



LEVERAGING PRIVATE INVESTMENT IN SUSTAINABLE AGRICULTURE IN THE UK

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What do we mean by Sustainable Agriculture?

Practices that contribute to:

- Diversified and biodiverse landscapes.
- Improved soil health and fertility.
- Lower greenhouse gas (GHG) emissions.
- Reduced intensity of livestock production, increased extensification, and better animal welfare.
- Decreased dependency on external inputs such as synthetic agrochemicals, fossil fuels, and irrigation.
- Enhanced circularity and resource efficiency within farming systems.



Forms of private investment in sustainable agriculture

- Payments for Ecosystem Services
- Price premiums
- Long term purchase agreements
- Compliance markets
- Voluntary credit markets
- Sustainable leases
- Green bonds & loans
- Community shares
- Transition insurance



Levers to Grow Investment

- Increasing demand via the food supply chain
- Increasing demand from other sectors
- Supporting farmer accessibility & collaboration
- Improving integrity, monitoring, data and verification



Policies to Grow Investment via the Food Supply Chain

1

Expand supply contract regulation to cover sustainability:

Consider how the role of the Grocery Code Adjudicator, the Agricultural Supply Chain Adjudicator and their respective codes and legislation could be expanded to include supply contract length, sustainability considerations, and the extent to which contracts enable farmers to carry out sustainable practices.



2

Strengthen environmental reporting and transition plan obligations:

- a. Make supply chain (Scope 3) emissions and broader environmental impacts reporting obligatory under UK SRS; and
- b. Ensure obligation to publish Paris Agreement aligned net zero transition plans applies to all major UK food companies.



Policies to Grow Investment via the Food Supply Chain

3

The UK Government should **review uptake and success of voluntary environmental standards** and, in partnership with the devolved authorities, **examine** the potential for **setting binding standards** and **associated targets** on the food sector that align with **reduced emissions** and increased **sustainability within agriculture** and land management.



Growing Demand: Recommendations on credit markets

4

The UK Government should **strengthen the nature value of Biodiversity Net Gain** and **its financial value to farmers** in England by:

- a. **Removing the de-minimis exemption** when the small sites exemption comes in.
- b. **Adequately funding inhouse ecological expertise in Local Planning Authorities** to enforce BNG; and
- c. **Funding research, to test the application of BNG to other sectors** outside development that have a major impact on biodiversity.



Improving standards and data

5

Increase scrutiny and oversight of voluntary markets, particularly relating to offsetting. As a first step develop a mechanism for **all offset credits** (including those currently unregulated) **to be logged in a publicly accessible register**.



6

Governments should collaboratively launch an **initiative to enable farmers to access existing available ecological information** about their land from historic surveys and databases, so that they can establish baselines.



7

Governments and industry should **collaborate in setting robust minimum standards** for farm sustainability calculators and carbon footprinting tools, including use of remote sensing.



Learning from best practice across the UK

8

UK and devolved governments should regularly share best practice to learn from each other in relation to:

- a. Soil testing approaches.
- b. Farmers advice and support services and support for farmer collaboration.
- c. Organic support schemes.
- d. Compliance markets.



Thank you!

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