

Parliamentary Briefing: Delivering the Scottish Government's Vision for Agriculture through the Agricultural Reform Route Map

March 2023



Scottish
Environment
LINK

Scottish Environment LINK supports the ambition in the Vision for Agriculture for Scotland to be a world-leader in sustainable and regenerative farming. Farming must play its part in tackling the climate and nature emergencies.

Agriculture is Scotland's third largest source of Greenhouse Gas emissions and a major cause of wildlife loss. But emissions from farming have fallen at a significantly slower pace than almost all other sectors.¹ Three quarters of Scotland's land is managed by farmers and crofters, including crucial habitats such as peatlands. To meet our emissions and nature restoration targets, farming needs to change.

Farming and food security depend on a healthy environment

Environmental security underpins food security. Food production depends on a stable climate, functioning ecosystems, healthy soils, and populations of pollinators as well as other complex natural systems.

The United Kingdom Food Security Report states that climate change and biodiversity loss threaten the long-term stability and sustainability of food production.² We are already seeing the impacts of climate change now, with extreme weather and water shortages impacting food production. In 2017 alone extreme weather contributed to losses of up to £161 million for Scotland's farmers.³

Making the new system work

LINK believes that the four-tier system proposed has the **potential** to deliver positive outcomes for climate and nature. However, this will depend on the design of the scheme and how funding is distributed.

The current system of direct payments has failed to deliver for the environment. We must not replicate these failures under another name. **It is essential that funding is prioritised for Tiers 2, 3 and 4, with sufficiently ambitious measures within these Tiers.** At least three quarters of public spending on farming should support methods of food production that restore nature and tackle climate change.

Maintaining, and arguably increasing, current levels of public investment in farming will be vital in delivering the aims of the Vision for Agriculture. Scotland will not achieve the necessary changes in land use without training and funding our farmers and crofters. As well as this public investment, the government must ensure there is policy coherence with the Scottish Biodiversity Strategy, which is expected to be reliant on private finance.

The Route Map and publication of potential measures for the enhanced payment represent progress. But there remains a lack of clarity over key areas, and industry requires clear signals as to the direction of travel.

The Scottish Government should:

- Provide clarity on what will be essential standards under Tier 1 (in addition to possible Tier 2 measures already published)
- Include the promised Organic Action Plan and 2026 land target in the Route Map – there is currently no mention of organic farming despite strong evidence of benefits for emissions reduction and biodiversity
- Commit to statutory pesticide and nitrogen reduction targets, in either the Agriculture Bill or Natural Environment Bill, reflecting the outcome of COP15
- Ensure there is alignment between agriculture policy and the National Food Plan, delivering shorter supply chains and more sustainable food production

¹ <https://www.gov.scot/publications/scottish-greenhouse-gas-statistics-1990-2019/pages/3/>

² <https://www.gov.uk/government/statistics/united-kingdom-food-security-report-2021>

³ <https://www.wwf.org.uk/updates/severe-weather-cost-scottish-farmers-ps161m-2018>

Delivering a Just Transition for farmers and crofters

LINK is acutely aware of the challenges facing farmers and crofters. The climate and nature crises demand that we change the way we farm, and those changes must be fair for those who work the land.

The current funding system is unfair. Some farmers benefit massively from government funding, while others lose out. The new system of farm payments should not reward large landowners simply for owning land, but instead pay farmers and crofters to manage their land well. **Capping base-level payments – as proposed in the Programme for Government – would allow funding to be shared more equitably and reward those delivering for the environment.**

Many of the farmers and crofters currently managing their land well – those undertaking High Nature Value (HNV) farming – lose out under the current system. LFASS is a poorly targeted way of supporting those in less productive areas. **A new mechanism to support High Nature Value farming would deliver environmental benefits while sustaining rural communities.**

Investment in training, advice services and knowledge exchange is necessary to support the industry to undertake the changes in practice that government expects.

What can be done now

We are still three years from Tier 2 payments being adopted. While everyone recognises this is a complex policy area, the pace of change to date has been slow – particularly in light of 2030 targets to reduce emissions and tackle nature loss.

However, the Scottish Government can use its existing powers to drive change and prepare food producers for the new system:

- Capping of direct payments (as considered in the Programme for Government) and redistributing funding to support nature- and climate-friendly farming
- Investing now in enhanced advice provision, knowledge transfer and help with collaboration/co-operation in the supply chain and at a landscape scale
- Introducing enhanced conditionality on existing payments ahead of the introduction of the new system

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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Scottish Environment LINK the voice for Scotland's environment

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