



Scottish Environment LINK
2 Grosvenor House
Shore Road
Perth
PH2 8BD

Tel 01738 630804
Fax 01738 643290

enquiries@scotlink.org
www.scotlink.org

The Rt Hon Richard Lochhead MSP
Cabinet Secretary for Rural Affairs and the Environment
Scottish Government
St Andrew's House
EDINBURGH EH1 3DG

25 November 2013

Dear Cabinet Secretary

CAP implementation decisions

Over the coming months, you have some important decisions to make on how to implement reforms to the CAP in Scotland.

We recognise the low share of EU CAP funds received by Scotland and your desire to see an increase. But even without this, farming in Scotland is set to receive almost £4 billion of taxpayers money over the next seven years. It will be your decisions here, on the allocation and application of this money, that will determine what it achieves and whether this represents good value for taxpayers.

You will be mindful of the implications of your decisions for Scottish farming; they will also have far-reaching implications for our natural environment. Popular support for Scotland's iconic wildlife and landscapes is considerable, as signalled by membership of our own organisations and the recent 'Big 5' poll. This support highlights the intrinsic value of nature to many people and the special place it occupies in our culture and heritage. We ask you to recognise this and give due weight to the environment as you decide what to do

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on CAP implementation. There are three key decisions you could take that would help Scotland's natural environment.

The most immediate decision you face is whether to use the budget flexibility given to you to transfer funds from Pillar I of the CAP into Pillar II, to boost funding for the next Scotland Rural Development Programme. Pillar I still receives the lion's share (almost 90%) of the CAP budget and Pillar II is severely underfunded. Without a transfer of funds, the scope of the next SRDP will be greatly constrained. We urge you therefore to **transfer the maximum 15% of Pillar I funds to Pillar II** and use this money to support environmentally friendly farming as well as the wider rural economy and communities.

You then have choices about what to spend this money on within the SRDP. Of all the possible measures the SRDP could contain, we see a well-designed, targeted and effective agri-environment scheme as a central component. Ensuring there is adequate funding for such a scheme is paramount; this **means substantially increasing agri-environment scheme funding** from current commitments of c. £38 million per annum to at least £60 million per annum, or more. This money will deliver environmental outcomes (most of which are needed to meet statutory obligations) whilst supporting farmers at the same time. Protecting the natural environment in this way will also ensure it remains a key reason for people to choose Scotland as a place to live and invest in, as well as to visit, and thus a mainstay of our economy.

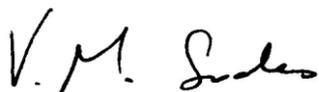
You also have to decide how to implement the 'green payment' in Pillar I. This is likely to amount to somewhere around £130 million per annum; at least three times more than the current agri-environment budget. A minimal approach to using this payment will result in little environmental gain in relation to biodiversity, water quality or GHG emission reduction targets. Applying the basic three measures of crop diversification, protection of permanent grassland and Ecological Focus Areas would mean that almost 70% of Scottish farmers would be exempt from any greening requirements and yet would still receive a payment. This could not, by any stretch of the imagination, be judged good value for taxpayers money. Nor would it help land managers across most of the country to nurture and build up the country's natural capital in the manner so vital to its long term success. We encourage you **to take a progressive and ambitious approach to greening and develop a Scotland specific scheme** to ensure that, in your own words, 'every farmer is acting in a greener way than before'. This must be underpinned by an effective regulatory baseline, enforced through cross compliance.

Taken together, the above decisions would mean continued support for the agriculture sector but in ways that ensure the Scottish Government meets its own ambitious targets under the National Performance Framework, the Scottish Biodiversity Strategy and Climate

Change (Scotland) Act 2009, amongst others and that helps farmers and other land managers to deliver the multiple benefits called for by the Land Use Strategy. Without sufficient investment to incentivise more sustainable farming practices, these targets will not be met with serious consequences for all of Scotland's citizens. The alternative approach of much tougher regulation is unlikely to be palatable to farmers but could be the only option available to the Government if incentives and voluntary approaches are inadequately resourced and thus fail to deliver.

We urge you, Cabinet Secretary, to be bold in this Year of Natural Scotland and put the environment at the heart of Scotland's farming policy.

Yours sincerely



Vicki Swales

Convenor, LINK Sustainable Land Use Taskforce

On behalf of the following LINK members:

Association for the Protection of Rural Scotland
Ramblers Scotland
Bumblebee Conservation
Scottish Wild Land Group
RSPB Scotland
National Trust for Scotland
WWF Scotland
Plantlife
Butterfly Conservation
Scottish Countryside Rangers Association
Archaeology Scotland
Badenoch and Strathspey Conservation Group
North East Mountain Trust
Woodland Trust Scotland
Scottish Ornithologists Club
Scottish Campaign for National Parks
Bat Conservation Trust
Scottish Wildlife Trust

Buglife
Soil Association Scotland
Cairngorms Campaign
Froglife
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