



Rural Affairs, Islands and Natural Environment Committee

5th Meeting, 2021 (Session 6), Wednesday 22nd September 2021

Session 6 Introductory Meetings – Agriculture

Background

The Committee has agreed to convene a series of panels to gain a broad overview from stakeholders on the areas within its remit.

There are two panels for today's meeting.

Suggested themes to discuss with the stakeholders are provided below. Some of these are repeated for both panels, as witnesses will be able to address these from different perspectives.

The substantive background briefing to this session can be found in the [SPICe Land Use and Rural Policy Subject Profile](#). Further links to background information are provided beneath each theme. **Please view the digital version of this briefing paper for access to hyperlinks.**

Panel 1

Witnesses for this session:

[National Farmers Union, Scotland](#): Scotland's farmers' union, representing 9,000 farmers, crofters, growers and other supporters.

- **Witness:** Beatrice Morrice, Political Affairs Manager

[Professor Davy McCracken, SRUC \(Scotland's Rural College\)](#): Professor McCracken is head of SRUC's Hill and Mountain Research Centre and SRUC's Integrated Land Management Department. He specialises in farming and wildlife interactions and current projects include the role of livestock in food systems resilience in remote upland regions. He has been involved with several projects under the Scottish Government's Strategic Research Programme, and is an Associate of SRUC's Rural Policy Centre.

[Mike Robinson \(Farming for 1.5 Inquiry\)](#): The Farming for 1.5° Inquiry was convened to find consensus on the best way forward for Scottish agriculture to meet the challenge of limiting global warming to 1.5°C. The Inquiry panel was made up of a diverse mix of farmers, academics and environmental professionals, and was co-chaired by ex-NFUS President Nigel Miller and Chief Executive of the Royal Scottish Geographical Society, Mike Robinson. A clerk to the inquiry was provided by Nourish Scotland, and support in the running of the inquiry was also provided by NFUS. [The Inquiry panel produced a final report with a 'transformation pathway' for Scottish agriculture.](#)

- **Witness:** Mike Robinson, Co-chair, Farming for 1.5°

Professor Sally Shortall, Newcastle University: Prof Shortall is the Duke of Northumberland Professor of Rural Economy at Newcastle University. She researches rural sociology, community studies, rural development and rural proofing, agriculture, farm families and is specifically known for her work on gender and agriculture. She was a member of the now-completed [Women in Agriculture Taskforce](#), which set out to make recommendations aiming to give women in farming access to the same development opportunities as men in the sector.

Suggested themes to discuss with witnesses:

Members may wish to cover all suggested themes below or focus on those of interest.

1. Future agricultural and rural policies

Bringing forward a future agricultural and rural policy to replace the EU Common Agricultural Policy is a key Scottish Government Commitment for this Session. The SNP-Scottish Greens draft Policy Programme set out that:

“We will work with the sector and stakeholders to bring forward a **consultation on the options for future agriculture and wider land use support** through a Bill to replace the current Common Agricultural Policy framework for agriculture and land use support. The **Bill will be introduced in 2023** to deliver:

- a new support framework that will include delivering climate mitigation and adaptation, nature restoration and high quality food production.
- integration of enhanced conditionality against public benefits, with targeted outcomes for biodiversity gain and low emissions production.
- increased equality of opportunity, improving business resilience, efficiency and profitability.”

This was underpinned by the 2021-22 Programme for Government, which reiterated a commitment to bring forward legislation by 2023.

In addition to a short-term commitment to “a preliminary package of measures to reduce greenhouse gas emissions from agriculture” to be developed by COP26, the Programme also provided some further clarity on future reforms, stating:

“We remain committed to supporting active farming and food production with direct payments, while ensuring that agriculture plays the leading role it needs to in delivering a net zero Scotland. As part of our future legislative reforms, by 2025 we will **shift half of all funding for farming and crofting from unconditional to conditional support**, with targeted outcomes for biodiversity gain and a drive towards low carbon approaches which improve resilience, efficiency and profitability.”

On 25 August 2021, the Scottish Government published its [consultation the ‘first steps’ towards an agricultural transition post-CAP](#).

The Scottish Government also [announced the establishment of a new Agriculture Reform Implementation Oversight Board](#) to “develop a preliminary package of funded measures for agreement by COP 26. It will be based on the work of the Farmer-led Groups, with an early focus on livestock emissions in particular the detailed work taken forward to a more advanced stage by the Suckler Beef Group”

The [Farmer-led Groups were tasked with exploring emissions reduction activities for their sector, and to make recommendations](#). Groups were formed to look at the suckler beef sector, arable sector, dairy sector, hill, upland and crofting sector, and the pig industry.

Members may wish to discuss:

- a. **Key requirements for a new agriculture and rural policy**
- b. **How the Scottish Government is engaging with stakeholders on developing new agricultural policies.**
- c. **What conditions should be attached to the new forms of ‘conditional’ support**

Background information

- Background information on pre-Brexit agricultural policy and developments up until this point can be found in the [Agriculture policy section of the Land Use and Rural Policy subject profile](#).
- Scottish Government [consultation on an agricultural transition](#)
- [SRUC report on conditionality commissioned by the Scottish Government](#)

2. Impact of EU Exit in relation to agriculture

Agriculture is one of the policy areas most affected by EU Exit due to: the body of regulation for agriculture stemming from the EU, the majority of funding for agriculture having come from the EU prior to exit, and EU countries constituting a large export market for some agricultural products. For instance, 81.7% of UK beef exports went to EU countries in 2018; likewise 94.1% of UK sheep meat exports went to EU countries in 2019, [according to Quality Meat Scotland](#).

Following EU Exit there are a number of developments that are still underway which may constrain Scottish Ministers' ability to exercise their powers within devolved competence, particularly in relation to

- **International trade and new free trade agreements:** Modern free trade agreements often make provisions in relation to agriculture. This is because the negotiating parties will seek access to each other's domestic agri-food markets. The terms of a trade agreement may present challenges for the competitiveness of domestic agricultural producers. For example, an agreement permitting tariff free access to UK markets for agricultural products from other countries whilst not requiring those imports to meet the same standards for animal welfare, the environment and food safety might mean the costs of production are lower allowing lower quality goods to be sold on the UK market in competition with higher quality and consequently higher priced UK produce. This outcome would present a choice for UK consumers in terms of whether they wish to purchase higher or lower quality produce. The UK and Scottish Governments have committed to maintaining high standards post EU Exit and to ensuring imports also meet the same standards.¹
- **The UK internal market and common frameworks:** new and developing structures to manage divergence within the UK internal market may impact the Scottish Government's policy choices. The market access principles of the UK Internal Market Act 2020 provides that any good that can be legally sold in one part of the UK may also be sold in another part (**principle of mutual recognition**) and that there is a prohibition on indirect or direct discrimination against incoming goods (**principle of non-discrimination**). In addition, UKIMA reserved subsidy control to the UK Government. A new **Subsidy Control Bill** is currently in its early stages in the UK Parliament; the proposed new provisions set out that agriculture is in scope for new subsidy arrangements. Finally, **common frameworks** are still to be established for most of [the areas set out by the UK Government in its frameworks analysis](#).
- **The option for regulatory alignment with EU regulations in relation to agriculture and the agri-food sector:** The Scottish Government has set out that it seeks to align with the EU's new Common Agricultural Policy (currently in development) as far as possible, as well as broadly aligning with EU regimes on pesticides and fertilisers. In addition, the 'keeping pace power' set out in the UK Withdrawal from the European Union (Continuity) (Scotland) Act 2021 ('the Continuity Act') provides that Scottish Ministers may, by regulations, make provision corresponding to activities at EU level. It is set out that the purpose of that power is, among other things, to contribute towards maintaining and enhancing standards in relation to several areas related to agriculture including environmental protection, animal health and welfare and plant health.

¹ UK Government commitment on standards: <https://deframedia.blog.gov.uk/2020/07/28/environment-secretary-george-eustice-delivers-a-message-to-new-trade-and-agriculture-commission/>

Scottish Government commitment on standards: <https://www.gov.scot/publications/continuity-bill-equality-impact-assessment/>

Members may wish to discuss:

- a. Stakeholders views on the development of new trade agreements with third countries, including where they see opportunities and risks, and views on how any risks to agriculture should be mitigated.
- b. Stakeholder views on the development of UK-wide processes affecting agriculture policy, including common frameworks, the internal market, and subsidy control.
- c. Stakeholders views on where Scotland should and should not be seeking to keep pace with the EU.

Background information:

- [Sections under the heading of the UK Internal Market and the EU](#) in the Land Use and Rural Policy Subject Profile.

