



**RtL evidence to the SWLEPs' Rural Productivity Commission panel session, 9<sup>th</sup> June 2017.**

## **One page aide-memoire (based on our written submission of 19<sup>th</sup> May)**

### 1. Our analysis of the issues

- Our strong **bioregional economy** is an asset that is currently being wasted. There are opportunities to add value by processing and product differentiation, at the same time as better supporting ecosystem services that are currently undervalued.
- We believe the government's **Natural Capital Approach** should be at the core of economic policy making. In the South West, three natural capital assets in particular, which deliver essential ecosystem services, need to be more highly valued, with stronger incentives (markets and/or public policy) for landowners and managers to sustain them:
  - o **Permanent pasture** for natural flood management, grass-fed livestock (omega 3 etc health benefits), landscape, etc.
  - o **Woodland** for biodiversity, flood management, carbon, air quality, access, etc
  - o **Soils** for sustainable farming, flood management, carbon
- **Brexit** is an opportunity to use agri-environment money more wisely but it's also a threat if farm income support is removed and farming commodity prices fall. [Note: replacing income support with agri-environment money is not an adequate solution since the latter only compensates for costs/profit foregone].
- We need to pay greater attention to the **economic risks posed by climate change**, particularly the effect of **flooding** in low lying rural areas such as the Somerset Levels.

### 2. Our solutions

- Build more robust and effective **local supply chains** (requiring better market intelligence and organisation and stronger promotion to retailers/customers). These supply chains should be designed for scale from the top down (i.e. involving 'mass market' retailers, wholesalers, processors etc, not simply around bottom up small niche networks).
- Take advantage of '**green**' **economic sectors** in which the region excels:
  - o **Renewables**, including wind, solar and tidal
  - o **Food and drink** linked to the region's strong sense of place and environmental quality
  - o **Tourism and hospitality** that uses the region's culture and environment as a key part of its offer
- Bring unmanaged **woodland** back into the economy and plant new woodland and trees where they will do most good (e.g. reduce flood risk), building jobs and value around woodland products and uses.
- Develop a stronger rationale for maintaining qualified UK exchequer **farm income support**, based on the public benefits that a diverse family-farming economy provides, as well as the risks of an unsupported/ unconstrained market.
- Engage businesses with the region's community and public interest organisations to raise awareness and demand for the bioregional economy – A '**South West Best**' **campaign**, with information and tools on how businesses can grow through strong networks and market differentiation.