

Managing risk in the agri-food supply chain

Resources 2022



Watch the campaign video

Introduction

During the pandemic there seemed to be no end to the onslaught of risks to the global agri-food supply chain with many companies forced to change their ways of working to cope with unprecedented changes.

As we emerge into the 'new normal' it's more important than ever that supply chains can flexibly mitigate these risks, from remote secure data access for home working to supplier shortages.

But what are some of these risks?

Carbon heavy supply chains

2022 will see further ambitious regulations and pledges, raising the bar for increased accountability on supply chain sustainability amid increasing pressure from customer, governmental and investor pressure.

Food authenticity

Recent reports suggest the potential for increased food fraud in global food supply chains, due to the impact of COVID-19.

The Food Authenticity Network recommends that due to the heightened vulnerability of food to fraud, the food industry be extra vigilant and use authenticity control measures and tools to mitigate any potential emerging threats.

ESG regulations

While reputational risks continue to be a key incentive and driver for ESG performance, legal action against such concerns is turning sustainability into a material business risk. Both Norway and Germany have already passed supply chain laws on human rights due diligence, holding companies accountable for violations, including those taking place at the supplier level.

Energy price spikes

As energy prices surge, risks to the economic recovery are rising and growth could be slower than forecast. A perfect storm of energy shortages and high demand has made the outlook uncertain for many energy prices globally.

Worldwide water instability

Water is a key component for agriculture applications, food processing and many other manufacturing industries. Water instability will even affect those operating in water-abundant regions as interconnected supply chains expose companies' to risk from drought-prone regions.

Five of 11 global regions now see water stress values above 25%, including two regions with high water stress and one with extreme water stress (UN-Water 2021, United Nations)

Labour shortages

Workers are abandoning supply-chain related jobs in record numbers. COVID-19 illness, strike action and Brexit have all played a role in worker risk in the supply chain.

Just-in-time to just-in-case

The pandemic exposed flaws in many companies just-in-time inventory systems, empty shelves and food shortages were commonplace across the globe as demand outstripped supply. Lockdowns and border closures will delay any normalisation to past mid-2022.



How do we begin to mitigate these risks?

Many companies have good visibility of their supply chain, but they remain difficult to manage and lack simplified documentation management. Centralised information is critical to streamline compliance and quickly communicate changing policies with your suppliers, a clearer picture will allow a focus on the biggest risks.

- Digital technologies play a major role in mitigating risk and optimising supply chain operations
- Remote working - easy and secure access to data will allow for the 'new normal'
- Improved supply chain visibility - a better understanding of all parts of your supply chain will enable more engagement, better relationships and decreased risk
- Consistently monitor risk factors such as food safety and product quality, so you can quickly highlight required action
- Aggregated data - a simplified view of your data will help with predictive analytics and insights to spot potential risks and trends
- Communication is key - centralised data is critical for ongoing engagement and open communication with your suppliers

At the core of many companies success is the ability to quickly and effectively manage risk. Having solutions in place to identify and accurately predict these risks will save time and money that can be spent on proactively managing the areas that require your attention most.

Five ways to manage product quality in your supply chain

Modern-day businesses are customer-centric in approach. If the customer is not satisfied with the quality standards of a product, a brand cannot make an impact on the consumer. Quality issues can arise at any point in the supply chain, and it is critical to identify them as early as possible to prevent excess time and costs, mitigate risks to reputation, compliance, and ultimately, food safety.

Today's consumers and businesses demand an unprecedented abundance of products, whenever and wherever they need them. Add to this, the complex and long-tail nature of modern supply chains, continued pandemic disruption, regulatory and operating differences within specific regions or countries, and you can see how it is difficult to maintain and enforce a consistent level of quality for your product.

What are the benefits of quality management?

Quality management is one of the most important factors for businesses to ensure, from grower to consumer. Implementing improved quality management not only minimises the number of quality issues but ensures that manufacturers and suppliers all understand what is expected of them, so you can maintain a consistent standard of quality at every stage. Improving operational performance and mitigating regulatory, legal, and food safety risks.

How to manage product quality?

The effectiveness of quality management in your supply chain will depend on the systems you have in place. Manual processes and protocols can cause errors, waste time, and consume resources. Modern technologies and strategies will help to transform your supply chain and maximise performance.

1. Time

Manual processes are inefficient and time-consuming. By automating your quality management, you eliminate the need for manual data collection and time-consuming emails or calls. Streamlining your processes will allow your team to focus on more valuable tasks.