3. Climate change and biodiversity loss

Agriculture and land use are a significant pressure on the climate and the environment and are also expected to be (and in some cases already are) impacted by climate change and biodiversity loss. Agriculture and land use also hold the potential for significant climate and biodiversity solutions.

The ‘twin crises’ of climate and nature are key drivers of agricultural policy changes, at EU level, at UK level and in Scotland. As noted above, this has led to early commitments on mitigation measures and conditionality on farm payments.

As a result of the changes needed within these sectors, agriculture and land use is in scope for discussions around how to achieve a ‘just transition’ for land managers and rural communities. The [Scottish Government’s Just Transition Commission](#) addressed land use in detail in its final report. They noted:

“Scotland’s climate ambition will rely on big changes to the way Scotland’s land is used. By 2045, there will be less farm land. There will be more woodland cover and healthy peatlands, helping to store carbon. There are already competing priorities for how land is used. We’ll be investing large amounts of money into peatlands and woodlands: how do we ensure the benefits are felt widely by rural communities, and not just existing land owners? Many in the agriculture sector have concerns that the net zero transition will see people lose their livelihoods and fundamentally change their way of life. However, with the right support in place, there are huge opportunities for more integrated, multi-use land and for farming in a way that locks up more carbon in soils. Measures to reduce agricultural emissions also improve soil, plant and animal

health and involve more efficient use of expensive inputs like fertilisers, while helping farmers build resilience to the challenges that a changing climate will bring.”

Specifically, the Commission recommends to the Scottish Government to “equip people with the skills and education they need to benefit from the transition”, and ensure that the benefits of investment in e.g. peatlands and woodlands are “felt widely by rural communities”.

Members may wish to discuss:

- a. **What changes are required in the agricultural sector to respond to the climate and nature emergency, including what support will be required.**
- b. **What a ‘just transition’ looks like for farmers and crofters.**

Background information:

- [Section on Land Use and the Climate and Nature Crises](#) in the Land Use and Rural Policy Subject Profile.
- [Just Transition Commission Final Report](#)
- [Just Transition Commission Executive Summary](#)

4. Profitability and resilience in the sector

Profitability and resilience in the agriculture sector has also been in focus with regard to rural policy reforms and as a result of the Covid-19 pandemic, which saw rapid changes in food supply chains. During the pandemic, [early difficulties in some sectors such as dairy](#), and consumer shortages for products like flour, highlighted how the modern food system relies on a chain of processing, packaging and distribution, which can be efficient, but in being highly specialised and sometimes geographically dispersed, has raised questions of resilience.

Farm Business Income (FBI) is the headline business-level measure of farm income, or profit. It represents the return to the whole farm business, that is, the total income available to all unpaid labour and their capital invested in the business. For most farm types, as well as for the average farm in Scotland, the average FBI falls below zero when grants and subsidies are excluded. As a result, Scottish agriculture is heavily dependent on subsidies.

In addition, there have been reports of [significant labour shortages and difficulty to attract workers](#) to the industry.

In August 2021, the Scottish Government announced a ‘root and branch’ review of land-based education to ensure that it is fit for purpose to equip people with the skills required for a just transition to net zero. As noted above, addressing education and skills is a recommendation from the Just Transition Commission.

Members may wish to discuss:

- a. Key pinch-points for profitability and resilience in the agricultural sector
- b. Aspirations for the Commission for the Land-Based Learning Review
- c. Key lessons from the pandemic in relation to agriculture

Background information:

- [Terms of Reference for the Commission for the Land-Based Learning Review](#)
- SPICe Blog – [What can a global pandemic teach us about our food system?](#)
- [Section on What does the Sector Look Like](#) in the Land Use and Rural Policy Subject Profile.

5. Women in agriculture

The role of women in agriculture was in focus during Session 5. [A taskforce was convened to discuss and make recommendations](#) to the Scottish Government to ensure parity of development opportunities for women in agriculture.

The [Taskforce produced its final report in November 2019](#). The report built on the findings of [Scottish Government commissioned research on Women in Farming and the Agricultural Sector](#), for which Prof Shortall was an author.

The recommendations included a need to ensure that succession barriers for women are broken down, that more women are in leadership positions in unions and other farming organisations, development of an Equality Charter for Scottish Agriculture, addressing childcare in rural areas, providing training, and supporting new entrants.

The 2021-22 Programme for Government made further commitments on women in agriculture:

“We will ensure women living or working in Scottish agriculture will be empowered to develop their skills, access opportunities and realise their potential, creating equality of opportunity and prosperity, and supporting business innovation. We will **double support to £600,000 per year over the course of this Parliament to deliver practical solutions to improve the lives of women living and working in agriculture**, including enabling women to build more resilient businesses.”

Members may wish to discuss:

- a. **What the key barriers are to women entering and playing a full role in agriculture, the findings of the Women in Agriculture Taskforce, and the progress that has been made on the recommendations**
- b. **How the organisations are supporting women in agriculture, for example by encouraging women in leadership positions**

Background information:

- [Women in Agriculture Taskforce Final Report](#)
- [Scottish Government Women in Agriculture pages](#)
- [Commissioned research on Women in Farming and the Agricultural Sector](#)

6. Links with other land uses

On the ground, there are overlaps in agriculture, forestry, estate management, sporting, and land use for conservation, carbon storage and nature-based solutions.

As a result, there have been discussions on how to better integrate land use policies. The Scottish Government has produced three iterations of its Land Use Strategy to date. The [Third Land Use Strategy, published in March 2021](#), “sets out our vision, objectives and policies to achieve sustainable land use. The strategy covers the next five years and aims to provide a more holistic understanding of our land, the demands we place upon it and the benefits we get from our land.”

This recognition has also led to efforts to bring together land managers and users to more collaboratively make decisions on a landscape scale. **Regional land use partnerships** and **regional land use frameworks** have long been proposed and the first pilots were carried out in 2013. Currently, five further pilots are underway building on advice from the Scottish Land Commission, and the Scottish Government committed in the 2021-22 Programme for Government that:

“If the pilots can demonstrate that they meet expectations relating to national outcomes on the environment and climate change, and show that they have taken a democratic, local approach, we will develop plans for a second phase from 2023 building on learning from the five pilots”

Members may wish to discuss:

- a. **Views on how ‘a more holistic understanding of our land’ can be achieved, e.g. how agriculture, forestry and other land uses can be better integrated through policy or practice.**

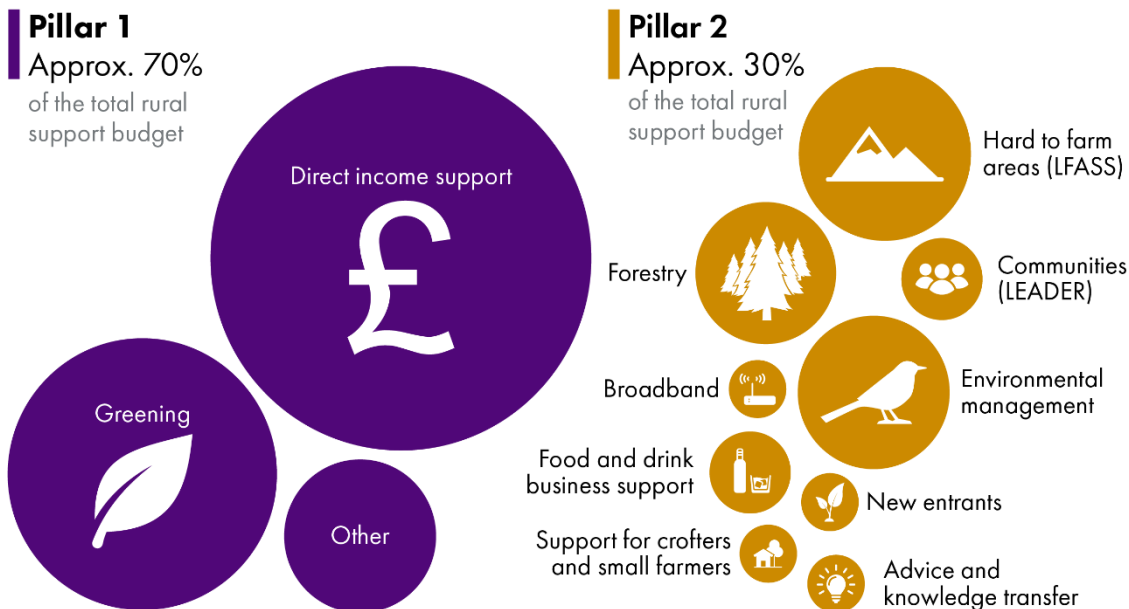
b. Ambitions for the regional land use partnerships and frameworks, including any potential links with a future agriculture and land use policies.

