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Mairi Gougeon MSP Cabinet Secretary for Rural Affairs, Land Reform and Islands Scottish Government

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December 19th, 2023

Following the publication of the draft Agriculture and Rural Communities (Scotland) Bill, I am writing on behalf of Scottish Environment LINK's Food & Farming Group to outline our proposals.

Funding

LINK agrees with NFUS and others that an overall uplift in the UK agricultural budget is required to enable the sector to deliver for climate and nature in the coming decade. We are working with our sister organisations in the other three nations to urge parties to make this a manifesto commitment ahead of the nest general election.

In terms of the distribution of funding, LINK has previously outlined our thoughts on what is needed to achieve the Scottish Government's environmental objectives. We would welcome the opportunity to discuss this in further detail with you, and request that a meeting be arranged early in the new year at your convenience.

Proposed Bill amendments

We welcome the publication of the draft Bill and support the Scottish Government's direction of travel contained in the Vision for Agriculture. LINK members have been engaged with the Rural Affairs and Islands Committee as it undertakes scrutiny of the Bill, and we hope to engage with your officials in detail on how we believe the Bill could be strengthened. At this point, we felt it would be useful to share some high-level thoughts on areas you may wish to take forward.





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• Bill objectives

The Bill as introduced has four objectives. This does not provide a clear match with the more detalled purposes set out in Schedule 1 for providing assistance.

We agree with the desirability of a small number of high level objectves. The Agriculture (Wales) Act similarly sets out four overall objectives in Section 1. However, it complements this high-level list by setting out in Section 8 a list of 15 purposes for which support can be provided.

We would encourage you to adopt a similar approach with this Bill – drawing together the purposes in Schedule I into a clear list within the Bill itself. In terms of those purposes, we would encourage you to include purposes which are not explicit in the current Bill, for example:

- Maintaining existing High Nature Value farming and crofting systems
- Ensuring a fair income for farmers and improving the position of farmers in the food chain, including supporting shorter supply chains
- Conserve and enhance the countryside and cultural resources and support public access to and engagement with them
- Fostering knowledge, innovation and Continuing Professional Development
- Supporting generational renewal and diversity in the farming community
- Maintaining and enhancing the welfare of farmed animals
- Maintaining viable populations in fragile rural and island areas
- Supporting a circular bioeconomy

In terms of the four overarching objectives, we have a concern that the separation of 'sustainable and regenerative agricultural practices' and the 'production of high quality food' maintain the idea that these are two distinct aims. We would suggest these objectives are brought together more closely, The Wales Act reads - "The first objective is to produce food and other goods in a sustainable manner"

The current Bill could be amended so the first objective is "the production of hgh quality food using sustainable and regenerative agricultural practices'

The Bill should also place an explicit duty on Ministers to act in accordance with these objectives.

• Targets

Ministers should set specific targets and indicators in relation to the Bill's overarching objectives. Targets in relation to an overarching environmental objective could include, for example, targets to increase organic farming, reduce harm from pesticides, and reduce nitrogen loss and waste.. We believe that the

Bill should establish a duty on Ministers to set and achieve such targets in , or in tandem with the Rural Support Plan. A similar duty is imposed on Ministers under the Agriculture (Wales) Act 2023.

• Rural Support Plan

LINK strongly supports the requirement in the Bill for Ministers to prepare a five-year Rural Support Plan. We accept that the Bill provides a framework for future policy and that a degree of flexibility is required, making it inappropriate for all policy details to be included in primary legislation. However, it is also important that stakeholders and parliamentarians have a clear understanding of how the Rural Support Plan will function and that Ministers are accountable to parliament on its contents. We believe that the Bill should set out in much greater detail what content must be included in the Rural Support Plan, including (for example) indicative multi-year budgets; detail of each payment scheme, including objectives, rationale and expected uptake; detail on how the impact of funding on delivering the objectives of the Bill will be monitored, and the Plan itself will be reviewed.

The Bill should require the Rural Support Plan to be subject to parliamentary approval and include a date by which the first draft plan is laid before Parliament. Parliament should be sighted on the Rural Support Plan before approving secondary legislation on specific schemes.

• Duty to seek advice

In preparing the rural support plan, the draft Bill requires Ministers to "have regard to" both the objectives established in section 1 of the Bill and other factors, including the climate change plan and other statutory duties, which will include nature targets established through the Natural Environment Bill. There is precedent set in the Climate Change Act 2009 for a duty on Ministers to "seek advice from the relevant body", allowing for independent expert advice to help shape policy making. Due to the importance of agriculture funding in meeting our climate and biodiversity targets, as well as food production, we believe a similar duty to seek independent advice should be adopted in this Bill. For example in the Agriculture (Wales) Act 2023 there is a requirement to consult with the Future Generations Commissioner.

• Frontloading of payments

LINK strongly supports the inclusion of powers to cap and/or taper payments, which has been a longstanding issue. There is a related, but separate, issue of "frontloading" payments, with payments in Tier 1 higher for the first hectares claimed.

The Common Agricultural Policy 2023-27 includes a mandatory redistribution of income support, with EU countries required to dedicate at least 10% of their direct payments to the redistributive income support tool, increasing the income of small and medium sized farmers. LINK members would support a frontloading approach, which would recognise the social and environmental benefits of small farmers and

crofters, as well as their comparative disadvantage due to economies of scale. This is in line with the Fairer Scotland duty.

While it would not be appropriate to mimic the CAP's 10% requirement in primary legislation, we believe that the Scottish Government should commit to such an approach and to amend the Bill to make consideration of redistribution a requirement in law. While frontloading could be considered a form of tapering, the Bill may benefit from including a specific power to allow for such an uplift.

We would be grateful for your consideration of the issues raised, and will be happy to engage in detail on these points as the Bill moves forward.

Yours sincerely,

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Pete Ritchie Convener, Scottish Environment LINK Food & Farming Group