83% of supply chain leaders expect that digital will be the predominant supply chain model in the next 5 years (MHI Industry report 2021)

2. Supplier performance

Product quality is a collaborative endeavour. Your suppliers need to understand your requirements if product quality is to be achieved. Regular audits and assessments of supplier performance will help to identify problematic trends, allowing you to put in place a corrective action plan when issues arise. Supplier quality agreements will define what good and bad looks like, and how suppliers will be held accountable for their commitments.

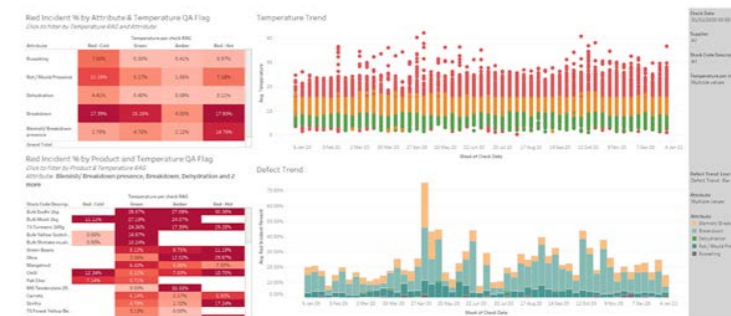
3. Legal requirements

A supply chain can present significant legal and compliance risks. From a quality perspective, food fraud and food safety are a big risk to businesses. It was already a serious issue before the pandemic, but the rise in global food fraud has increased substantially since COVID-19 struck in 2020.

Legal frameworks can, and often do, place the primary responsibility to prevent fraud on food business operators, through traceability requirements and requirements to adhere to good quality management practices, which include the adoption of Hazard Analysis Critical Control Point (HACCP) principles.

4. Visibility of data

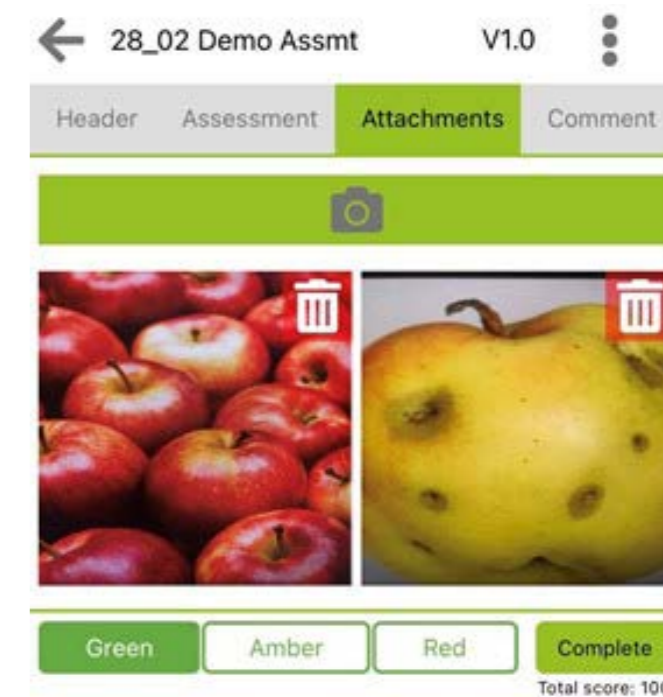
Having complete visibility and capturing food quality issues in a centralised format can have a massive impact on improving quality across your supply chain. Powerful and user-friendly analytical tools make it possible to compile large sets of unstructured data and extract useful insights to support your decision making.



*Example of custom insight checks using Greenlight Quality Management

5. Checks

Food quality isn't just about safety. It's offering the highest quality possible to your customers and ensuring everyone is on the same page when it comes to quality checks. A quality management solution can capture quality issues, anywhere in your supply chain, fully documenting these issues including uploading pictures for detailed information.



*Example of in-app quality checks using Greenlight Quality Management

Quality management is a journey that everyone is on together, all stakeholders need to understand what is expected of them to uphold the highest quality standards. As the complexities of the supply chain continue to grow along with consumer expectations, implementing a solution that can tackle the key areas we have mentioned is crucial not only to minimise the number of quality issues, but also to save time, mitigate risk, and ensure visibility of anything that's out of specification.

