to measure accurately	
· 20 m strip ridiculous	
· derogation system too formal and too difficult	
· less annual changes - minor detail changes very time consuming	
· better integration with agri-environment schemes particularly Countryside Stewardship	
· making it economically viable to grow and industrial crop on set aside	
· the simpler the better, more integration of existing info from IACS	
· a little leeway on percentages for smaller farmers would be helpful	
<b>2. Voluntary Set Aside</b>	
<b>2.1 Motivation for Carrying out Voluntary Set Aside</b>	
<b>% of farmers currently practising voluntary set aside</b>	<b>80</b>
2.1.1	37.5

2.1.2	12.5
2.1.3.	0
2.1.4	0
2.1.5 Others	75.0
of those with other reasons 65% were due to bad weather	
of those farmers practising voluntary set aside those that have:	
<b>2.2 Always done it</b>	
Yes	45.8
No	54.2
No response	0
% of farmers having replied no to 2.2	
<b>2.3 If no why</b>	
· want to produce do not emotionally like unproductive land	
· not profitable	
· other agronomic reasons	
% of farmers with voluntary set aside	
<b>2.4 does the maximum level prevent you putting land into set aside</b>	
Yes	0
No	100
no response	0

### 3. Industrial Set Aside

<b>20% of farmers interviewed practise industrial set aside</b>	
<b>3.1 If you use set aside for industrial crops what species do you cultivate</b>	
3.1.1. Oil 88% about 215ha	3.1.2 Cereals 0%
3.1.3 Protein 0%	3.1.4. Potatoes & beet 0%
3.1.5 Forestry biomass 13% 10 ha	3.1.5 Other 0%

<b>3.2 What proportion of your set aside is industrial</b>	
<b>Average percentage of whole area for those with industrial set aside</b>	<b>49.8%</b>
<b>3.3 Why have you chosen to have industrial set aside, for those that do</b>	
3.3.1 do it because its profitable	37.5
3.3.2 do because allows to manage fields at least cost	0
3.3.3 do because obliged to under contract	0
3.3.4 do because of agronomic interest in rotation	100
3.3 Why have you chosen not to have industrial set aside, for those that don't	
3.3.5 don't because not profitable	77.3
3.3.6 don't because too many constraints	31.8
3.3.7 other reasons including	83.3
· using it for organic conversion	
· use it for game bird cover	
· growing linseed problematic	
· wild bird cover for shooting	
· not justified expense against benefits of set-aside	
· environmentally unfriendly	
· too small and lots of hassle	
· simplification, no employees	
· no longer profitable	
· couldn't reduce inputs to cover loss of earnings	
· linseed too much hassle	
· low profit compared to risks	
· needs crop for soil structure	
· helps slurry disposal having non crop land	
· env reasons - chemical buffer	
· environmental reasons, wildbird cover	
· improves rotation following sugar beet and stops wheat bulb fly (ie cleaner land)	
· extra work for marginal returns	
<b>3.4 Has this position evolved over time</b>	
3.4.1	
Yes	37
No	63
no response	0
Comments	
· gave up	
· reduced from 12 ha to 4 ha	

<ul style="list-style-type: none"> <li>· would now consider bio-fuels for local multi-purpose boiler</li> <li>· normally have oilseeds but not this year due to bad weather</li> <li>· increased gradually since 1992</li> <li>· did grow OSR for diesel but not profitable: switched to whole field s-a</li> <li>· did OSR one year but means complete change of business</li> <li>· become more interested in renewables</li> <li>· next year will not be profitable</li> <li>· moving to organic system</li> <li>· 2 years 1992-4 did not grow OSR</li> </ul>	
<b>Farmers not currently with industrial set aside have tried at least one</b>	<b>29%</b>

#### 4. Structures

<b>4.1 Enlargement 1987-1992</b>	
Yes	30
No	70
4.3.1 Average growth of farmers who have enlarged land 1987-1992	
n/a	
<b>4.2 Enlargement 1992-1999</b>	
Yes	50
No	50
4.3.2 Average growth of farmers who have enlarged land 1992-99	
+ 125 ha (based on 14 farms) -125 ha (based on 2 farms)	
<b>4.4 those experiencing difficulties in trying to expand lands</b>	
Yes	10
No	90
<b>4.5 If yes has set aside been the cause of difficulties</b>	
Yes	33
No	67
no response	0
<b>4.6 creation of a market for IACS registered land?</b>	
Yes	57
<ul style="list-style-type: none"> <li>· non IACS registered land (e.g. ex-orchards) is much cheaper</li> <li>· there has been some swapping of IACS registered land</li> <li>· Set aside puts a bottom in the rental market</li> <li>· Registered land generally has a higher value but depends on its agronomic history</li> </ul>	
No	43
no response	0