Background information:

- [Scottish Government blog on regional land use partnerships](#)
- [Scottish Land Commission advice on regional land use partnerships](#)
- [Third Land Use Strategy 2021-2026](#)
- [Annual Report on Scotland’s Land Use Strategy 2021.](#)

7. Scottish Budget and Agriculture

Prior to EU Exit, agricultural support schemes were provided under the 2014-2020 Common Agricultural Policy. In Scotland, this took the form of ‘Pillar 1’ payments for direct support, greening, and support for upland and island beef and sheep producers, and the 2014-2020 Scottish Rural Development Programme, which supported agri-environment interventions, the ‘less favoured areas’, forestry, advice, and broadband, among other things. The infographic below shows the main areas of agricultural support; the size of the bubble corresponds to the relative size of the budget under that type of support.



Post-Brexit, agricultural support schemes are largely being rolled over as part of the Scottish Government’s short-term ‘stability and simplicity’ policy. This means that funding

that was available under CAP schemes largely continues to be available, with some exceptions. The exceptions are:

- The Agri-Environment Climate Scheme: Previously around £43m per year was available for farmers and crofters to carry out land management to benefit the environment, typically on a 5-year contract. [In 2021, only a restricted scheme was opened to new applications](#), and the budget for the scheme was reduced by 20%. There is currently no long-term commitment to continuing to open this scheme year on year until a new policy and funding programme is developed, though an announcement has so far been made to open the scheme in some form each year.
- LEADER: The LEADER scheme funded bottom-up methods of delivering support to communities for rural development. The [LEADER Programme under the 2014-2020 Scottish Rural Development Programme has now closed, with no more applications being accepted after December 2019](#).
- New Entrants: The New Entrants Scheme provided start-up funding for new entrants to farming and to young farmers. [The scheme has been closed to new applicants since 2018](#) due to the budget being fully committed. Scottish Government outlines [more information for new entrants on its webpages](#).

Details of all support schemes can be found on [the Scottish Government's Rural Payments website](#).

Members may wish to discuss:

- a. Budget needs for agriculture and land use in the coming budget year (2022-23).**
- b. Long-term budget needs for agriculture and land use.**

Background information:

- SPICe has developed an [online interactive tool for the 2020-21 Scottish Budget](#). Users can explore the budget and view the breakdown of spend in each portfolio. Please note that the tool works in Chrome.
- Additional SPICe resources on the budget are available from [SPICe's financial scrutiny pages](#).

Panel 2

Witnesses for this session:

Scottish Land & Estates: SLE is a membership organisations representing a broad range of rural businesses. The organisation takes an interest in agriculture and agriculture policy, but has wider perspectives in relation to other land management and rural business interests, including estate management and forestry.

- **Witness:** Stephen Young, Head of Policy

Scottish Tenant Farmers Association: The STFA represents Scotland tenant farmers.

- **Witness:** Christopher Nicholson, Chairman

Scottish Environment LINK: Scottish Environment LINK is the umbrella organisation for Scotland's environmental NGOs.

- **Witness:** Pete Ritchie, Director, Nourish Scotland

Scottish Crofting Federation: The SCF represents Scotland's crofters and crofting communities.

- **Witness:** Donald MacKinnon, Chair

Suggested themes to address:**8. Future Agricultural and Rural Policies**

See Theme 1 above for background discussion.

Members may wish to discuss:

- a. **Key requirements from a new agriculture and rural policy**
- b. **How the Scottish Government is engaging with stakeholders on developing new agricultural policies.**
- c. **What conditions should be attached to the new forms of 'conditional' support**

Background information

- Background information on pre-Brexit agricultural policy and developments up until this point can be found in the [Agriculture policy section of the Land Use and Rural Policy subject profile](#).
- Scottish Government [consultation on an agricultural transition](#)
- [SRUC report on conditionality commissioned by the Scottish Government](#)

9. Impact of EU Exit in relation to agriculture

See Theme 2 for background information.

Members may wish to discuss:

- a. Stakeholders views on the development of new trade agreements with third countries, including where they see opportunities and risks, and views on how any risks to agriculture should be mitigated.
- b. Stakeholder views on the development of UK-wide processes affecting agriculture policy, including common frameworks, the internal market, and subsidy control.
- c. Stakeholders views on where Scotland should and should not be seeking to keep pace with the EU.

Background information:

- [Sections under the heading of the UK Internal Market and the EU](#) in the Land Use and Rural Policy Subject Profile.

10. Climate change and biodiversity loss

See Theme 3 for background information.

Further to the information above on a just transition for farmers and crofters, the Scottish Land Commission [released a statement on 31 August 2021 urging farmers' and crofters' caution when selling carbon rights](#).

Chair of the Scottish Land Commission, Andrew Thin, commented:

“We have had a number of concerns raised recently from people across different land use sectors and by stakeholders of the Tenant Farming Advisory Forum about the pressures farmers and crofters are facing to sign over carbon rights.

“This is a fledgling market and there is a risk decisions are being made without full awareness of the implications for individual land managers. I would encourage landowners and land managers to exercise caution when considering transferring carbon rights or options until there is greater clarity over issues such as ownership of the rights and the need to retain them in offsetting their own business emissions in the future.

“The Scottish Land Commission is carrying out work to understand the developing influence of natural capital in the land market and to help inform advice to the Scottish Government on the risks, opportunities and appropriate steps to ensure the market works in the public interest.”

Members may wish to discuss:

- a. What changes are required in the agricultural sector to respond to the climate and nature emergency, including what support will be required.
- b. What a 'just transition' looks like for farmers, crofters and other land workers and managers.
- c. Views on the Land Commission's statement on caution in relation to selling carbon rights, including any particular concerns from the Scottish Tenant Farmers' Association.

Background information:

- [Section on Land Use and the Climate and Nature Crises](#) in the Land Use and Rural Policy Subject Profile.

11. Agricultural tenancies

Tenant farmers are those who rent, rather than own, their farms. In the late 19th Century over 90% of farms in Scotland were tenanted. In 2020, however, of the total number of agricultural holdings in Scotland, 31% were tenanted. In terms of land area, approximately 22% of agricultural land was rented in 2020, having fallen 5% over the last decade.

Agricultural tenancies are seen as key to providing a route to entry to farming.

There have been a number of recent commitments in relation to tenancies. In the 2021-22 Programme for Government, the Scottish Government states:

“We will continue to modernise tenant farming – a key part of the rural economy and, for some farmers and new entrants, the only route to entry. We will bring the remaining provisions of the Land Reform (Scotland) Act 2016 into force, with regulations to **tackle issues of enforced sale**, and **removing the requirement to register an interest in pre-emptive right to buy**. We will also legislate as part of wider agricultural support reform **to ensure tenant farmers and smallholders have the same access to climate change and mitigation measures**; a revised approach to rent reviews; and consider how valuation for resumption should be assessed. We will also begin to modernise small landholding legislation and will consult on the reform of trust law that enables avoidance of legal obligations like the pre-emptive right to buy for tenant farmers.”

‘Tackle issues of enforced sale’ refers to the provisions in the Land Reform (Scotland) Act 2016 which created a process enabling a tenant to apply to the Scottish Land Court to order the sale of their holding where the landlord persistently fails to meet their obligations under certain circumstances, and the tenant’s subsequent right to buy. ‘Removing the requirement to register an interest in pre-emptive right to buy’ refers to provision in the 2016 Act to remove the requirement to register an interest in pre-emptive right to buy with

the Registers of Scotland's Register of Community Interests in Land every 5 years. These provisions have yet to come into force.

Members may wish to discuss:

- a. **The needs of the tenant farming sector in relation to future agricultural policy.**
- b. **Views on what is required to ensure that tenant farmers and smallholders have the same access to climate change and mitigation measures, and any particular issues in relation to a 'just transition' for tenant farmers.**

Background information:

- [Sections on agricultural tenancies](#) in the Land Use and Rural Affairs Subject Profile.
- Scottish Government [Agricultural Holdings and Tenant Farming Guide](#)
- [Land Reform \(Scotland\) Act 2016](#)

12. Crofting

Crofting reform has long been on the agenda. Crofting law made since 1955 was consolidated in 1993 and the Crofters (Scotland) Act 1993 remains the key piece of legislation. It has since been amended by multiple acts, and an ongoing process of investigation and consultation resulting in proposals for reform has been underway since 2013.

In April 2018, [then Cabinet Secretary Fergus Ewing announced that the Scottish Government would take a 'two-phased approach' to crofting reform](#). The first phase was to "focus on delivering changes which carry widespread support...and result in practical everyday improvements to the lives of crofters and/or streamline procedures that crofters are required to follow".⁹ A Bill was planned to do this in Session 5. This would be done alongside a programme of non-legislative reform, to be set out in a National Development Plan for Crofting.