How to keep Australia's supply chains open in challenging times

Australian retailers have shouldered a storm of supply chain disruptions throughout the global pandemic, with natural disasters such as floods and bushfires cutting supply lines across the country for weeks at a time and exacerbating the impact of the global shipping slowdown.

Indeed, empty supermarket shelves have become a familiar sight for many Australian shoppers, and 'supply chain issues' are now a household term.

The nation's retailers have been forced to undertake a major overhaul of their risk management strategies in the wake of ongoing lockdowns and border closures. They have responded to the challenges with creative solutions, diversifying supply lines and opening up shipping routes that have not been used for decades. As they've proven, flexibility is key – along with the ability to accurately predict risks and respond quickly.

Fires and floods: a risky business

Just weeks into 2022, major flooding in outback South Australia (SA) stopped all rail freight on the Trans-Australia railway and impacted road networks across the country. This one-in-200-year weather event forced major retailers including Coles and Woolworths, to impose buying limits on some products in affected regions. The whole catastrophe was described by Richard Forbes, Independent Food Distributors Australia chief executive, as the worst disruption to the food supply chain in living memory.

The country's 2019–2020 bushfire season posed similarly unprecedented challenges for retailers, with economic losses estimated to exceed \$110 billion. Highways and ports were closed, production lines were damaged, and consumer spending took a major hit. Companies were forced to find alternate freight routes when major roads closed. For example, Coles and Woolworths turned to the rail network to minimise the impact on supermarket shelves.

Accurately predict risks with Greenlight Supplier Management

Muddy Boots' Greenlight Supplier Management can help your business accurately predict risks in your supply chain and put measures in place to minimise the impact on your bottom line. Our solutions put you in control of your data and your supply chain, showing you exactly who is in your supply chain, where they are, and what they supply you, while an integrated suite of mapping and reporting tools provide a chain of custody insights, helping you track product routes back to the source.

It's all about defining and managing risks in your supply chain with embedded sourcing criteria, so you can more easily identify areas of vulnerability that require your attention.

Predicting and better managing risk

Australia's recent fires and floods are just one piece of the risk puzzle. The pandemic also poses an ongoing risk as isolation rules and lockdowns continue to affect the workforce. Then there are global issues like food fraud, Environmental, Social, and Governance (ESG) regulations, water instability, labour shortages, and energy price spikes. These risks aren't going away any time soon – making it more important than ever for retailers to plan for major disruptions to the nation's supply chains.

The good news? There are plenty of ways that businesses can mitigate risk and shore up their supply chain to ensure continuity of supply. For example, this PwC report recommends reducing risk through stockpiling, diversification and contracts.

Retailers can also take a proactive approach to accurately predicting risks and reacting to them quickly – and digital technologies play a major role here. A centralised platform that captures and analyses all supply chain data can help improve supply chain visibility and enhance monitoring of risk factors while supporting open and ongoing communication with all parties across the supply chain. The ability to quickly and accurately identify risks will save time and money, which can be spent on proactively managing the areas that require the most attention.

Australia



Request a demo



Strengthening the supply chain in food retail

It's empowering to realize a silver lining with over two years of pandemic-related challenges. For the food retail industry, COVID has certainly shone a light on the critical importance of strong supply chain management. Meanwhile, innovative solutions are creating opportunities to overcome challenges with new technology adoption expedited by nearly a decade.

When we change our view of a product's supply chain from simply focusing on its destination, opening it up to a more journey-like process, we can better understand the many moving parts involved with every step. In a changing landscape where consumers want access to more information about their food, how can your business keep up with all-time high food demand alongside ongoing supply chain challenges?

One major takeaway has been the importance of reducing uncertainty around food shortages, labour issues, and increased transaction costs through increased adaptability along the supply chain. Research from the FMI indicates over 40 percent of food retailers expect continued negative impacts due to these concerns. Policymakers are taking the issue seriously too. The U.S. Department of Agriculture announced \$4 billion in funding last June to better support and diversify food supply chains at the production, processing, distribution, and marketing levels. To the North, Canada's Agri-Food Innovation Council is working to bring stakeholders and the government together. They aim to create national strategies that support the increased adoption of technologies and strengthen the entire path our food travels along. With membership including top communications providers like TELUS Agriculture, this committee is helping businesses understand the value in better digital integrations, that can provide them with profitability, visibility, sustainability, and responsiveness across the entire supply chain.

