

Note on LINK discussion on its Vision for Agriculture: future of Agriculture support, 29 September 2016.

Present: Charles Dundas (WTS, LINK Vice-Chair), Chairing the meeting. Pete Ritchie (Food and Farming Subgroup Leader, Nourish), Davie Black (Plantlife Scotland), Richard Luxmoore (NTS), Diarmid Hearn (NTS), Anna Brand (RSPB), Vicki Swales (RSPB, Co-Convenor Land Group), Lillian Kelly (SAS), Bruce Wilson (SWT), Richard Lockett (SAIFCA), Anne Youngman (BCT), John Thomson (SCNP/APRS), Zoe Davies (WCL), Spencer Clubb (WCL), Celia Nyssens (Nourish), Daphne Vlastari (LINK Advocacy Officer), Alice Walsh (LINK Development Officer).

Apologies: Phoebe Cochrane (LINK Sustainable Economics Policy Officer).

Session I: Known knowns and known unknowns.

Background papers had been circulated. Post 2020 what do we want to see? How do we influence the direction of travel? Out of various scenarios reality is that Scotland will be in a UK agriculture policy environment, trajectory of public support for farming reducing to zero by 2030. What is our angle on the rationale of public subsidy? Are our goals narrow or wider?

What might happen – discussion.

Are there implications for constraints on subsidy wrt international trade agreements? EU has to comply but has 'arrangements' for different countries. WTO rules have to apply. Will there be a UK framework or decisions taken at more devolved level. Would DEFRA set out to do a UK framework? Wales already setting out its plans.

Within Scotland there will be strong lobby towards return to headage payments.

Power or money, not both: Scotland may have the right policy but no money for it. Even Norway, with its high subsidies is tending towards larger farm units for economic reasons.

Subsidy reduction could be good if bad outcomes are less funded, and bad if good outcomes are not funded.

What LINK members want to see happen will require considerable public investment. This gives us large commonality with the farming lobby.

Public pot will be smaller unless we effectively argue for it to be bigger. It need not be administered by Defra. Defra has been told to look at implications at UK level, the cross cutting theme is UK (not wanting to lose Scotland). Logical starting point is Barnett, it will be above 8%. If Scotland stays in the EU, money will reduce anyway, its moving east.

Consequences are possibly farm abandonment, land price changes, forestry more economical. Big push from forestry interests to increase their share of pot. Political reality is that there are big forestry targets to meet, so 'good' forestry less likely.

Downsides of farms going bust are regulations getting lighter and easier, baselines already weak.

Studies show there will be spatial and sectoral differences. *We could do some work at UK level.*

Result of decoupling saw reductions in livestock management. UK is a small island, there is unlikely to be complete abandonment.

There may be unintended positive outcomes, possibility of more NGO ownership, community buyouts. Then into social policy, it gets political quickly. What standards of stewardship are expected? Very much related to the Land Reform debate.

Hill sheep reduced over 15 years, still grazed by deer. Basic payments are headage by the back door, though not at old levels are still above what causes damage.

Demographics: Farmers are old. There are opportunities to influence the attitudes of incoming farmers. Last 15 years saw more awareness of environmental stewardship, then back to food security. Farming education is still very production centred, attitudes are very deep seated.

Challenges are more than just what replaces the CAP.

Media coverage: more obvious where the money goes. Real opportunity to link with public goods.

What we want agriculture policy to deliver on. Is there more to thinking beyond the money?
Evolutionary change, moving forward slowly. Whole farm review as part of greening payment.

Summary: We want to reframe the debate. There will be huge resistance. We need to think about rural development components, sustaining rural communities and livelihoods. Transition will be slow.

Note that Fergus Ewing was appalled by recent National Trust statements.

Session 2. Clarifying LINK's strategy for achieving pro-environment change in food and farming in this context.

Should we (a) establish a joint working group with NFUS to develop an agreed set of proposals post 2020; or (b) focus on LINK working up its own proposals for post 2020 policy. Points made:

- (a) Politics is art of the possible. Roseanna Cunningham is in charge of policy, Fergus Ewing on delivery. They want something that will work for the majority. Conflict makes it difficult to make political progress. If we seek common ground, conciliatory, not appeasing, there is political appetite.
- (b) Clear divisions exist between our Cab Secs. FE captured by production interests. NFUS does not speak for whole farming community, crofters and SLE, more sympathy there to our views. Agriculture a small part of the rural economy, greater opportunity to work with other interests. Need for a broad coalition. Some of the membership of NFUS may be willing, not its leadership. Land rights and responsibilities, broader partnerships.
- (a) Won't productionists win outright at the start? Compromises in the short term could lead to wins for biodiversity.
- (b) No evidence NFUS will compromise, will only respond to wider social pressures. In short term we need to rely on regulations, not spending. Cultivate wider social consensus.
- (a) On Marine Protected Areas, definite gains were made by countering Scottish Fishermen's Federation arguments by drawing attention to the fact they do not speak for all, Trawlers vs Creeler's (LINK's Don't Take the P campaign). Allowing other voices to come forward could also be useful in the farming sector. What proportion of farming economy is controlled by big farmers, is there scope for building up their voice?
- (b) Do we want to lend credibility to the NFUS to argue their case for subsidy to reduce externalities? Reality is that NFUS is entirely dominated by narrow, tight, production interests. NFUS fights hard and dirty. Channelling funding via farmers is a blunt instrument. We need a fresh start. Draw distinction between talking, listening and working together. Learn the lessons of CAP negotiations where we lost.

