LINK Parliamentary Briefing: Five Things to Know About: Farming and How to Make it Nature and Climate-Friendly May 2021



Introduction

Globally, food production and consumption are key drivers of environmental damage, including habitat loss and wildlife declines, soil erosion, water pollution and greenhouse gas emissions. This threatens food production itself given farming depends on a healthy natural environment and stable climate. In Scotland, agriculture has a direct impact on three quarters of our land and has a significant influence on the environment and landscapes. On some farms and crofts, landscapes and wildlife habitats are flourishing but widespread intensive farming practices are driving an overall negative environmental impact. Farming practices can work with nature and, where they do, they can enhance resilience in local communities, provide sustainable local food and create business opportunities as well as conserve nature and create diverse landscapes. There is a growing movement in Scotland of nature-friendly, organic and regenerative farmers but this needs to move from margin to mainstream if we want to meet our goals for climate and nature.

Scottish farmers and crofters are also on the front line of the climate crisis. Extreme weather and a changing climate poses increasing challenges for livestock health and productivity and for crop yields, increasing the risk of pests and diseases. The sector is a large contributor to Scotland's greenhouse gas emissions but also has the potential to be part of the climate solution, by capturing and locking up carbon in soils and vegetation. The way that land is managed plays a dominant role in shaping Scotland's landscapes – for good and for ill. This can have profound effects on wildlife.

Farming has a central part to play in tackling climate change, restoring nature and maintaining flourishing landscapes, alongside food production. It can, and must, be part of a green recovery. This will only be achieved if the right policies are in place and taxpayers' money used to support farming is targeted in the right way. Without addressing land management policy and subsidy there will be no green recovery. This briefing sets of 5 things you need to know about farming in Scotland and how more needs to be done to make it nature and climate-friendly.

1. Farming shapes nature but also depends upon it.

Over 70% of Scotland's land is managed by farmers and crofters. This means farming systems have an important role in influencing the state of nature in Scotland, with the power to support or threaten species and habitats. Some farming and crofting systems - for example, some low input grazing and organic farming systems - work with Scotland's nature, maintaining important landscapes while allowing habitats and wildlife to thrive. However, taken as a whole, agriculture has an overall negative environmental impact. Functioning ecosystems have declined sharply, especially on more intensively managed agricultural land both in the uplands and lowlands. An over reliance on pesticides and fertilisers, continuous cropping and changes to ploughing and cultivation methods, and changes in livestock numbers and grazing regimes all affect the conditions needed for species and habitats to thrive.

Yet, Scotland's farming also depends on nature: from soil quality to genetic diversity, from water quality to pollination. Where the right support is available as tailored advice and financial incentives, many farmers and crofters manage their land with nature in mind, demonstrating that major benefits



can be gained. Coexistence of farming and nature can be achieved through agroecological and agroforestry practices, by leaving spaces for nature such as biodiverse field margins, restoring species-rich grasslands, reducing pesticide and fertiliser inputs and mowing and cutting permanent pasture at the right time.

2. Support must be available for farming businesses to choose the best options for nature.

Many factors influence farmers' business decisions, from equipment and labour costs to cultural norms, peer learning and agricultural education. Farmers, crofters and other land managers must be supported to continue with or adopt sustainable farming methods that benefit nature and climate, and improve the sustainability and resilience of their business. Agricultural policy and accompanying subsidy payments to farmers and land managers have a fundamental role to play here and have the potential to enhance complex ecosystems and ecological processes. For example, funding delivered via the Agri-Environment Climate Scheme (AECS) has supported nature and climate friendly farming methods on farms and crofts across Scotland, for example by helping farms to create habitat for onfarm pollinators, restoring peatlands and paying for practices that promote green manure in arable rotations. Scottish Government decisions to only offer a limited scheme in 2020 and 2021 and no commitment yet to any agri-environment measures or funding in the next few years leaves a significant gap in support available to farmers and crofters to help continue beneficial farming methods or adopt new ones. The funding available to farmers for certain activities influences the business decisions that are made; activities that will put farms on a more sustainable trajectory for nature and climate must be backed up by the necessary financial incentives.