The pandemic spotlight

As people experienced firsthand the consequences of vulnerability along various supply chains, food retailers heavily reevaluated their strategies and relationships at each level. Negative impacts were widely reported at the transportation and trucking stages, in dealing with changing demand for certain food items as life shifted, and general weaknesses along supply chains that needed attention.

Top solutions are proving to be those technologies that increase collaboration, visibility, and efficiency for all players, helping to build a connected value chain. New software is delivering greater insight for stronger decision-making and the ability to proactively stay ahead of problems, often avoiding them in the first place. As these technologies continue to emerge and are more accessible to businesses of all sizes, increasing numbers of food retailers are leveraging them to reduce waste and unnecessary expenses while growing their profitability and customer satisfaction. With over one-third of food retailers already using artificial intelligence, technology investments in this \$800 billion annual industry have surpassed \$8 billion already.

How can these solutions help your food retail business?

Technology is not just the way of the future, it's essential today.

Digital solutions increase insight along each stage of the supply chain, decreasing uncertainty while delivering better predictability and rapid corrections when needed. Whether it's looking into production, inventory, orders, transportation, or warehouse management, centrally accessible and shareable information is a gamechanger for quick momentary adjustments and long-term strategies.

Here are a few key advantages that supply chain management can offer your business:

Collaboration – Supply management software means all product due diligence and other information is easily available, shared, and managed between your supply chain partners. This greatly reduces your administrative burden, grows brand trust, and is a big differentiator against competing brands.

Efficiency – New technologies can significantly reduce the time your retail business spends managing supply chains. With automated alerts, compliance and actions needed are identified and addressed immediately before they start impacting other chain links. In addition, all required documentation is centrally stored and available at your fingertips.

Visibility – Visibility at every stage of your supply chain boosts supply security and safety while providing a map of the entire network from source to consumer. As you more accurately weigh product demand against inventory and availability, decision-making is improved.

Risk management – Never before has transparency been so important to the food industry. Safety depends on it and consumers demand it. New technologies capture product origin, build stronger relationships along supply chains and decrease vulnerabilities, all the while improving dependability and trust. These traceability practices are rapidly becoming regulatory requirements here in North America.

When you can count on the right supply chain management software for your food retail business, your organization can quickly become streamlined and gain trust. Better documented information at each level means you can better engage policymakers and tell your positive story to the public. Where communication and collaboration are increased, your supply chain is strengthened.



The benefits of using a HACCP certified quality management solution

Hazard Analysis Critical Control Point (HACCP) based procedures provide businesses with a cost-effective method of assessing and managing food safety risks to produce safe food, from ingredients right through to production, storage, and distribution to sale and service of the final consumer. The preventive approach of HACCP-based procedures not only improves food safety management but also complements other quality management systems.

Why does the food industry use HACCP?

Whether you're required to do so by law, or just want to ensure your product is safe, the HACCP system allows you to ensure that food is produced and handled safely to meet the required high standards from production to consumption.

Food safety must be viewed as only one important aspect of overall food quality, and HACCP, as a mechanism to control food safety. The HACCP approach is internationally recognised as essential to ensuring the safety and suitability of food for human consumption, and it enhances the potential for international trade.

Besides enhancing food safety, other benefits in applying HACCP include more effective use of resources and more timely response to food safety problems. In addition, the application of the HACCP system can aid inspection by food control regulatory authorities and promote international trade by increasing buyer confidence in food safety.

Greenlight Quality Management and HACCP product certification

Only food or food-related processors and handlers can have a HACCP programme or management system certification. Non-food products that have incidental food contact or a significant impact on food safety such as hairnets, rubber gloves, ovens, etc. are required to have an auditable due diligence process. HACCP international's certification meets this due diligence.

Greenlight Quality Management (GLQM) carries HACCP International's product certification, this certification is designed to confirm the suitability of products for use within a HACCP management system.

By taking food safety management systems into a mobile cloud-based application, such as GLQM, certified to HACCP principles, customers can be confident that their system and control methods are audit-ready. Simplifying how they evidence their approach and management of food safety to key stakeholders, clients, and auditors, unlocking unparalleled insight and transparency into your business.'

The benefits to your business

1. Compliant with the law

In many global markets, there are no detailed laws about which non-food products may or may not be used in the food industry, making it hard to know if a product is food safe or not. However, larger food businesses are more demanding than the laws in any country and do require a process to determine a products' safety.

