

By email

3<sup>rd</sup> February 2023

Dear Chair,

**EIA Panel – Follow up questions on Rural Initiative Scheme**

Thank you for your letter dated 27<sup>th</sup> January in which you provide a number of questions following your briefing with officers on the Rural Initiative Scheme. I have set out below answers to each of these in turn:

1. *How many dairy commercial farmers does Jersey have? How many of these received Government funding under the previous scheme and with what scale and type of support? How many are expected to be supported by the Rural Initiative and with what scale and type of support?*

Currently there are 12 commercial dairy farmers in Jersey (13 in 2022) all of whom received funding under the previous scheme comprising:

Quality Milk Payment – dairy only BAU annual budget £400k in 2022 plus £400k emergency support (£800k total)

Single Area Payment – an industry wide scheme, with dairy sector receiving approx. £300k in 2022

Rural Initiative Projects – an industry wide scheme annual dairy sector receiving of £200k in 2022

Forecast support under the Rural Support Scheme (which includes Rural Initiative for the dairy sector in 2023 is estimated at £1.0m

Forecast support under RI Projects for the dairy sector in 2023 is estimated at £250k

2. *With respect to the goal of sustainability, what information is being collected on energy usage, energy saving and source of energy by farming businesses?*

Each farming business collects data on energy use/savings as part of the LEAF audit process – and all are encouraged to deliver savings. We do not currently collect this data directly but do have an overview of progress made in this area via a report provided to us by the LEAF organisation.

3. *Could you advise the support that is currently available, or will be made available, for new start-up businesses that wish to join the scheme?*

The Scheme is not designed to provide finance for a business to become established – there are currently no mechanisms in place specifically for this, though consideration is being given to support this requirement.

Support will be made available to new start-up businesses, as soon as they are established with relevant licences/premises/land/equipment etc., provided they are signed up to the LEAF Marque Standard or have Organic Certification – the Scheme is open to applications from any qualifying business from 01/01/23 to 30/09/23.

4. *Could you provide the Panel with a breakdown of how many applications have been received and how many have been rejected, if any? If there were rejected applications, could you explain the reasons provided?*

The Scheme opened on 1st January and to date 8 applications have been received, none have been rejected.

5. *Within the briefing it was explained that the credits calculated for the Rural Initiative Scheme were based on the forecast credits for the year 2023. Could you provide the Panel with the estimated credits forecast for this year?*

Tier 1 Accreditation	-	26,000 credits
Tier 2 Livestock	-	47,000 credits
Tier 2 Primary Land Use	-	105,000 credits
Tier 3 Integrated Farm Plans	-	17,500 credits
Tier 3 Staff	-	20,915 credits
Tier 3 Organic Land	-	8,300 credits
Tier 3 Cover Crops	-	26,700 credits
Tier 3 Hedgerows	-	16,000 credits
Tier 3 Local Crops	-	10,000 credits

6. *Do you have any research predicting how much produce is expected to be sold locally and produced indoors?*

Currently we only have data to indicate production areas for local produce (outdoor and indoor). We will be collecting data on 2023 production to estimate volumes and values of local production during the year to enable us to monitor the outcomes of our policy measures in future.

7. *During the briefing, reference was made to the future budget of the scheme. Could you outline what the future budget will be (if you have this information) and where this budget will be coming from?*

The Government Plan 2023-2026 provides for new revenue expenditure growth of £2.8 million over the lifetime of the Government Plan. This funding is broken down in the [Annex to the Government Plan](#) and is set out as follows:

Description	2023	2024	2025	2026
Rural Initiative Scheme	£900,000	£700,000	£600,000	£600,000

It is important to note that these figures reflect new allocations from reserves made in the most recent Government Plan. These figures therefore provide a minimum for future funding but do not necessarily reflect the total allocation in future years. As Minister I have already publicly committed to securing additional funding from 2024 onwards to ensure that the progress made in 2023 is built upon with additional funding in further years.

8. *Could you provide further detail as to how the Agricultural return form is completed and collected (even of those who aren't asking for grants). Where does this data go and how is it stored?*

The Agricultural Returns process is being redesigned for 2023 and will be sent out to all land users in Q3 (to be completed as at 1<sup>st</sup> October). For 2023 this will be completed in paper format. The data is returned to the Economy Department and is stored on existing IT systems.

9. *Could you provide the Panel with details as to what agricultural land is already known to be owned by the States of Jersey?*

This question falls within the remit of the Minister for Infrastructure who holds political responsibility for Jersey Property Holdings. I am aware from discussions with Jersey Property Holdings that the total number of vergées of public land in current/ potential agricultural use are:

- 224.24.29 vergées Current Agricultural Land
- 02.17.00 vergées Current Equestrian Land
- 16.23.18 vergées Potential Agricultural Land

10. *Could you provide further detail around the discussions taking place with Jersey National Trust, Crown and the Government with regards to land management?*

Nothing beyond general discussion around the current and potential future challenges facing the rural sector and the manner in which the Island's land resource is managed and maintained.

11. *Could you provide a breakdown as to how many producers in Jersey are either Leaf Marque or Organic accredited?*

Currently we estimate 37 producers operate under LEAF Marque and 15 under Organic Certification. (This includes producers not currently on the RSS.)

12. *Are there any incentives considered to improve labelling around produce in small farm shops to know provenance? If produce is locally grown and organic, often there is no signage indicating origin of produce.*

The Genuine Jersey mark indicates local provenance. In 2024 reward credits will be allocated to businesses using the Genuine Jersey mark. There is a legal requirement for Organic produce to be labelled as such – and this forms part of the Organic certification audit process.

*13. Do those employing non-qualified workers get smaller rewards/credits? Is this realistic given how difficult it is to find local workers?*

Non-qualified workers receive less credits as they are employed on work permit contracts which limits their time on the Island (normally 9 months) compared to qualified staff who would likely be employed for 12 months. Higher credits for local workers is intended to incentivise their recruitment, notwithstanding the difficulties this may entail.

I hope the above provides clarity to the areas you have raised.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Kirsten Morel', with a stylized flourish at the end.

**Deputy Kirsten Morel**

Deputy Chief Minister

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