

Welsh Government (WG) is consulting on proposals for the Sustainable Farming Scheme (SFS) – the main source of support from 2025.

Sitting above the minimum requirements set out in law, WG proposes a three-layer structure of:

Universal Actions – required of all participants in the Scheme.

Optional Actions – offering farmers the opportunity to go further.

Collaborative Actions – offering the opportunity to work with others to deliver change on a larger scale.

These layers will be introduced in phases between 2025 and 2029, known as the **Transition Period** with the Universal layer starting in 2025.

Farmers will need to carry out Universal Actions & Scheme Rules to receive the **Universal Baseline Payment**. WG recognises that some Actions are not applicable to all farms and there is flexibility to account for this.

Universal Baseline Payment – based on four rates:

- Universal – Maintenance of existing woodland - per ha
- Universal – Woodland creation – per ha, once created
- Universal – Habitat maintenance – per ha
- Universal – all other actions – per ha

Rates to be confirmed later in 2024

Based on **cost incurred, income forgone calculations**

Universal Actions and Scheme Rules:

- UA1 – Benchmarking
- UA2 – Continuous professional development (CPD)
- UA3 – Soil Health Planning
- UA4 – Multispecies cover crop
- UA5 – Integrated Pest Management
- UA6 – Managing heavily modified peatland
- UA7 – Habitat Maintenance
- UA8 – Create temporary habitat on improved land
- UA9 – Designated Site Management Plans
- UA10 – Ponds and scrapes
- UA11 – Hedgerow management
- UA12 – Woodland management
- UA13 – Create new woodland and agro-forestry
- UA14 – Historic environment – maintenance and enhancement
- UA15 – Animal Health Improvement Cycle (AHIC)
- UA16 – Good animal welfare
- UA17 – Good farm biosecurity

Scheme Rule – At least 10% of each farm is managed as habitat from first year of entry

Scheme Rule – At least 10% under tree cover as woodland or individual trees by 2030.

Data confirmation exercise to confirm habitat and tree cover on your farm in 2024.

A **Carbon Assessment** using a specified carbon calculator will need to be completed within the first year of joining the Scheme and repeated in 2029.

The Transition (2025-29)

From 2025, enter SFS or remain in BPS (not both)



BPS - phased out with a 20% cut each year starting in 2025. Final BPS claim in 2028. **No BPS in 2029.**



Stability Payment – during the transition, farmers in SFS could receive a Stability Payment in addition to the Universal Baseline Payment if the total value of the Universal Baseline Payment in any of the transition years is less than the ‘notional’ BPS payment they would have received.

SFS operating model

- RPW Online
- Annual declaration of land at disposal for Universal layer (SAF approach)
- All land registered under the CRN
- Meet conditions of UA & Scheme Rules
- Adhere to Universal Code for Habitats
- Verifiable standards, inspections, appeals process
- Separate agreements for Optional and Collaborative layers (introduced during the Transition Period)

Consultation closes: **7 March 2024**



Have your say!

More information: [NFU Cymru \(nfu-cymru.org.uk\)](https://nfu-cymru.org.uk)