2. Protection against fines

Food safety and hygiene offenses carry large fines for offending businesses. Customers can also pursue legal action which is not only costly but will also affect the reputation of your brand.

3. Provide evidence of due diligence

GLQM configurable reporting capabilities and escalation processes enable you to share reports automatically by site, supplier, product, process, or people. Non-conformance issues or corrective actions can be resolved quickly through a robust escalation management process that includes responsibility being automatically assigned and photographs attached as evidence. Notifications are automatically sent to relevant parties with each corrective action tracked to closure with a verifiable audit trail.

4. Promote efficiency within your business

The ability to check at any point in your supply chain: intake; production; dispatch or on the shop floor is key for efficiency. By using an easy-to-understand red, amber, and green system flag you can communicate results including verification of completed procedures, changes in critical control points, and discrepancies in critical limits quickly.

5. Increase in product quality

By identifying and controlling potential hazards, such as microbiological, chemical, and physical contaminants, you can better assure consumers that your products are safe. By reducing hazards, you maintain a clean record, which in turn will strengthen brand trust

In summary, taking action to ensure the safety of the food you are producing has a ripple effect of positive outcomes. It all starts with the implementation of a quality management solution that can set the stage for applying HACCP principles.



Transparency needs of the modern consumer

Transparency is no longer an option; it's a must!

Global threats such as climate change, supply chain disruption, food fraud, and food safety risks have increased the demand for transparency. It is more necessary than ever, especially in such industries as food, where issues like traceability and safety are so important.

Consumers care deeply about transparency and favour food brands and retailers that share information readily, with an expectation that they share more than just ingredient lists and nutrition facts. Today's consumers seek information about manufacturing practices, ingredient sourcing, company sustainability efforts, and more. They are no longer prepared to give a brand the benefit of the doubt if they cannot produce detailed information about their product's history.

It is crucial that consumers feel they can trust in what is one of the most fundamental human needs - the food we eat.

Why do consumers want more transparency?

Supply chain transparency requires businesses to know what is happening upstream in the supply chain and to communicate this knowledge both internally and externally. Researchers at the MIT Sloan School of Management found that consumers may be willing to pay 2% to 10% more for products from businesses that provide greater supply chain transparency.

As customer demands have increased, so has the reputational risk for brands from the media. Over the last decade, numerous scandals have inflicted considerable damage on the reputations of many brands. Research by Kantar, on behalf of the AHDB, found that consumers exposed to negative news stories about red meat were 18% more likely to reduce their meat consumption compared with those who had not been exposed (Kantar Meat Reducers). As well as damaging brand reputation and most importantly a public health issue, food safety and or fraud cases have huge financial implications. The average cost of a recall to a food company is \$10M indirect costs, in addition to brand damage and lost sales according to a joint industry study by the Food Marketing Institute and the Grocery Manufacturers Association.

Another study by [EIT Food Trust Report](#) showed that consumers voiced an increased demand for supply chain transparency from farm to fork, natural products, and better more informative labeling. This suggests that if agri-food businesses were to scale their transparency efforts and implement digital traceability technologies, they would be directly responding to consumer demands and likely to increase trust in their business.

“Over 90% of consumers say transparency by a brand is important to their purchase decisions.” Forbes

Benefits of transparency

Perhaps, the most obvious benefit for supply chain transparency is compliance, with increasingly stringent regulations, transparent supply chains will reduce reputational risk and project an image of a business that is honest and upfront about its practices, and therefore, trustworthy.

Germany recently [passed a law](#) requiring companies to report human rights and environmental abuses along their direct supply chains. This will come into effect in 2023 for roughly 600 large companies.

Here are a few other benefits of achieving supply chain transparency -

Brand loyalty - When you share information about your supply chain, you nurture consumer trust which, in turn, earns your brand greater consumer loyalty.

Customer assurance - Today's consumers firmly believe that they have the right to know exactly where their products are coming from and how they are made. They want to be sure of the product's safety and quality, and, increasingly, that the sourcing practices are in line with their values.

Strong partnerships - Having a transparent supply chain will create a culture of trust throughout all your partnerships, you are therefore more likely to attract like-minded suppliers and partners.

Collaboration - Sustainable ways of producing food and optimising food supply chains are only possible through collaboration. Transparency is at this point, an essential tool for businesses to face challenges together.

Crisis mitigation - When your suppliers know that honesty and transparency are embedded in your business, they are much more likely to resolve issues with you directly instead of trying to get away with poor quality or unethical behaviour.