#### 5. Rotations

<b>5.2 Change in rotations</b>	
Yes	40
No	60
Average distribution of total set aside by type	
Rotational set aside	fixed set aside
56.5	43.5
<b>% of farmers interviewed practising different types of set aside</b>	
100% rotational	100% fixed
20%	10%
<b>5.5 If you practice rotational set aside why?</b>	
<ul style="list-style-type: none"> <li>· opportunity to sort land out</li> <li>· agronomic</li> <li>· for weed control</li> <li>· industrial OSR</li> <li>· rules of fixed s-a unattractive</li> <li>· rotation on heavy clay</li> <li>· break from cereals</li> <li>· wheat grown after s-a yields better</li> <li>· fits in with cropping programme better</li> </ul>	

#### 6. Location of set aside on the farm

<b>Location of set aside for the 30 farmers interviewed</b>	
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6.1.1 Rotational set aside	50
6.1.2. fixed alongside water courses	30
6.1.3. fixed - field sizes too small	23.3
6.1.4 fixed - distant from other fields	3.3
6.1.5 fixed - infertile, non-irrigated	53.3
6.1.6. fixed - sloping fields	10
6.1.7 fixed - low yielding fields	33.3
<b>At least one of the five responses (small, distant, infertile, sloping, low yields)</b>	<b>73.3</b>
6.1.8 fixed parcels acquired specifically for set aside	0
6.1.9 transfer of obligations to others	3.3
6.1.10 Other	6.7
· some have included 20m strips in the shade of woodlands	
· many have taken the opportunity to square off fields	
· some have used fixed set aside for conservation (wild bird cover) or for farm woodland	

## 7. Environmental Management

<b>7.1 Difficulties in managing set aside initially</b>	
Yes	40%
No	60%
<b>7.2 for those answering yes type of problems encountered</b>	
7.2.1 Weed control	75%
7.2.2 Erosion problems	0
7.2.3. Development of diseases	0
7.2.4 Development of pests	0
7.2.5 Abandoned appearance	17%
7.2.6 Timing of activities a problem	25%
7.2.7 Other	17%
· Weed control the major problem initially but chemicals can now be used	
· Thistles, blackgrass etc in natural regeneration can be a real problem	
· Emotional problems with leaving fields unproductive	
· the cost of glyphosate	
<b>7.3 Current difficulties in managing set aside</b>	
Yes	20%
no	80%
<b>7.4 of those who encountered difficulties</b>	
7.4.1 Weed control	50%
7.4.2 Erosion problems	0
7.4.3. Development of diseases	0
7.4.4 Development of pests	0
7.4.5 Abandoned appearance	0
7.4.6 Timing of activities a problem	17%
7.4.7 Other	23%
· inflexibility in the width of break strips and cutting regimes	
· would be helpful to keep grass mown for some game and ground nesting birds and be able to vary the percentage to be cut	
· require more freedom in the selection of green cover	
· trying to fit set aside in to field patterns is still sometimes a problem	

## Difficulties in managing set aside

<b>Initially</b>	<b>Today</b>
<b>40 %</b>	<b>20%</b>
<b>7.5 on non industrial set aside land what type of cover do you have</b>	
7.5.1 don't have any non cultivated set aside.	6.7%
7.5.2. bare set aside	10%
7.5.3 natural regeneration	70%
7.5.4 vegetation with agronomic aims	33.3%
7.5.6 vegetation for other purposes	33.3%
7.5.7 other	10%
<b>7.6 for non industrial set aside land what form of management do you practice</b>	
7.6.1 removal of vegetation	0
7.6.2 mowing of cover crop	83%
7.6.3 mechanical	0
7.6.4 chemical	57%
7.6.5 Other	18%

