Thank you very much for your letter of 22 July, for the further report of your Group, and for the comprehensive work that you have undertaken in recent months on the crucial issue of the environmental impact of the loss of set aside and other uncropped land. I am extremely grateful for the role you and the Group have played in steering us through these tricky issues. Please pass on my thanks to all concerned.

I agree with the Group’s advice that it is not practical to act immediately, but I am clear that the reports of the further monitoring studies do present a strong case for taking action: we need to offset the loss of environmental benefits that had developed on set-aside and other uncropped land. Based on this evidence I agree with your Group’s view that mitigating measures, which are both effective and deliverable, are needed as soon as practicable. I also agree with your view that the option referred to as XC1 looks best – both for the environment and farmers. This would require a small percentage of arable land to be managed primarily for environmental purposes, balancing production with responsible action to protect the environment. I also like the flexibility of this approach because it offers a choice to farmers, although I recognise that this may present more of a challenge for its delivery. Our aim is to work this proposal up in time for the 2009/10 cropping year (SPS 2010), but I will need to be confident that a simple, cost-effective way of implementing it can be delivered in practice. I am therefore asking officials here and in the Rural Payments Agency and Natural England to work together on implementation options. I also agree that in parallel we should continue with an appropriate monitoring programme.

I recognise that in addition to delivery considerations, there are a number of other important issues that need to be addressed before we can introduce our preferred approach. A priority will be to make progress with the Health Check negotiations so that we have a clearer basis for action. This may not conclude before late 2008, with
implementation details not available until spring 2009. I hope to be in a position at about that time to bring together all of this work to confirm our approach and timetable.

In the meantime, I agree with what your Group has said about encouraging voluntary action by farmers now. I am sure that the farming industry will want to continue to demonstrate its environmental responsibility: farmers play a vital role not only as our food suppliers but also as stewards of the countryside and their cooperation and commitment to protecting and maintaining our rich biodiversity and habitats are crucial.

I am pleased to note that your Group has agreed to meet again later in the year, and I would invite you to consider whether this might now be an opportune time to broaden your work in looking at the delivery of our objectives for farming and the environment.

HILARY BENN