Examples of supply chain transparency

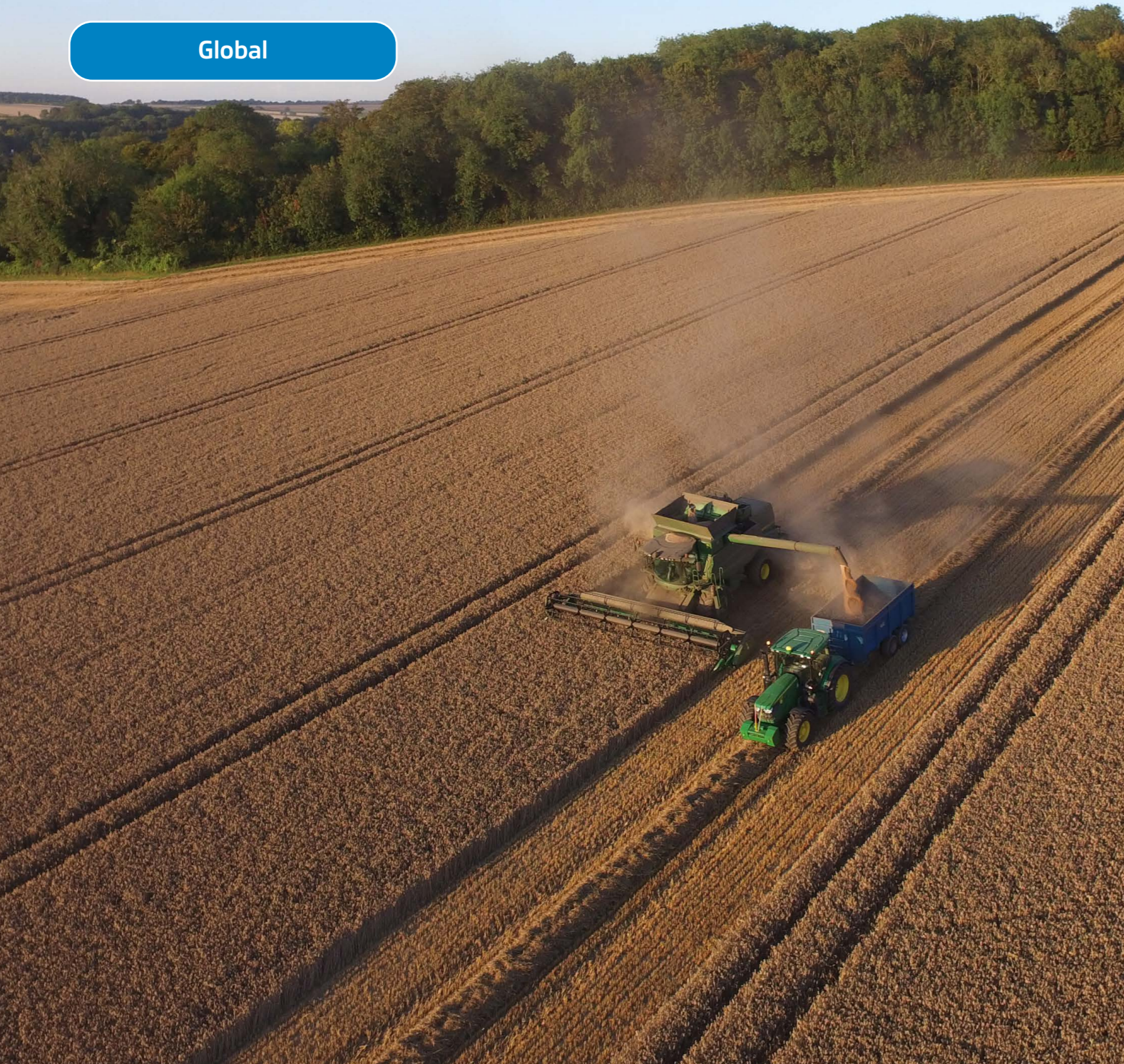
Many global brands are already increasing the levels of transparency in their businesses, with transparency platforms and communicating the journey they are on to customers.

- [Heineken](#) showcases the sustainability journey of their apple and barley sourcing to customers with the Heineken UK sustainability journey.
- [Unilever](#) demonstrates transparency and a commitment to tackling climate change with its Climate Transition Action Plan.