The second phase was planned for the longer-term, aiming to review crofting legislation more fundamentally. This was planned for a future Parliamentary session.

However, in October 2019, the Cabinet Secretary wrote to the Rural Economy and Connectivity Committee, informing it that due to the pressures of preparing for Brexit, work on a new crofting bill would have to be put on hold.¹⁰ As a result, a crofting bill was not brought forward in Session 5. However, a National Development Plan for Crofting was published at the end of the session.

Crofting reform did not feature in the 2021-22 Programme for Government.

Crofting is regulated and supported by the [Crofting Commission](#), a non-departmental public body.

[On 14 September the Scottish Crofting Federation wrote to the Crofting Commissioners](#) asking them to “reflect on the work of the Crofting Commission”. In it, the organisation raises a number of crofting issues, including that “succession of crofts has stagnated and a market in crofts has come completely out of control”, barriers to entry for new crofters, and the number of neglected or unused crofts.

Members may wish to discuss:

- a. **Priorities for crofting reform**
- b. **Addressing issue of the market for crofts and croft tenancies and disused crofts, and**

Background information:

- [Sections on crofting and the National Development Plan for Crofting](#) in the Land Use and Rural Policy Subject Profile
- The [National Development Plan for Crofting](#)

13. Links with other land uses

See Theme 7 above for background information.

Members may wish to discuss:

- a. **Views on how ‘a more holistic understanding of our land’ can be achieved, e.g. how agriculture, forestry and other land uses can be better integrated through policy or practice.**
- b. **Ambitions for the regional land use partnerships and frameworks, including any potential links with a future agriculture and land use policies.**
- c. **Particular issues in relation to crofting, tenant farming, or other land holdings with regard to increased integration of land uses.**

Background information:

- [Scottish Government blog on regional land use partnerships](#)
- [Scottish Land Commission advice on regional land use partnerships](#)

- [Third Land Use Strategy 2021-2026](#)
- [Annual Report on Scotland's Land Use Strategy 2021.](#)

14. Women in agriculture and land-based sectors

See Theme 5 above for background information.

Members may wish to discuss:

- a. The role of women in crofting, tenant farming and wider land-based industries.
- b. How the witnesses are supporting women in agriculture and land-based sectors, e.g. through encouraging women into leadership positions.

Background information:

- [Women in Agriculture Taskforce Final Report](#)
- [Scottish Government Women in Agriculture pages](#)
- [Commissioned research on Women in Farming and the Agricultural Sector](#)

15. Budget

See Theme 6 above for background information.

Members may wish to discuss:

- a. Budget needs for agriculture in the coming budget year (2022-23), particularly in relation to crofting, tenant farming, small farms and the environment.
- b. Long-term budget needs for agriculture, particularly in relation to the environment, crofting, small farms and tenant farming.

Background information:

- SPICe has developed an [online interactive tool for the 2020-21 Scottish Budget](#). Users can explore the budget and view the breakdown of spend in each portfolio. Please note that the tool works in Chrome.
- Additional SPICe resources on the budget are available from [SPICe's financial scrutiny pages](#).

Anna Brand, SPICe, September 2021

Written submission from NFU Scotland

Agriculture holds a critical role in Scotland's economic and environmental well-being. NFU Scotland is committed to deliver a sustainable and profitable future for Scottish agriculture. We have 8500 members located across the length and breadth of Scotland who invest in local communities through employment and local supply chain companies.

The sector:

- Produces high-quality food and drink for Scotland, the UK and exports around the world.
- Is committed to climate, habitats and wildlife action through sustainable innovation, management and stewardship.
- Is critical to thriving communities and local economic prosperity across Scotland.
- Generates a gross output of **£3.3 billion** annually, directly resulting in a contribution of some **£1.3 billion** to the Scottish economy.

Scotland's agricultural sector ensured food supply chains continued to operate throughout the Covid-19 crisis. We employ around 67,0000 people and support thousands more through our supply chain. The sector is a vital part of both the rural and urban economies.

There are multiple issues currently facing our members: the pandemic, the impact of Brexit and changes to future funding. We are calling on the Scottish Parliament and Scottish Government to deliver effective policies that enable a sustainable food production sector, which also contributes to climate ambitions, improves biodiversity, air and water quality, and allows consumers access to fresh and affordable local Scottish produce. A thriving agricultural sector is key and NFU Scotland's aims to deliver this are:

- **Future Support** - Activity driven and adequately funded measures.

Effective transition from current CAP schemes, and associated compliance, to a new system of support based on the principles set out in Steps to Change to deliver financial stability to active farmers and crofters and provide practical and effective complementary options to deliver on food production, climate and biodiversity targets.

Transition to Future Conditional Support document:

[https://www.nfus.org.uk/userfiles/images/Policy/0521%20NFUS%20Proposals%20For%20Future%20\(Conditional\)%20Support.pdf](https://www.nfus.org.uk/userfiles/images/Policy/0521%20NFUS%20Proposals%20For%20Future%20(Conditional)%20Support.pdf)

- **Rural Economy** - Opportunities for enterprise and business development.

Structures that enable farms and crofts to operate as agri-business hubs by unlocking the potential of their assets through a reformed planning system, improved connectivity and infrastructure, and financial and advisory assistance to establish new enterprises that generate employment opportunities and diversified income streams.

- **Better Regulation** - Legislation and regulation that is enabling and proportionate.

Legislation and regulation should provide opportunity for agricultural and rural businesses to thrive and provide the confidence required to commit long term without punitive or unintended consequences.

- **Public Perception** - Connect with people through education and awareness.

Better understanding in wider society and insight of the role of Scottish agriculture in providing high quality, safe and affordable food - whilst also delivering a host of wider public benefits, including public access – by building relationships with consumers through education, information and awareness raising.

- **Fairer Supply Chains** - Improved and fair margins in existing and new markets.

Primary producer rewarded by margins that enable re-investment in their businesses through fairer supply chains, increased processing capacity, greater collaboration, legal protections where necessary, better promotion in existing markets, and the development of new markets at home and abroad.

- **Effective Conservation** - Balance in the delivery of biodiversity.

Safeguard agricultural and biodiversity interests through legislation and measures intended to protect and enhance wildlife, thereby ensuring that agricultural land management remains central to conservation and the provision of flourishing habitats and wildlife.

- **Optimal Land Use** - Through an integrated approach.

Land use and management choices based on using land for best purpose, including sustainable food production, while not excluding the delivery of other complementary outcomes and that economic activity is a fundamental component of sustainable land use.

- **Climate Change** - Recognition and reward for climate actions.

Agricultural practices to reduce emissions, sequester carbon and mitigate against climate change are properly accounted for and the delivery of climate actions are underpinned by incentive and advice rather than regulation.

Key issues

Climate Change

Our members are committed to tackle climate change and help the country deliver net zero. Scotland's farmers and crofters are ready to play their part, and most are already investing in sustainable changes, but we know that more needs to be done.

Across Scotland farmers are increasing the use and production of renewable energy, investing in low carbon technology, delivering effective carbon capture through land management and investing in biodiversity and wildlife enhancement.

The Scottish Government's [Climate Change Plan Update](#), published in December 2020,

includes a commitment that the agriculture sector will reduce its emissions by 31 per cent – or 2.4 Mt of CO₂ equivalents - from current levels by 2032.

NFU Scotland is committed to help the sector meet its environmental and climate challenges in a uniquely Scottish way while still delivering high quality, sustainable food production that underpins Scotland's food and drink sector and maintains the social and economic fabric of rural areas.

Scottish politicians and local authorities have been invited to join NFU Scotland, Quality Meat Scotland and SAC Consulting on farm this autumn. These fact-finding farm visits aim to highlight the importance of sustainable food production for the country, and the benefits of agriculture to the Scottish economy.

Future funding

A new Scottish agricultural policy that will meet the challenges is critical to success if Scottish agriculture is to deliver against ambitious climate, biodiversity and food sector targets.

The next steps in reforming the agriculture sector in Scotland and supporting farmers and crofters to cut emissions and produce sustainable, high-quality food are now in place following the establishment of the of the Agriculture Reform Implementation Oversight Board (ARIOB). The group, that is jointly chaired by Cabinet Secretary Mairi Gougeon and Martin Kennedy President of NFU Scotland, places farmers and crofters at the heart of a future support framework to make Scottish agriculture more economically and environmentally sustainable.

This, along with the consultation entitled 'Agricultural Transition in Scotland: first steps towards our national policy', now pave the way for the work of the Farmer Led Climate Change Groups, that worked to produce a set of recommendations, to drive the nation's future agricultural policy.

