



What is High Nature Value farming and crofting?

High Nature Value (HNV) farming refers to farming systems where the overall management characteristics of the system provide a range of environmental benefits, particularly maintaining and enhancing a wide range of habitats and species (such as butterflies and birds) that are considered to be of high nature conservation importance at a Scottish, UK and European level.

HNV farming systems in Scotland are most associated with extensive beef and sheep farming in the uplands and marginal farming areas where semi-natural vegetation makes up a high proportion of the available forage resource and where the livestock grazing that resource do so at low grazing densities. A Scottish Government indicator that sought to estimate the distribution and extent of HNV farming suggested that the area of Scotland under HNV farming ranged between 2.3 and 2.4 million hectares of agricultural land between 2007 and 2013. This equates to a range of between 40% and 44% of the total amount of agricultural land in Scotland.

Why do we need HNV farming and crofting systems?

This low intensity farming system produces food at the same time as helping to maintain rare habitats and support threatened species. The farming activity is often integral to maintaining the biodiversity interest: for example, the UK has seen a 97% decline in its wildflower meadows, but HNV farming has the potential to help reverse this trend. The loss of the farming activity would potentially lead to negative consequences for some habitats and for some of our wildlife. For example, extensive livestock farming can create the right conditions for nature to thrive and carbon stores to be protected: mixed grazing using native breeds helps to sustain diverse grasslands, which in turn support wildlife including corncrakes, butterflies and bumblebees. On the Western Isles, low intensity cropping is also an important feature of HNV systems, with machair cultivation providing a rare habitat for wildflowers and birdlife. HNV farming is also vitally important in supporting Scotland's rural communities. HNV farming has a rich cultural heritage and supports the viability of a land managing rural population in economically fragile areas.

Why do we need to change how HNV farming and crofting is supported?

Despite their intrinsic importance to the environmental and socio-economic viability of rural communities, HNV farms and crofts are undervalued and comparatively unsupported by our current agricultural support system. HNV farms and crofts often receive low returns from both the market and public policy and often struggle to make a living from farming and food production. Without farm support payments, most of these farms would simply not be viable.

The Scottish government spends more than half a billion pounds on farm funding every year but this support is failing to help farmers and crofters to protect and restore Scotland's nature or tackle climate change. Although the current system of direct payments is justified as 'contributing to higher farm incomes', these payments are often paid out to farmers who own the most land and who may be profitable without income support. While almost 40% of farms make a profit without direct



payments (cereal, dairy and general cropping), only 37% of farms are financially viable because of direct payments, with cattle and sheep farms in less favoured areas being particularly dependent on support payments.

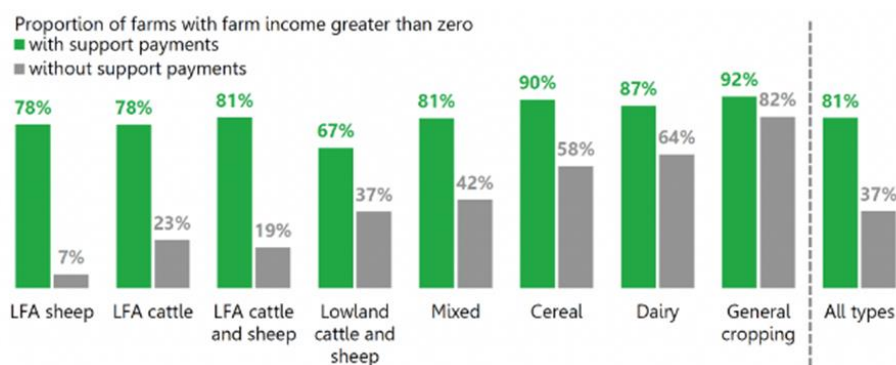


Figure 1: Scottish farm business income: annual estimates 2020 - 2021

The current method of direct payments is inefficient. These payments are not targeted at specific outcomes, and support schemes for those farming in areas of natural constraint, where much HNV farming takes place, fail to support environmental action. Effective support for HNV farming will therefore be critical in guaranteeing a just transition for the agricultural sector, and the upstream and downstream industries it supports.

Many HNV farmers and crofters are now feeling financial pressure to adopt intensive farming practices or move to more lucrative forms of land management including commercial forestry. If the Scottish Government fails to adequately support these systems through a new agricultural payments regime, we run the risk that many of the farms and crofts that best support Scotland's most threatened species will fall out of management. This will have negative consequences for nature, food production, and rural communities.

What does Scottish Environment LINK want to see?

This year, with the introduction of new Scottish agriculture legislation, we have a once in a lifetime opportunity to create a better system. As part of this, Scottish Environment LINK wants to see HNV systems recognised with targeted support within the future agricultural policy. HNV farming and crofting systems should be supported in each of the four 'Tiers' in the government's proposed support framework. Scottish Environment LINK is particularly interested in two possible options:

- 1) The tier 2 Enhanced direct payment could potentially recognise HNV farms and crofts with HNV status being rewarded appropriately;
- 2) A High Nature Value Support Scheme could replace the current Less Favoured Area Support Scheme.



Scottish Environment LINK believes that the Scottish Government should explore these options in detail as part of policy development through the National Test Programme, beginning in 2023.

For more information contact:

Dan Paris
LINK Advocacy Manager
dan@scotlink.org



Scottish Environment LINK the voice for Scotland's environment

Registered office: 5 Atholl Place, Perth, PH1 5NE. A Scottish Charity No. SC000296

Scottish Environment LINK is a Scottish Company Limited by Guarantee and without a share capital under Company no. SC250899