Transparency in supply chains is not achieved overnight, it's a continuous effort that takes time. However, transparency makes trust possible, and trust is an essential foundation for any long-lasting relationship. The results of increased transparency, particularly for the food supply chain, will enable sustainable brands to set themselves apart from less responsible producers for years to come.

A comprehensive [supply chain management](#) solution can help you first establish internal supply chain visibility, by facilitating insight and action that will add value and decrease risk. This can then be leveraged into transparency for your customers, suppliers, and the wider industry.

Request a demo



Six ways to manage risk in Agri-business

Risk is an unavoidable aspect of agri-business. Every day we face uncertainties such as weather, prices, yields, changes in global markets or government policies. Although a lot of the risk associated with agri-business is beyond our control, much can be done with how we manage risk to create the best possible food outcomes.

Managing risk includes using a number of strategies and tools but most importantly harnessing the power of data to better understand our businesses and plan for better outcomes. Greenlight Farm Management (GLFM) is a collaborative platform for farmers, agronomists and their workforces. GLFM helps farmers to manage their spend and continuously ensure compliance to audit standards. The impressive analytics and reporting capabilities of GLFM give detailed insights into the dynamics of the farm business, supporting improved forecasting and performance management.

Here are six ways Greenlight Farm Management helps to manage risk in agri-business;

1. Avoid expensive errors

GLFM lets growers and agronomists record and share crop records, fertiliser plans, nutrient plans and much more. With an up-to-date list of pesticides and their crop approvals provided as standard, agronomists' recommendations can be auto-checked for label compliance and any associated warnings that need to be highlighted to their growers. Growers can keep an eye on spending throughout the season and control and monitor costs through cost analysis down to field level.

2. Be compliance and audit ready

For agronomists, supporting their farmers to manage the burden of compliance is an essential part of the day job. Integral nutrient management features, reduce the complexity of nutrient planning and compliance safeguards. Farmers can also feel confident and ready for audits knowing that they can demonstrate compliance to chemical and fertiliser applications. In GLFM, the range of reports ensure growers can select the exact data they or their auditor needs.

3. Understand your costs

Growers can better understand their cost of production to make informed business decisions by using GLFM. Recording the spend on seed, fertiliser, ag-chem and activity costs as they are used provides real-time visibility on production costs. Furthermore, growers can analyse their costs in detail with an understanding of the performance of each field, crop and variety.

4. Time is money

Waiting to go back to the office in order to write up farm visits is now a thing of the past. With the mobile app, agronomists can upload pictures of their findings whilst walking the fields and audit their recommendations, then simply hit 'sync' to automatically update when they have an internet signal. Templating chemical recommendations is a great way of administering time saving features for agronomy teams, plus the added bonus of providing improved steer on recommending the right inputs for the job. Growers can add their team as 'extra users' so that they can record applications directly into the app from their phone or tablet and upload pictures of any problems they encounter in the field.

This empowers the workforce to record operational data such as confirming spray applications, whilst on the move. All of this activity saves time and workload.

5. Harness the power of data

Our impressive analytics and reporting capabilities give growers insights on the landscape and in-season dynamics of their businesses, supporting improved forecasting and performance management. A full range of reports are available as standard, including multi-site cropping, nutrient management, cost of production, crop rotation, product use and gross margin. Advanced Business Insights reporting provides a wider range of analytics providing users with the ability to benchmark their performance and optimise business decisions.

6. Collaboration is key

Sharing data between grower and agronomist has never been easier and means no unnecessary duplication of work. Agronomists can record geo-located inspections to pinpoint pest and disease problem areas, so immediate action can be taken by the grower.

Growers can see plans instantly as they are created by their agronomist and plan work accordingly. This saves time, improves accuracy and ensures compliance. Ag-retailers can activate the product ordering functionality, enabling them to assign price and pack size information to products. Agronomists can convert recommendations directly into product orders, speeding up delivery.

What next?

Good risk management decisions depend on accurate information which requires reliable data, and good information can help make rational risk management decisions. When so much of the risk associated with agri-business is beyond our control, Green Light Farm Management puts the grower in control of their data. A solution created by growers, for growers, to produce the best food outcomes and business results.



What is the new approach to UK farming once the Basic Payment Scheme is phased out?

In 2021 a seven-year transition was started by the Department for Environment, Food & Rural Affairs (Defra). A transition away from EU-based rules, towards a system in which the government pays farmers to improve the environment, improve animal health and welfare, and reduce carbon emissions.