The aim is for the work to deliver a new support framework that will include delivering on climate, biodiversity and high-quality food production via enhanced conditionality, with targeted outcomes for biodiversity gain and low emissions production while also improving business resilience, efficiency and profitability. NFU Scotland is committed to this work.

Written submission from Professor Davy McCracken, Scotland's Rural College

Focus of Session

The evidence session will focus on agriculture and crofting policy and is designed to give Members an overview of the policy landscape and key issues from an environmental and industry perspective.

Background on academic interests

I joined SRUC 26 years ago and have been Head of SRUC's [Hill & Mountain Research Centre](#), at Kirkton & Auchtertyre farms near Crianlarich, for eight years, an [Associate of SRUC's Rural Policy Centre](#) for ten years and Head of SRUC's wider **Integrated Land Management Department** for three years. The Centre is seeking to ensure that the farms provide a platform for upland agricultural, environmental and – increasingly – agro-forestry research and demonstration. I study farming and wildlife interactions and have been working on agricultural and agri-environmental policy at a national and international level for 30 years. I was one of the founders of the [High Nature Value](#) farming concept and much of my research over the years has been into the challenges and opportunities facing High Nature Value farming systems across Europe.

I have served on a variety of government and NGO committees over the years. Current examples of relevance to today's session include: member of the **Scottish Biodiversity Programme: Advisory Group** established to advise on all aspects of science and evidence to help achieve the Scottish Biodiversity Programme objectives; member of the **Academic Advisory Panel** established to help inform development of integrated land management policies post-Brexit; chair of the **Steering Group for the Wild Park Initiative** established by Loch Lomond & The Trossachs National Park; co-chair of the **Working for Waders Initiative**; member of the **National Sea Eagle Stakeholder Group**; member of the **Scottish Farmed Environment Forum**; member of the **SEDA Land Steering Group** established to take forward recommendations in a recent report [A new Vision for Land Use in Scotland: 6 Conversations](#).

The state of the sector

Addressing the ongoing climate emergency and biodiversity crisis requires a radical change to the way we manage and use land in Scotland. In particular, there is a need for our farmers and crofters to adopt a new direction of travel, one which involves **all of Scotland's farmland producing wider environmental outcomes** in addition to agricultural products. Although it has not been finalised, the interim report from the [Farming & Food Production Future Policy Group](#) provides useful background context to the scale of change needed.

The Scottish Government commitment to reduce greenhouse gas emissions to net-zero by 2045 will therefore need to have a major impact on future agricultural and environmental support policies. In particular, there will need to be [even greater emphasis on farmers and crofters improving the cost-effectiveness of their production systems](#) and thereby reduce emissions. But the scale of the overall challenge means that only doing that will not be enough to help Scotland get to Net

Zero by 2045. **Changes to land management will also be crucial**, hence other actions –such as woodland creation and peatland restoration – will be essential to ensure that farms and crofts also sequester even more carbon over the coming years.

Scotland has also been in a biodiversity crisis for just as long, if not longer, than we have been in a climate emergency. And we also know that current agricultural support **has not encouraged the degree of change needed to drive an improvement in biodiversity and wider environmental performance** at a farm, croft or landscape scale. Hence, although some actions to address climate challenges will also have biodiversity benefits, there will also be a continuing need for more targeted actions to assist other habitats and wildlife. It will be essential to ensure that improving farmland biodiversity is delivered by all farming sectors in Scotland, though **the biodiversity management needed will vary from sector to sector**.

Key issues the Committee should consider in session 6

Biodiversity and wider environmental issues sit across – and are certainly impacted by – different portfolios within Scottish Government. Hence there will be a need for integrated, cross-sectoral working across portfolios, and a key issue for consideration is therefore **how will that be achieved effectively in practice**.

The *Agriculture Reform Implementation Oversight Board* has been established “to help develop new proposals for sustainable farming support” following on from the Farmer Led Group reports. While it is understandable that an early focus has been put on measures to reduce livestock emissions [in advance of COP 26], it will be **essential that biodiversity outcomes are also given due consideration**.

Agricultural support funding currently has a much bigger ‘reach’ [in terms of numbers of land managers in receipt of public funds] than current spend on agri-environment. Hence there is a need to ensure that both (a) **biodiversity benefits are achieved through increased environmental conditionality** on any continuing support and (b) sufficient focus is put on **developing a complementary agri-environment type of scheme** to provide the biodiversity benefits that [cannot be achieved by conditionality alone](#).

It will also be important to consider whether seeking to double the area under **organic farming** [as indicated in the Programme for Government] or putting an additional focus on **regenerative agriculture** [as was suggested in an earlier meeting of the committee] would automatically **result in benefits to biodiversity at the landscape scale needed** to make a difference. Putting more of a focus on ensuring that **agroecological practices are incorporated into all farming systems** could potentially deliver a greater range of outcomes.

Food is not only a fundamental human need, but the type of food system we support in Scotland will have **major implications for human and environmental health, the economy and communities**. It will therefore be essential that future land management support policies are developed alongside the Programme for Government’s commitment to introduce a **Good Food Nation Bill**. Developing an **overarching Healthy Food Policy** alongside other policies and legislation with a link to

food will be essential to avoid unintended consequences, such as the different policy drivers pulling in different directions or sending out mixed messages.

Following the discussions on agricultural policy in Scotland's neighbouring countries such as Denmark, Holland and Germany it is clear that these countries are aiming to **integrate a food systems perspective into their agricultural schemes** where subsidies are not only to reduce GHG emission and improve biodiversity but is also seen as **potent instruments for future-proofing production to meet medium to long term market demands**; not least through an emphasis on promoting plant production for direct human consumption. If Scotland is to rely on food exports in the future it is important to do due diligence in terms of understanding future market needs, i.e. **diversifying production for the sake of resilience**, and tailor agricultural policy accordingly.

Trade offs between food and drink (economy), biodiversity and climate change ambitions will therefore need to be made in what is a complex interaction of socio-economic and biophysical factors. The [Farming for 1.5 Degree](#) panel and the [NFUS](#) have both recently published reports that examine the issue, and offer potential policy solutions.

The [Programme for Government](#) includes a commitment to ensure funding within a post-CAP system is ring-fenced for **tree planting, orchard creation, and woodland regeneration**, as well as support for the development of **rural businesses linked with forestry**. Given that the majority of new woodland creation will need to occur on farmland, there is a need to ensure that incentives are in place **to encourage the integration of trees into farming systems** and not a wholesale replacement of farms by woodlands and forestry.

Indeed, **woodland/afforestation** and **peatland restoration** will play a vital role in meeting climate change targets, but the committee may want to consider any potential **long term economic impacts** that may arise out of **private carbon trading schemes** (e.g. the woodland carbon code and the peatland code).

The Scottish Government's aspiration to **develop a digital economy** is to be welcomed, but improved connectivity in rural and island areas is not just about improving broadband, important though that is. It will also be **fundamental to ensuring greater use of innovative digital technologies** and thereby allow data to be collected in remote and mountainous environments that **will improve agricultural and environmental management decision-making**.

Indeed, there is a need for **robust, repeatable and standardised metrics** to be established that can provide a **full inventory of emissions and sequestration** occurring at the level of an individual land holding, not only to allow **benchmarking of that holding** against others but also the establishment of **a detailed national record, tracking improvements** and highlighting those land use changes which deliver positive benefits at a holding level.

In July 2021, the Scottish Government announced an ambitious new 10 year **National Strategy for Economic Transformation**, with an accompanying Advisory Council. The

Committee may have a key role in **ensuring that the Strategy takes account of, and is fit-for-purpose for rural and island economies** and their specific characteristics, challenges, opportunities, etc. Ensuring that [natural capital, the natural economy and green recovery are at the heart of this Strategy](#) will be critical to ensure that Scotland's rural and island economies are central to a sustainable, inclusive and just Scotland in future.

The Programme for Government commits the Scottish Government to build on the **Regional Land Use Partnership pilots** established during 2021 to develop plans for a second phase from 2023. The second phase is to be welcomed, but it will be important not only to **assess how well the new pilots can help address land use and land use change issues**, but also consider **what major topics/issues also need to be addressed by additional means**.

In this regard, the committee may also care to reflect on how divorced current farming and forestry policies are **from the wider needs of rural areas and wider rural communities**. Both are major land uses but they actually support relatively few jobs locally, and too often **communities feel disenfranchised from decisions about land use** in the landscape around them.

What is needed in our rural areas is more opportunities **for new and innovative businesses to become established**, either drawing on existing resources in the landscape or having the ability to create and manage those resources themselves. Hence, **much more coordinated policymaking is required** to promote better, more productive and more financially rewarding uses of the land, skills development, job creation, re-peopling and community building.

