

Summary - Allocation ideas – working list from CSG14

<b>Principles from Policy Selection Criteria</b>	<b>Best options to meet each principle</b>
Recognise efforts made	Another way e.g. capped grandparenting up to average
Realistic to implement, monitor, enforce	Averaging cheaper than rest
Flexibility for future	Natural capital – no presumption of current land use Another way – trading/ allocation set aside for this
Minimise social disruption	Best – historical grandparenting. Worst – average/ha. Another way: Grandparent and good management Hybrid that recognises natural factors Plus % ramp back – except those who can't – could do extra to allow for new entrants. Plus market to trade
Exhibits proportionality	Not a grandparent or average per hectare Maybe average per sector or natural capital Another way – need to bring in GMP's
Takes account of complexity	Best - natural capital Worst - average/hectare Another way - trading Pragmatic approach, different farm systems have different issues – hybrid
<b>Important additional principles</b>	
<ul style="list-style-type: none"> <li>• Transition from where things are to where you want to get to (to meet the limit)</li> <li>• Be cautious about compensating for lost future opportunity - Make exception for special cases separately</li> </ul>	

**Most promising options: (Needs to be a hybrid or a hybrid of a hybrid)**

- Not average/per hectare
- Need to have a GMP/efficiency element
- Innovative ideas to look at: capped grandparenting within sector
- Grandparenting transitioning to a natural capital approach (What would be a suitable natural capital measure, and how closely matched is current land use to that?)
- Noted that if you want flexibility, must have trading
  - Then the allocation to high class land under a natural capital system may move (which defeats the purpose of a natural capital approach)