Other interests are rural MSPs, Community Land Scotland, Scotland's Rural Parliament, Highland and Islands Agriculture group (Local authorities with high nature value land). Leader and structural funds.

If farmers are obliged to talk to other interests at local level, could lead to better outcomes. Regionalise the regime to break down entrenched attitudes.

Don't want to see polarisation between productive and abandoned land.

Scottish Food Coalition: food is important. We don't produce a lot of food we actually eat in Scotland. Other conversations ongoing within SFC about markets etc.

What do we want to keep? The elevator pitch (having broken into 4 groups).

A significant budget for an improved rural development programme. Keep agriculture in the Economic Strategy to protect natural capital. Keep Leader. Need a similar mechanism to Pillar 2.

Best way to pitch wider agriculture debate in wider rural economy. We should not leave the RE debate to the Conservatives.

Regulatory regime is tick box – should be a lighter touch based on outcomes.

Widen out who can deliver public benefit, remove assumption it goes to landowner.

A more progressive Cab Sec than FE!

Scrutiny on how money is spent from a broader set of interests, regional framework based on land use strategy.

Discussion

Noted that NFU will have their pitches on more 'life and death' issues. Pitch has to be carefully targeted to the audience. What is the cost of a rural job in Scotland at the moment? *A rural economy that is good for people and good for the environment.*

Support for broadening the scrutiny of spend, and money for objectives, not for owners.

Feeling that farmers have a good press, getting a free pass. If we call for wider scrutiny or say from rural Scotland, will they ask for what we want? Trick is to talk the language without losing sight of what we want. If the pot shrinks it is worrying, the case for environment payment weakens.

Helpful to make clear distinction between revenue and capital expenditure for tackling problems like diffuse pollution, and need for some payments in perpetuity.

Where is there a social economic need and environmental importance – spatial targeting element.

The wider public is mainly ignorant of the externalities of agriculture, though flooding has brought this more into consciousness.

The last Rural Parliament in Oban had no session on agriculture. The policy good is rural population.

How we spend money after 2020 will include agriculture as part of it. We can be very broad and aspirational.

Broaden the narrative, reframe the debate, it is about a bigger rural challenge. Agriculture is nested within this and can be part of the solution if we spend money in a different way. Reframe the debate about what we want, otherwise we lose again.

Land Use Strategy takes it back to objectives, including the benefits to urban populations too. Don't lose loss of biodiversity. Make a specific ask for it, funding to incentivise environmentally positive land management.

Two big problems, climate change and biodiversity loss. In wider framework can talk about benefits of regulation and incentives within it, helpful for broader debate.

Logical to consider if the funding can take forward the regional atlas. Objective 5b was regionalised in its payments. But consider: There will be no appetite for complicated approaches from hard pressed civil servants, think how likely we are to get that, ensure we are asking for something deliverable.

Politically there is a perception of too much centralisation we can work with that flow and inform the approach about priority setting, regionally, to determine which options are levered. The Land Use Strategy forces that to happen.

Can there be geographically weighted suite of options with higher ratings in some areas?

For environmental measures in general should aim for connectivity? Horses for courses, danger of nothing happening if not everyone signs up. Growing recognition of benefits of

landscape scale work.

Is it just for land managers to decide? Link to indicative land use plans. Entails top town and local engagement. If it is important for accessing funding, there will be participation.

WCL's document Farming fit for the Future is being updated. A Food and Farming coalition, in early stages, is working on the messaging.

Timelines: NFUS having informal discussions with its members leading up to its autumn council, possible conference linked to AGM in February 2017. Will be making a public pitch, is circumspect at the moment.

Action: As LINK it will be helpful to have our asks clear asap. Start with what we have to date, build in what was discussed today, over time develop some of the detail. Our vision is the same as it was, we need to open up the possibility of new ways of doing it.

Frame our narrative, with short to long term asks. There is possibly a stakeholder forum. ScotGov trying to get the money spent for next year. Short term advocacy that schemes need to stay open. Same comfort on P 2 as P1 – all agree. Treasury decision. Autumn statement 23 November.

Food and Farming Subgroup to reactivate to progress discussions. **Next F&F meeting 27 October.**