Written submission from Farming for 1.50⁰

Farming for 1.50⁰ - From here to 2045 – Executive Summary. Full report can be accessed here: <https://www.farming1point5.org/reports>

Introduction

Farming for 1.5 was established as an independent inquiry in 2019 by NFU Scotland and Nourish Scotland. The intention was to develop a consensus roadmap for farming in Scotland in the context of the climate and nature emergencies, and the Scottish Government's commitment to net zero by 2045.

This can only be achieved if agriculture can become part of the solution, not part of the problem. This means farmers, scientists and environmentalists working together to achieve the changes needed while maintaining food production and sustainable livelihoods for food producers.

The independence of the inquiry enabled all panel members to contribute views freely and develop their thinking collectively, without any pre-determined constraints or no-go areas.

Our thanks go to all the panel members who have contributed throughout the inquiry, as well as to all those who have provided the evidence to inform the panel's discussions and underpin their conclusions.

Executive summary

Doing the same thing next year as we did last year is no longer an option for farmers in Scotland.

The Scottish Government's commitment to net zero by 2045 requires a cut in on-farm greenhouse gas emissions from a baseline of 7.5 MtCO₂e in 2018 to 5.3 MtCO₂e by 2032. This is against the background of no fall in emissions for the last ten years. At the same time, farmers must at least maintain per capita food production, and make a living.

It's not just government policy: retailers and processors are committed to cutting their supply chain emissions while meeting their customers' expectations. Behind them stand the banks and investors which increasingly see the nature and climate emergencies as a major risk.

At the same time, The Scottish Government's Statement of Intent for Biodiversity, published in December 2020, underlines the government intention to take action at large to benefit nature and tackle habitat fragmentation. This is a challenge across all terrestrial and marine

habitats, and one that needs to be met within the next 10 years, the UN Decade of Ecosystem Restoration.

So, change is inevitable; and farmers need to be in the driving seat, not at the back of the bus.

This report proposes a pathway to 2032 and then to 2045 which supports farmers to deliver the transition. We suggest targets for each of the three key greenhouse gases:

For carbon dioxide we see some efficiency savings in the next ten years, while we prepare for fully decarbonising farm machinery in the 2030s.

For methane we see a reduction of 25% by 2032 through a combination of better animal health, improved genetics, early adoption of feed additives and better management of manures. By 2045 a reduction of 50% on current levels is possible through low methane breeding and widespread adoption of feed additives.

For nitrous oxide we see a reduction of 25% by 2032 through a combination of more efficient use of bagged nitrogen, manures and slurries, an increase in the use of legumes and the reduction of nitrogen use in the large areas of land being farmed for nature.

Nutrient budgeting, yield mapping, crop monitoring, controlled release fertilisers and variable rate application all contribute to nitrogen use efficiency. Further uptake of these measures result in a cumulative reduction of 50% in nitrous oxide emissions by 2045.

In combination, this means a 55% reduction in emissions by 2045. Our proposals also provide for continuing grassland and arable soil carbon sequestration through best practice management, and significant on-farm sequestration in woodlands and wetlands.

For biodiversity, while Government targets are not yet clear, progress towards the vision of Scotland's Environment Strategy (2020) will require managing more land for nature. The direction of travel indicated in the Government statement on biodiversity that 30% of land should be managed for nature will be significant for farmed landscapes.

We have not set out detailed proposals or payment rates for a new farm support mechanism. Phases 2 and 3 below are a form of strong conditionality. Phase 2 – universal greening – is about specific practices to reduce emissions, while Phase 3 – greenhouse gas reduction contracts – is a whole farm approach where businesses choose a change plan which is compatible with a low carbon business model for their holding. At a system level these changes are underpinned by national support for nature-friendly farming, agroforestry and land use planning to get the right trees in the right places.

Our interim report recommended the establishment of a Transformation Steering Group. Scottish Government has committed to establishing an Implementation Board, so we have used that terminology in our recommendations.

The panel agreed a number of principles:

- Nature and climate must be tackled together.

- Everyone has to do something, and there has to be something in it for everyone.
- We need to reduce total emissions from agriculture while maintaining food production percapita, not just reduce the intensity of emissions.
- A high-level, transparent, science-informed climate and nature literate transformation group should be established to co-ordinate activities and policies, drawing from expertise across several fields of expertise in a similar way to the Farming 1.5C enquiry panel.
- Speeding up best practice adoption and innovation requires an informed, explicit, co-ordinated and responsive approach; it won't happen by itself. The advisory service is key, and needs to be rebooted and aligned to the goal.
- There should be targets for individual gases.
- Land use change should be planned rather than left to the market; and should be an inclusive transparent process guided by best available science.

The panel proposes five overlapping phases which all need to start now:

now 2021 2022 2024 2030 2045



Phase 1: Underpinning actions

Phase 2: A farmer's mitigation menu

Phase 3: System change to low emission production

Phase 4: Whole farm system change

Phase 5: Land use change

Approach	Examples	Timeline
Phase 1: Underpinning actions	Theory of change Improved baseline data New contract for advisory services Plan for better data capture and use Develop universal calculator Stronger links to research	Immediate start, updated baseline in place by end 2022
Phase 2: A farmer's mitigation menu	Nutrient budgeting and use of controlled release fertilisers Slurry injection Legumes/intercropping Manure management Livestock health Feed management Genetic improvement of ruminants	To be part of Universal Greening requirements from 2022
Phase 3: System change to low emission production	Choice of approaches 'precision' or 'nature value' - to ensure all sectors and farm types can contribute through a low carbon pathway.	Pilot projects start as soon as possible to inform design. Contracts to be required as part of post 2024 policy
Phase 4: Whole farm system change	Increase diverse approaches to support biodiversity and multifunctional landscapes Agroforestry Organics, agroecology, regenerative farming	Pilot projects start now under both agricultural and forestry schemes to inform post 2024 agricultural and future forestry policy
Phase 5: Land use change	Right trees in right places – planned approach to land use change, encourage integration of farming and	Implement public interest test now to control investor-led afforestation

	forestry	In 2022 revisit forestry strategy to develop science-based approach to land use planning
	Restoring peatlands and wetlands	

List of recommendations

- 1 The Implementation Board's approach must be grounded in an explicit theory of change, which they refine and develop over time.
- 2 The Board should institute a scheme for continuing professional development for farmers. The new contract for advisory services should involve a re-focusing of the service on working with farmers to tackle the climate and nature emergencies; and an emphasis on reaching the full diversity of farmers through flexible and inclusive 'one to few' approaches. This enhancement of CPD and refocussing of advisory services should be reflected in formal training provision for new entrants too.
- 3 The Board should ask SEFARI and RPID to work with existing generic initiatives such as the Digital Transformation Service and the Data Lab, relevant AgriTech Innovation Centres and Region and City Deals, and agree a plan for improving the use of data at farm, region and national level to support and monitor the sector's transition to low-carbon farming.
- 4 As part of the Green Recovery¹ priorities under "boosting youth employment opportunities in nature and land-based jobs", Scottish Government should fund a programme of training and employing young people to undertake soil carbon testing and mapping of on-farm natural capital.
- 5 The Board should invite costed proposals from existing providers for developing a 'universal' farm-level calculator with greater functionality. The data from the universal calculator would be in the public domain, and there would be an independent board including farmers and scientists to oversee further development. This recommendation should be integrated with Recommendation 3.
- 6 The Board should establish a farmers' advisory panel to act as a reference group for the Strategic Research Programme. Scottish Government should continue to invest in the Rural Innovation Support Scheme.
- 7 Scottish Government should introduce the mitigation menu as soon as possible, to replace the existing greening scheme with the expectation that all farms sign up to the baseline requirements and a number of options.
- 8 From 2024, Scottish Government should introduce emissions reduction contracts across all farm types underpinned by a management plan that fits their system and its future development, with a limited number of management interventions.
- 9 Scottish Government, farmers and research institutes should work together to

accelerate advances in ruminant livestock selection and breeding; include reducing methane emissions in breeding goals, and encourage uptake of best practice.

- 10 Scottish Government should set a target of 6,000 hectares a year for agroforestry creation, and create a ring-fenced budget for agroforestry with a dedicated 10-year programme to drive it.
- 11 There should be a public interest test applied if more than 50% of a holding is planned to be afforested.
- 12 Forestry applications over 20 hectares should be required to specify the net carbon sequestration they will achieve over the next 50/100 years, and demonstrate biodiversity net gain.
- 13 Land use change should as far as possible be planned to optimise economic, environmental and social outcomes rather than be purely market-driven.
- 14 Regional land use planning groups should be supported by large-scale modelling as described in the Research Strategy for Environment, Natural Resources and Agriculture so they can make informed decisions and recommendations.
- 15 The carbon in Scotland's soils should not be traded until further notice.