<b>7.7 What month do you do it</b>	
7.7.1 removal of vegetation	Mid July to Mid August
7.7.2 mechanical	July
7.7.3 mowing of cover crop	n/a
7.7.4 chemical	June to July
7.7.5 Other	Jan
7.8.1 Do you have any idea of the cost of set aside?	
Yes	79%
No	21%
7.8.2 if yes how much does it cost/ha in Euro	
Average of those responding yes to 7.8.1	about 32 Euro/ha but wide divergence
<b>7.9.1 Irrigation of set aside land</b>	
Yes	0%
No	100%
<b>of those answering yes to the above, why</b>	
7.9.2.1 non food crops	0%
7.9.2.2. to bring on non productive vegetation	0%
7.9.2.3 other	0%
<b>7.10 Remarks on the abandoned nature of set aside fields</b>	
yes	43%
no	57%
no response	
<b>7.11 Do set aside lands stand out in the landscape</b>	
yes	73.3%
no	26.7%
<b>7.12 concentration of set aside parcels in one area of the farm</b>	
yes	13.3%
no	80%
no response	7.6%
<b>7.13 If yes do other farmers have set aside fields in the same sector</b>	
yes	25%
no	75%
<b>7.14 Is there any sector which has an abandoned character</b>	
yes	0%
no	100%
<b>7.15 Rate of participation in agri-environment schemes</b>	
yes	76.7%
no	23.3%
<b>7.16 If yes in what areas</b>	
7.16.1 soil protection	17.4%
7.16.2 Water course protection	34.8%
7.16.3 landscape protection	65.2%
7.16.4 protection of biodiversity	73.9%
7.16.5 other	26.1%
<b>7.17 Awareness of regulations on environmental management</b>	
very aware	70%
aware	30%
not aware	0
<b>7.18 If yes do you apply it</b>	
yes	97%
no	3%
<b>7.19 For those that are aware, Where did you get the information from</b>	
7.19.1 Ministry support information	63%
7.19.2 Sent by an professional organisation	53%

7.19.3 Read in the press	3%
7.19.4 Official notification in town hall	0
7.19.5 Other	6.7%

#### 8, 9, 10 Income effects of Set Aside

<b>8.1 Is set aside indispensable</b>	
yes	100%
no	0%
<b>8.2 If yes why</b>	vital for maintaining incomes
<b>8.3 does the current CAP system suit you?</b>	
Yes	40%
no	53%
don't know	6%
weighted answer in relation to COP area for farmers interviewed	
for large scale farmers (representing 50-70% of COP area for each region)	
yes	
no	
For small farmers (others)	
yes	
no	
<b>8.4 Why</b>	
<ul style="list-style-type: none"> <li>· too much geared to large landowners but suits large farms well</li> <li>· too much uncertainty, bureaucracy, over complication and paperwork</li> <li>· year on year changes, the less changes the better</li> <li>· 6m headlands better for smaller fields</li> <li>· encourages growth of crops which do not fit into WTO green book and encourages inefficient use of natural resources</li> <li>· not perfect but better than nothing - AAPS key to farm incomes so learnt to put up with it</li> <li>· good supply management tool</li> <li>· bad for consumers, environment and farmers</li> <li>· small price to pay for cheap quality food and environmental maintenance of the countryside</li> <li>· provides large environmental benefits but not aesthetically pleasing</li> <li>· better than anything else</li> <li>· takes some of the stress out because guaranteed minimum income</li> <li>· doesn't support EU agriculture enough</li> </ul>	
<b>8.5 What system would you prefer</b>	
<ul style="list-style-type: none"> <li>· prefer a free market</li> <li>· would prefer it to be voluntary</li> <li>· more flexibility</li> <li>· move to 6 m headland strips rather than 20m or 10m - would provide better environmental benefits</li> <li>· include access provisions on set aside land</li> </ul>	
<b>9.1 Maintaining incomes</b>	
Yes	43%
no	53%
no response	4%
<b>9.2 According to you why is set aside remunerated?</b>	
9.2.1 grant to maintain producer incomes	46.7%
9.2.2 participation in the costs of managing set aside lands	10%
9.2.3 other	60%
<ul style="list-style-type: none"> <li>· to reduce production levels, particularly grain surpluses</li> <li>· agri-environment reasons</li> <li>· to support small farmers in other member states</li> <li>· keeping food production down with low prices (otherwise prices would rise)</li> <li>· compensation to farmers for taking land out of production</li> <li>· no idea - it's a stupid system</li> </ul>	
<b>9.3 Changes in choice of crops or other activities to maintain incomes</b>	
yes	63.3%
no	36.7%
<b>9.4 For those farmers who answered yes to the above</b>	



