



John Swinney First Minister Scottish Parliament

31 July 2025

Subject: Sustainable and regenerative agriculture and the direction of travel

Dear First Minister

Thank you for your time on Wednesday 23 July. As we are sure you would recognise from our meeting, we want to be constructive and work with the Scottish Government and farmers to secure a more sustainable future, but there is a good deal of frustration across our communities with the processes currently in place for Scotland. We welcome your Government's vision for agriculture and recognise many of the challenges that both farmers and Government are facing.

However, we remain concerned that the pace and the scale of the changes required is far from being met, and as a consequence the significant benefits to the economy, people and nature, are being missed. Lessons from the climate targets are instructive: these have been missed in Scotland not because they were too ambitious – ambition in an emergency is necessary for survival – but because there has been little or no meaningful action since the targets were set, and a lot of delays and back-pedalling since. This is why we asked for a meeting.

We have been involved for a very long time in the different approaches to policy development, from the Farming and Food Production Future Policy Group (FFPFPG), the Farming 1.5 inquiry to the Farmer Led Groups and now ARIOB. All of these identified missed opportunities to go back to basics and look at why public investment in the farming sector is required and for what purposes. Notwithstanding our frustrations, we have engaged constructively throughout, putting significant time and resources into these processes, and made practical and evidence-based policy recommendations. But we do not see our efforts having any impact on final decisions made and we are beginning to question why.

We came seeking your reassurance that your Government is genuine in wanting change in the agriculture sector and wants it to deliver for nature and climate, as your vision suggests. Your rationale behind public money for farming, as expressed at our meeting, is about financial sustainability in the rural economy, while enabling you to meet your objectives in legislation. We interpret this to mean that such public investment is primarily income support. If this is the case, then you need a much more targeted approach. The <u>Just Transition Commission letter</u> to the Cabinet Secretary in April 2025 makes the same point.

If the rationale behind this public expenditure is income support then it is highly questionable from a value for money perspective. The latest data suggest that a relatively small number of big claimants take a large proportion of the budget. In 2024 just over 600 businesses (4% of direct support claimants) each received more than £100,000 of public money and accounted for 27% of the direct support spending.





We were not able to get into any level of detail at the meeting about the changes we believe are needed to achieve your vision for agriculture, climate targets or commitments to the Global Biodiversity Framework. The recent decision to keep 70% tied up in direct payments (Tiers 1 and 2) with a further 11% going to LFASS is another missed opportunity and feels like a shifting baseline:. At a recent ARIOB meeting, the GHG impact of measures being considered was not only close to nil, but also not anticipated for another 2-3 years.

We are keen to understand what the end point is given your statement that: 'I am clear this is the financial starting point not the end point...' This requires:

- Assessing how much the minor changes so far introduced, including the Whole Farm Plan this year and changes to Greening Payment (=Tier 2 Enhanced) in 2026 and 2027, will facilitate a shift to nature and climate friendly farming and make any difference to agricultural emissions.
- Investment in Tier 3 and Tier 4 is more likely to support the scale and pace of change you need. Currently, Tiers 3 and 4 receive less than £50 million of the £650 million farm budget. How are these current payments being spent and on what? We continue to call for at least 25% of the budget in the short term which would equate to £163 million per annum. In the longer term, 75% of the budget should be spent on Tiers 2, 3 and 4.

If additional government money cannot be found to increase Tier 3 and 4 funding, there are options to cap and redistribute Tier 1 and 2 funding under current legislation.

We are looking for:

- 1. A reset with stakeholders: it is very widely accepted that Stakeholder engagement through ARIOB is purely advisory and it is difficult to see how it relates to decision making. We are looking for a more open, transparent and inclusive process with clearer priority for nature and climate: this could be a strategic group to co-develop and monitor implementation of the Rural Support Plan, which under the legislation should function as the delivery plan for the Agricultural Reform Programme and four groups focused on each of the four tiers to co-produce effective delivery mechanisms. A facilitated process that seeks to develop consensus on policy rationale, aims and objectives, may be worth trying.
- 2. Clear public statements setting out a clearer direction of travel to achieve your vision for sustainable and regenerative agriculture and your end point. The Nature Friendly Farming Network Summit on 7th October offers an opportunity to make renewed commitment to farming policy that does deliver for nature and climate.
- 3. Commitment in the forthcoming budget to increase funding for existing Tier 3 and 4 schemes and measures by an additional £53 million compared to current levels. This would be a significant step towards the 25% we advocate for Tiers 3 and 4 in the short term. Detail is in our briefing here

We are now considering our ongoing involvement in ARIOB as our member bodies are concerned that our presence infers support by the environment sector, when most remain





frustrated at the pace and ambition for climate and nature and the lack of progress from Government. We are seeking some reassurance and a commitment for a change in direction.

We look forward to hearing from you.

Yours sincerely,

Anne McCall, Director, RSPB Scotland

David McKay, Co-Director Soil Association Scotland, vice convenor of LINK's Food and Farming Group

Deborah Long, CEO Scottish Environment LINK

Mike Robinson, Chair, Stop Climate Chaos Scotland

Cc Minister for Agriculture and Connectivity; Cabinet Secretary for Rural Affairs, Land Reform and Islands

John Kerr, Scottish Government