The transformation requires unparalleled investment, led by government and supported by the whole supply chain; in advice, in research, development, innovation and translation to practice, in kit and in data – but most of all in people.

Some farmers in Scotland are already delivering on best practice and experimenting in these new areas. What will make our net zero and biodiversity targets achievable is leaving no-one behind – making it easier for everyone to adopt best practice and for more farmers to innovate. This is a social and cultural challenge as well as a technical one.

Tackling the nature and climate emergencies is not just about farming better. It's about redefining the role of farmers, with delivering for nature and climate on an equal footing with producing food. Stewardship has to be seen as a core professional and business value.

Written submission from Scottish Land & Estates

Background

A large proportion of our members have significant in-hand agricultural interests. Alongside this members have an interest in tenanted and contract farming operations across a range of enterprises. This includes, but is not limited to, the dairy, arable, beef, sheep, poultry, and pig sectors. Our members farm and manage land throughout Scotland on a variety of land types, from the most productive grade one arable ground to the upland and less-favoured areas which make up the largest proportion of land in Scotland.

SLE members are involved in almost every aspect of land management, giving SLE an almost unique insight into the options available for land managers, as well as the economic, social, and environmental benefits land management can bring.

Our members are custodians of the natural assets required to help Scotland meet its ambitious net-zero targets and many are already taking positive steps to address the climate and biodiversity crises. We also work closely with our professional members, many of whom will be responsible for providing expert advice to help land managers with the practicalities of implementing future policy on the ground.

The state of the sector

Commodity prices and regulation

For 2019/20 average farm business income was down 36%, with only 28% making a profit without support payments, and enterprises in less favoured areas were most reliant on support payments. Nevertheless, despite Brexit and the global pandemic, ex-farm prices for beef, sheep and milk have increased year on year, some of which can be attributed to public recognition of the high quality of Scottish farmed produce. However, so too have input costs, with basic feeds, fertiliser, transport, and fuel up on 2020 levels, as well as the greater regulatory burden on exports.

Almost every aspect of agriculture has regulation associated with it. Current regulation of farm businesses is very much focused on enforcing a strict set of rules with little flexibility, which has led to farming for regulation rather than outcomes or market demand. Whilst we understand that regulation is necessary, it is important to find the right balance between protecting the public interest and enabling land managers to run businesses.

We have an opportunity to reform the Scottish Government Rural Payments and Inspections Division (RPID) into a support service, able to work with land managers to provide advice and plan for the long-term. The application procedure for funding should be simplified, with a more efficient implementation process which delivers on time. Inspections and enforcement should become a backstop measure rather than the norm, with the focus on positive outcomes rather than adherence to process and protocols.

Uncertainty

Scotland is lagging behind the rest of the UK in developing its future agricultural policy, and there remains much uncertainty in the industry, which makes it incredibly difficult for land managers to plan and invest for the long term. Even five years is not a long time in farming, and we are less than two-and-a-half years away from the end of the transition period. Implementing changes takes time, whether this is improving soil quality, transitioning to organic or regenerative farming practices, or improving genetics.

We welcome the creation of the Agriculture Reform Implementation and Oversight Board (ARIOB) and look forward to working closely with them. However, rural support covers more than just agriculture and we would question whether there is a broad enough range of experience of different land uses represented on the ARIOB to ensure that future policy does not compete with or contradict the objectives of other land uses. It is imperative that rural support is cognisant of other forms of land management and takes an integrated approach.

It is also vital that all sectors move forward together. In the simplest terms, with many Scottish farmers running mixed enterprises, any future schemes must be compatible with each other and have a large degree of commonality.

Key issues to be considered

Integrated approach to future policy

Our [#Route2050 publication](#), a direction of travel for Scottish land management to 2050, explores what the priorities should be for land management in Scotland (in the context of climate change) following the end of our involvement with Common Agricultural Policy.

Rural businesses are expected to make significant changes over the next few years. To support them in this, policy must be tailored to ensure that enhancing productivity, business resilience, and environmental benefit are top priorities.

We cannot stress enough the importance of taking an integrated approach to land use policy, rather than looking at activities such as forestry, food production, carbon sequestration and natural capital in silos.

For example, there are areas of Scotland where farming will always struggle to be profitable, particularly in less favoured areas, but there should be recognition of the wider benefits delivered from land management activity in those areas.

Such benefits, in addition to employment and producing food, include providing habitats for wildlife, improving water quality, sequestering carbon, and natural capital for the public good. Integrated land management is at the heart of what our members do, and we are supportive of a move towards outcome-based approaches.

The Agri-Environment Climate Scheme (AECS) was a good example of funding being used to promote land management practices to achieve specific aims for the benefit of the environment. We would welcome the return of a similar scheme with a long-term view, as well as a greater emphasis on improving soil health, access to skills training, and knowledge sharing.

Appropriate levels of funding are essential to encourage uptake of schemes, but we must be clear on the focus and purpose of payments to achieve the desired outcomes. This should be evidence-based, with the Scottish Government using accurate data to target investment where it is needed.

Skill and labour

Agriculture relies on the availability of a skilled and committed workforce. With new technology and skills required to implement future agricultural policies it is important that not only managers but also practical workers have the knowledge and skills to implement the change which is likely to be required.

In previous years these workers have often moved into other industries such as construction and transport. With the current situation of shortages of these sectors, it is important that agriculture continues to train young people and make ours an industry which is attractive and rewarding for all who work in it. This not only helps the industry, but also rural communities to ensure there is social cohesion and critical mass to ensure viability of services.

Supply chains

Scotland has a reputation for producing top quality food and drink, however too often the value of this is not recognised and returned to the primary producer. Aligned to this, a lack of processing and potential to add value means that much of the value is realised outwith Scotland. Understanding of supply chain structures, as well as producers' ability to influence and add value to these chains is required. Often this is through co-operation, which requires support and knowledge to ensure its success.

International trade agreements

Broad liberalisation of tariffs on a mutually beneficial basis in future trade agreements is to be supported, particularly where there are advantages for Scottish consumers and export opportunities for Scottish businesses.

However, the high standards of food safety, environmental protection, animal health and welfare in the UK must not be compromised in free trade agreements and the future viability of UK producers should not be put at risk. Maintaining suitably sized tariff rate quotas (TRQs), where appropriate, should be included in future trade agreements and there must be proper parliamentary scrutiny of future trade agreements.

We cannot fear competing internationally and farm businesses are ready to work with government to improve their productivity and competitiveness with international producers. However, there are differences in approaches to farming and costs of production, and government should ensure adjustment policies are in place to assist farmers in this new trading environment. This will ensure that our produce continues to have the highest welfare and environmental standards, while not disadvantaging producers and ensuring we are not simply offshoring these issues.

Written submission from The Scottish Tenant Farming Association

1. Executive Summary

The Scottish Tenant Farming Association (STFA) is the only organisation dedicated to representing tenant farmers throughout Scotland.

Scottish farming is on the cusp of unprecedented transition.

Uncertainty in relation to future agricultural and rural policy is undermining business confidence.

Farm incomes have recovered from the extreme challenges of 2015-16 but remain worryingly low and very reliant on support payments, particularly in the livestock sector.

STFA would like the Committee to consider the following 'manifesto asks':

1. We need well thought out policy to underpin sustainable Scottish agricultural profitability while contributing to the green recovery, improved biodiversity, and climate change mitigation.
2. Support in marginal areas (a new LFASS) should be maintained, but with better targeting by strengthening the link between activity and support.
3. Ensure that future policy (including tree planting, environmental, carbon and conservation schemes) is designed with feasibility for the tenanted sector in mind.
4. Give consideration to the mitigation of the negative effect of ambitious afforestation targets on the tenant sector.
5. Implement the outstanding measures of the Land Reform Act 2016.
6. Consider tenancy legislation issues additional to the Land Reform Act 2016: Review of the historically low level of statutory compensation awarded to tenants for land resumed by the landlord out of the tenancy.
7. Continued support of the Land Commission and the Tenant Farming Commissioner to increase diversity of land ownership and management.
8. Review taxation and other fiscal measures affecting landlord decisions. The current fiscal framework acts against the creating of new tenancies and STFA would like to see new fiscal policy to encourage long term tenancies.
9. Review taxation affecting tenant decisions: Land and Business Transaction Tax (LBTT) affects tenants in a way which is adverse to Government Policy to (i) encourage long leases, and (ii) increase diversity of land ownership.