9.4.1.1. oil crops	15.8%		
9.4.1.2 cereals	31.6%		
9.4.1.3 protein crops	15.8%		
9.4.1.4 diversification outside COP	10.5%		
9.4.1.5 diversification outside agriculture	10.5%		
9.5.1.6 other	36.8%		
organic conversion including blackcurrants, garlic, cereals and pulses			
9.4.2.1. oil crops	-21.1%		
9.4.2.2 cereals	-57.9%		
9.4.2.3 protein crops	-31.6%		
9.4.2.4 diversification outside COP	0		
9.4.2.5 diversification outside agriculture	0		
9.4.2.6 other	-5.3%		
<b>9.5 On what priority criteria do you choose your crops</b>			
	1	2	3
Agronomic	35%	20%	16.7%
Profitability	83%	10%	3.3%
Ease	6.6%	3.3%	3.3%
Environment	3.3%	3.3%	3.3%
other	16.6%	10%	0
<ul style="list-style-type: none"> <li>land management manpower and machinery requirements</li> <li>integrated crop management requirements</li> <li>good farming practices and whole farm approaches to increase returns</li> <li>clean crops (ie pest free) and cleaner machinery</li> <li>negotiated contracts for crops</li> <li>location close to port</li> <li>storage capacity</li> <li>allergic reaction to OSR so don't plant it</li> </ul>			
9.5.1 Agronomic	Total	9.5.2 Profit	Total
0	12	0	1
1	10	1	25
2	6	2	3
3	2	3	1
Ease	Total	Environment	
0	26	0	26
1	2	1	1
2	1	2	1
3	1	3	1
		4	1
other			
0	20		
1	5		
2	3		
4	1		
5	1		
<b>9.6 If you have increased the quality of your products how have you done so?</b>			100% overall done so
9.6.1 Quality assurance scheme			83%
9.6.2 Traceability assurance scheme			30%
9.6.3 conversion to low input or organic farming			13.3%
9.6.4 other			16.7%
<ul style="list-style-type: none"> <li>assured producer schemes including FABBLE for livestock</li> <li>assured combinable crops scheme</li> <li>LEAF - Integrated Farm approach</li> <li>irrigation to improve crop quality</li> <li>introducing new crop varieties</li> <li>organic blackcurrants</li> <li>cleaner cereals, cleaner technology</li> </ul>			
<b>10.1.1 Unexpected impacts of set aside</b>			
yes			57%
no			43%
<b>10.1.2 What have these impacts been</b>			
<ul style="list-style-type: none"> <li>unexpected increase in wildlife particularly hares, game birds (partridge), skylarks, hares, songbirds</li> </ul>			

<ul style="list-style-type: none"> <li>· but inflexibility of rules has limited farmers ability to manage for environmental benefit</li> <li>· some respondents considered that the system is based on mistrust and the assumption that there will be fraud - the penalties are huge</li> <li>· no real effect on profitability and crop selection or on soil quality and yields</li> <li>· early set aside was very difficult to bring back into production</li> <li>· growing industrial crops on set aside means losing potential environmental benefits</li> <li>· some surprised at how much has made them think about environmental management</li> <li>· set aside should be encouraged to border water courses, this has been done in a few areas in Suffolk</li> </ul>	
<b>10.2 Any other comments</b>	
<ul style="list-style-type: none"> <li>· opportunities being missed because not 10 yr fixed options keen to see set aside rules on field margin strips standardised. There is overwhelming support for reducing field headlands to 6m for environmental reasons</li> <li>· Needs better coordination with other agri-environment schemes e.g. 6m strips apply in the Countryside Stewardship scheme, or putting arable bordering rivers into arable reversion but would have to find compensating set aside elsewhere on farm</li> <li>· 6m strips are allowed in France due to the prevalence of strip farming</li> <li>· the additional costs (and benefits) of environmental management should be recognised and environmental payments on set aside should be competitive with industrial crops</li> <li>· could be enjoyed more, rules on not cutting should be altered at owners discretion, more flexibility, some ground nesting birds need short grass, access need short grass paths</li> <li>· more flexibility and particularly variable rates for different sizes of farmers</li> <li>· need to maximise environmental benefits - strong support amongst those interviewed for cross compliance with environmental benefits</li> <li>· and provision of access on set aside land</li> <li>· 6m margin should be allowed around everything, would improve flora and fauna benefits and provide buffers</li> <li>· need to increase incentives for smaller farmer to manage for environmental benefits</li> </ul>	

### Characteristics of Farms

<b>Effect of set aside on the rotation system</b>	
Negative effect on robust rotation	16.7%
Positive effect on a robust rotation	40.0%
Neutral effect on a robust rotation	43.3%
<b>Analysis of losses and gains in economic and agronomic terms</b>	
<b>G2/1 classification of economic balance sheet</b>	
Gain	41%
Neutral	56%
Loss	3%
<b>G2/2 classification of the agronomic balance sheet</b>	
Gain	17%
Neutral	83%
Loss	0%
<b>Analysis of the links between agricultural practices on set aside and soil management</b>	
G3 practical classification of set aside and soil management	
overall change negative	13.3%
overall change positive	46.7%
overall change neutral	40%
<b>Analysis of the links between agricultural practices on set aside and water management</b>	
G3 practical classification of set aside and water management	
overall change negative	0%
overall change positive	40%
overall change neutral	60%
<b>Analysis of the links between agricultural practices on set aside and landscape management</b>	
G3 practical classification of set aside and landscape management	
overall change negative	3.3%
overall no effect	96.7%