Defra states that this new approach aims to ‘support a vibrant and resilient agriculture sector’ whilst enabling them to ‘meet [their] ambitious targets, such as the protection of 30% of UK land by 2030 and Net Zero by 2050’.

Payments in England would have halved by 2024 and will be gone completely by 2028, with other UK nations following suit. The transition has left some farmers concerned with how this gap will be bridged and how they can navigate these changes whilst ensuring the best possible business outcome.

*Image credit: Defra, Farming is Changing

What is the new approach?

A number of grants (and other help) to improve farm productivity and prosperity will be available and delivered by a new approach to farming regulation and enforcement.

In addition, three new schemes will reward farmers and other land managers who may enter into agreements to be paid for delivering the following public goods:

- Clean and plentiful water
- Clean air
- Thriving plants and wildlife
- Reduction in and protection from environmental hazards
- Adaptation to and mitigation of climate change
- Beauty, heritage and engagement with the environment

Payment band	Scheme year			
	2021	2022	2023	2024
Up to £30,000	5%	20%	35%	50%
£30,000 - £50,000	10%	25%	40%	55%
£50,000 - £150,000	20%	35%	50%	65%
More than £150,000	25%	40%	55%	70%

The following table shows how payments will be reduced from 2021 to 2024.

Three new schemes that will reward environmental land management:

The Sustainable Farming Incentive (SFI)

Through SFI, within a few years the government wants all farmers to see producing environmental and climate change benefits as an integral part of their business, alongside food production. Set to launch in mid-2022 after a pilot scheme involving 900 UK farmers, the government aims to have 70% of farms and farmland enrolled in the scheme by 2028. Read more [here](#).

The Local Nature Recovery Scheme (LNR)

Local Nature Recovery will take the best of Countryside Stewardship and include some new elements such as dovetailing with private schemes and working more collaboratively. The government hopes this will help create a scheme with wider appeal that can deliver more and better outcomes, in a less bureaucratic and more supportive way. The Local Nature Recovery Scheme will pay farmers and land managers for actions that support local nature recovery and deliver local environmental priorities. LNR agreements will be available from 2024, following a pilot starting in 2022. Read more [here](#).

The Landscape Recovery Scheme (LRS)

Landscape Recovery will pay landowners or managers who want to take a large-scale and long-term approach to producing environmental and climate outcomes through land-use change and habitat and ecosystem restoration. Applications to this scheme opened on the 1st of February 2022 with aims for a full scheme to be available in 2024. Read more and apply [here](#).

With the LNR and the LRS set to be the improved and more ambitious successor to the Countryside Stewardship Scheme in England, the government is also set to launch a new Tree Health Scheme in 2024. This will replace the Countryside Stewardship Woodland Capital Tree Health Restoration and Improvement grants. A Slurry Investment scheme will be offered from 2022 to help reduce pollution from farming. More schemes and information are set to be released. You can sign up for news from Defra [here](#).

Adapting whilst managing risk

At Muddy Boots by TELUS Agriculture we believe that embracing digital transformation to harness the power of data will truly improve our customers business making decisions whilst reducing risk. The features of Greenlight Farm Management were designed by growers and agronomists, for growers and agronomists, and have been serving the UK farming industry for over 25 years. With the Net Zero goals and changes to government policy in mind, we are working hard to improve and increase the features of our cloud-based platform to better aid farmers in their everyday life.

“The industry is facing challenges such as Regenerative Farming, Sustainability and achieving Net Zero, whilst maintaining profitable businesses. We believe that the face of Crop Recording is changing. In the next few years, instead of simply managing compliance and costs, we expect Crop Recording systems to be able to present analytics and business specific information, as well as enabling seamless integration with other systems, empowering users to navigate through these challenges and achieve their goals.”

Sarah Alexander, Product Lead - Farm, Muddy Boots by TELUS Agriculture.

We are on our own journey of integrating sustainability enablement in all our products and services, to help our customers create enduring and measurable positive change in their operations and their supply chains. Sign up to our newsletter to receive updates on our sustainability services, our farm management services, industry news and offers [here](#).


muddy boots

by  **TELUS**[®]
Agriculture

**Connecting food
and farming supply
chains for a safer
sustainable future**

**Ready to improve risk management
in your supply chain?**

Contact us today

Muddy Boots Software Ltd
muddyboots.com | sales@muddyboots.com