A Whole Farm Plan can be an effective tool here. This would be a core environmental plan for each holding to underpin all future support payments. Plans would be based on the priorities for the individual holding, guided by local, targeted priorities. Farmers, crofters and land managers would be supported with ongoing advice from qualified, skilled advisers to implement the plans, which would be produced with an emphasis on land manager input and involvement to promote ownership of the desired outcomes. Whole Farm Plans would be informed by local/regional priorities identified through proposed Regional Land Use Frameworks (RLUFs). RLUFs will identify opportunities at the regional and local level to deliver against national land use priorities, before moving to identifying opportunities for delivery through whole farm plans. In this way, land managers can see what opportunities exist on their own land to deliver against regional priorities and have a route to access financial support, whether public or private investment. Please see LINK's <u>'Renewing Scotland's Rural Areas' Revisited</u> paper for more detail.

3. Scotland urgently needs to set out a long-term vision for agricultural policy.

Following the UK's exit from the EU, Scotland's agricultural policy and funding arrangements are in a transitional phase. To date the Government's policy has been business as usual, with the only significant change being to cut agri-environment payments. The Agriculture (Retained EU Law and Data) (Scotland) Act 2020 passed by the last Scottish Parliament keeps in place the funding arrangements set in place by the EU's Common Agricultural Policy until May 2026. Between now and 2026, Scotland must develop an entirely new agricultural support system and it is crucial that the next five years lay the groundwork for a transition to a system that delivers broad benefits for society, public health, climate and nature.

Scotland is already lagging behind with proposals for a single Sustainable Farming Scheme in Wales and the UK Government advancing proposals to end area-based payments and reward farmers and land managers for environmental activities in England. The EU's Farm to Fork Strategy will put Europe's agricultural policy on a stronger sustainable footing and a greater share of the EU CAP budget looks



set to be tied to action for nature and the climate. The Scottish Government's recent manifesto restated a commitment to retaining unconditional direct payments until 2025, after which point only half of the direct payment amount will subject to conditions to deliver biodiversity and carbon improvements. This will lead to Scotland falling well behind the rest of the UK and the EU and fails to support farmers in the face of the transition that is required to meet net zero targets and restore nature. Scotland must urgently step up its ambition for agriculture and set out a long-term vision for evidence-led agriculture policy which puts support for nature and climate-friendly farming centre stage. An inclusive, cross-party approach to developing the new evidence-led policy is needed to provide long-term direction and support the transformation needed.

4. Clarity is needed on the measures that will cut agriculture's greenhouse gas emissions and deliver nature-based solutions.

The Climate Change Committee, the Scottish Government's statutory adviser on climate matters, has highlighted that emissions from Scottish agriculture have remained 'relatively unchanged' from 2008 to 2018. The Scottish Government's recent update to the Climate Change Plan, setting out the actions that will be taken up to 2032, expects to reduce agricultural emissions by 24%, from a 2020 baseline, in that time. But the update lacks detail on the expected emissions reductions that would be contributed by the individual policies and measures the Plan sets out. The previous Parliament's Rural Economy and Connectivity Committee suggested that without this level of detail, the policies and proposals in the Plan may fall short of delivering the Government's ambition and risks putting farmers, crofters and other land managers in the position of having to make deeper cuts in future, in a shorter space of time. By supporting the delivery of nature-based solutions on farms such as habitat restoration, reducing pesticide and fertiliser inputs and adopting different ploughing practices, reductions in greenhouse gas emissions can be made while enhancing biodiversity.

5. Farming is just one part of a bigger food system that needs to change urgently.

How we produce, process, distribute, consume and, too often sadly waste food, has environmental impacts. Tackling these, alongside dealing with food poverty, rising obesity and diet related ill health, poor working conditions and wages in the food sector and other food related problems, requires systems change. This is challenging but the economic, social and environmental gains from dealing with these problems stand to be enormous. Scottish Environment LINK supports the calls by the Scottish Food Coalition and others for a Good Food Nation Bill to be introduced early in the new Parliament. This framework legislation should, amongst other things, set ambitious targets for addressing the problems in Scotland's food system. This should include a target to at least half the environmental impact of food production and consumption by 2030, including the impacts from farming.

One way of achieving this is by supporting the agroecological farming practices – working with nature, restoring complex ecological processes and maximising biodiversity while producing food. This can include organic farming and nature-based solutions to manage water, soils and pollution.

This briefing is supported by the following LINK member organisations:

Butterfly Conservation Scotland National Trust for Scotland Nature Friendly Farming Network Nourish Scotland Plantlife Scotland RSPB Scotland ScotFWAG Scottish Badgers Scottish Wildlife Trust



Soil Association Scotland

Scottish Environment LINK is the forum for Scotland's voluntary environment community, with over 40 member bodies representing a broad spectrum of environmental interests with the common goal of contributing to a more environmentally sustainable society.

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