

# Land Business Update

## Week commencing 8<sup>th</sup> April 2019

### Farming

#### World grain production is expected to reach new record levels in 2019/20

For wheat, production is expected to increase in Australia, Russia, Ukraine and the EU, production will exceed demand and so there will be an increase in the amount held in stores, according to the International Grains Council's latest Grain Market Report.

#### EU ban on fungicide Chlorothalonil likely to come into effect in June

The chemical controls mildew and mould on crops and is the most used pesticide in the UK. The decision, by the EU's Standing Committee on Plants, Animals, Food & Feed (PAFF) follows a review by the European Food Safety Authority that said it posed a high risk to amphibians and fish, was a strong factor linked to steep declines in bumblebees (NB its effect on wild bees was not tested, which highlights the inadequacy of the testing regime), and was unable to exclude the possibility that the products that the chemicals breaks down into cause damage to DNA. The UK voted against the ban and the NFU accused the EU of being "overly precautionary", although this seems to be based on the economic impact of the decision.

#### Glyphosate, transparency and protecting commercial interests

There has been a new development in the debate over the safety of glyphosate and the balance between the rights of the public and protection of commercial interests. The EU's General Court has ruled that the European Food Safety Authority was in breach of transparency laws when it refused to grant access to confidential studies on the safety of the chemical. As well as being an important legal clarification, it will allow third parties to assess how the EFSA classified glyphosate as non-carcinogenic on the basis of unpublished studies, including by Monsanto, while the International Agency for Research on Cancer concluded that glyphosate was potentially cancer causing.

#### New £5m scheme to reduce food waste from farm-to-fork

The Government has opened a new scheme with £5m (of up to £15m) of funding for organisations that receive surplus food to distribute to those who have a need in England. Applicants will need to show how they will help food businesses reduce their surplus in the long term. Currently, around 43,000 tonnes of food is redistributed in England each year. A further 100,000 tonnes (or 250 million meals) could be redistributed but isn't and so is used for generating energy from waste, anaerobic digestion or animal feed.

#### Arla pledges to go carbon-neutral from cow to supermarket by 2050

The firm said that the ambitious target would require "radical changes" over the coming decades for all of its 10,000 members. To date, Arla has cut the amount of CO2 emissions from production and packaging by more than 20% but this is much easier to do than cutting emissions on farm. It is also unclear what emissions Arla wants to cut – with methane, nitrous oxide and feed production being the most significant.

### Energy

#### New Government target of generating 30% of electricity from offshore wind by 2030

Although there has been a period of rapid growth in energy from wind, the new target will need a doubling of the rate of growth to around 2GW a year, which is hoped will occur due to rapidly falling installation costs. Offshore wind only generates about 7% of electricity at present. The new policy is a 'sector deal' under the Industrial Strategy, that will support jobs as well as energy generation, and we expect a similar deal to follow for farming. Environmental groups have criticised the plans, saying that generating the remainder from gas and nuclear will not decarbonise the energy system quickly enough.



## Forestry

### HS2 woodland grant reopens

This scheme is for planting new native woodland within 25 miles of the HS2 route from London to the West Midlands. The government has allocated £4m for planting over the next four years. The woods can be between 1 and 25 hectares, and ideally connect or expand existing woodlands. Contact [Mike Tustin](#) for further details.

## Property

### Utilities to be liable for road repairs for longer

The Government is consulting on whether to make utility companies maintain roads that they dig up for five years, so up from the current two years, in an attempt to reduce the number and severity of potholes.

### New 'future homes standard' means gas boilers will no longer be fitted to new homes from 2025 onwards

The new homes will have to be fitted with low-carbon heating systems and meet 'world-leading' levels of energy efficiency. Other carbon announcements in the Spring Statement included consulting on whether transport companies should offer passengers carbon neutral offsets to compensate for the carbon emitted during their journeys, and the requirement that all new developments create a 'net gain' in biodiversity.

## Rural economy

### Grants of up to £5,000 for communities off the mains gas grid through the Calor Rural Community Fund

This [scheme](#) has previously awarded grants for playground and village hall refurbishments, instruments for music banks and equipment for sports clubs. There is a small amount of additional funding available for projects that use the Crowdfunder fund-raising platform to raise donations. The application window closes on 29 April 2019.

### National Living Wage and National Minimum Wage increase on 1 April

The rate for workers aged 25 and over has been increased to £8.21, up 4.9% from £7.83. The policy was introduced in 1999 against Conservative fears that it would price workers out of the jobs market. The Low Pay Commission, which advises government on the pace at which the wage rate can rise, says there is little evidence of negative effects on jobs. The Commission estimates that around 30 per cent of the workforce, which is 7m people, benefit now directly or indirectly from the national living wage. For more details about employee wages on farms and estates please speak to [George Chichester](#).