2. Background to STFA

The Scottish Tenant Farming Association (STFA) was established in 2004 to build on the tenancy reform work done by the Scottish Tenant Farmers Action Group and is the only organisation dedicated to representing tenant farmers throughout Scotland, supporting and enhancing their position within the landlord-

tenant system. STFA represents and advises members on all aspects of agricultural tenancy and ancillary matters. It aims to improve the professional and technical knowledge of its members, to encourage the flow of new tenancies onto the market and to help the farming industry understand and best apply existing and new tenancy legislation as it evolves.

STFA is an industrial provident society managed by Chairman, Christopher Nicholson, Executive Director, Angus McCall and newly appointed Managing Director, Douglas Bell, all of whom are responsible to a Board of Directors.

3. The State of the Sector

3.1 Introduction

Scottish farming, for both tenants and owner-occupiers, is on the cusp of an unprecedented transition. Brexit has fundamentally changed the trading landscape for UK agriculture and its supply chains. The CAP no longer provides the framework for farming support, with Scotland and the other UK nations now able to design and implement their own farming and rural policy.

The need to address climate change and other environmental issues has risen to the top of social and political agendas and is the key driver for change within the sector. However, policy makers should also recognise that the primary purpose of Scottish farming is food production as well as the delivery of public goods. STFA welcomes the Scottish Government's commitment to maintaining much of the current support regime through to 2024. However, the lack of clarity surrounding future policy is creating uncertainty which is undermining business confidence and development.

3.2 Farm Incomes

In recent years the average farm business income has remained reasonably stable having recovered from the very low levels recorded in 2015-16. However, the overall average disguises a wide variation between farm types (see table below).

Farm Business Income by Farm Type: 2012-13 – 2018-19 (2018-19 prices)

Type of Farms	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Specialist sheep (LFA)	23,577	14,267	15,187	10,289	16,851	16,327	11,773
Specialist beef (LFA)	29,465	26,123	23,497	20,810	25,677	25,286	12,663
Cattle and sheep (LFA) (1)	22,500	25,810	34,298	25,696	39,368	35,036	24,795
Cereal	25,902	24,743	16,528	10,175	22,111	35,145	64,084
General Cropping	62,568	63,331	33,748	38,946	58,804	68,674	132,057

Dairy	50,142	81,774	87,092	6,697	43,044	78,127	65,994
Lowland Cattle & Sheep	19,594	33,210	27,691	12,557	19,719	31,215	11,546
Mixed	37,392	26,744	12,050	1,466	24,175	30,027	33,355
All Farm Types	33,980	32,917	27,732	17,114	30,304	36,283	38,683

Source: Scottish Government, Economic Report on Scottish Agriculture 2020

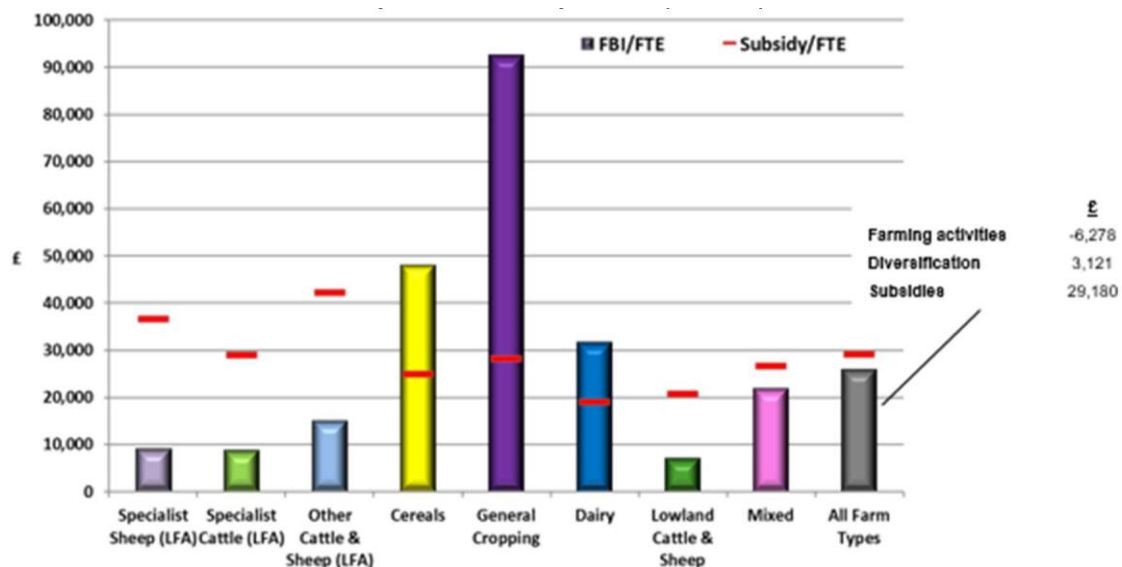
The figures above include income from diversification and support payments and are expressed per business. When expressed per full time equivalent involved in the business (proprietors and unpaid family members) the 2018-19 average farm business income of £38,683 equates to

£26,023 comprised as follows:

	£
Income from farming activities	-6,278
Income from diversification	3,121
Subsidies and payments	29,180

The chart below further illustrates the relationship between total farm business income and subsidy for different farm types and highlights in particular, the livestock sector's reliance on support payments.

Farm Business Income per Full Time Equivalent (2018-19)



Source: STFA – Based on Data from Scottish Government, Economic Report on Scottish Agriculture 2020

Data specific to tenant farmers is not available but it should be noted that the majority of tenants have livestock-based businesses and are less likely to be generating diversified income than owner occupiers due to restrictions in some leases.

4. Key Issues STFA Would Like the Committee to Consider in Session 6

4.1 Introduction and Manifesto Asks

The tenanted sector is a vitally important element of Scotland's farming industry. Almost a quarter of Scotland's farmland is rented by those who farm it. Tenant farmers are therefore key to ensuring the agriculture industry continues to produce high quality, sustainable food while also delivering on public good objectives, particularly those around climate change mitigation and biodiversity. Against this background, STFA published a number of "manifesto asks" earlier this year, which are set out below:

1. We need well thought out policy to underpin sustainable Scottish agricultural profitability while contributing to the green recovery, improved biodiversity, and climate change mitigation.
2. Support in marginal areas (a new LFASS) should be maintained, but with better targeting by strengthening the link between activity and support.
3. Ensure that future policy (including tree planting, environmental, carbon and conservation schemes) is designed with feasibility for the tenanted sector in mind to allow for a level playing field for both tenants and owner occupiers. (See paragraph 4.2.1)
4. Give further consideration to the mitigation of the negative effect of ambitious afforestation targets on the tenant sector. (See paragraph 4.2.2)
5. Implement the outstanding measures of the Land Reform Act 2016 which include: reconsideration of the rent test; removal of the need for tenants to register their pre-emptive right to buy; forced sale where landlord is in breach of lease obligations; and introduction of 35 year repairing leases. (See paragraph 4.2.3)
6. Consider tenancy legislation issues additional to the Land Reform Act 2016: Review of the historically low level of statutory compensation awarded to tenants for land resumed by the landlord out of the tenancy. (See paragraph 4.2.4)
7. Continued support of the Land Commission and the Tenant Farming Commissioner to increase diversity of land ownership and management.
8. Review taxation and other fiscal measures affecting landlord decisions: The fiscal framework within which landlords make decisions has a strong influence on the letting of land. Recent simple changes to that fiscal framework in the Republic of Ireland has demonstrated how fiscal changes can bring about immediate change to how land is let, in particular lengthening the terms of new leases. The current fiscal framework acts against the creating of new tenancies and STFA would like to see new fiscal policy to encourage long term tenancies.
9. Review taxation affecting tenant decisions: Land and Business Transaction Tax (LBTT) affects tenants in a way which is adverse to Government Policy to (i) encourage long leases, and (ii) increase diversity of land ownership. In the first case, tenants taking on long leases will be deterred by increased LBTT charges, and in the second case tenants buying their farms will be subject to a significant LBTT charge.

4.2 Additional notes on STFA Manifesto Asks

4.2.1 Ensuring future policy enables tenant farmers to fully participate

STFA would have liked to have seen tenants have a stronger sectoral interest represented on the ARIOB but is looking forward to engaging with the Board, the Scottish Government and other stakeholders. We will endeavour to represent our members, the tenanted sector in general and play our part in delivering a new future for rural Scotland.

The transition towards a new sustainable farming policy will present the tenanted sector with some unique challenges. The ARIOB consultation document acknowledges that “concerns were raised in the tenanted sector of land use change being potentially imposed on tenants who might not then benefit from any of the financial benefits that might be available”. However, the impacts of policy change on those renting farmland, are potentially much more wide-ranging in terms eligibility for, and access to, whatever new measures are introduced.

The tenanted sector encompasses nearly a quarter of Scotland’s agricultural land the roletenant farmers can play in achieving the objective of sustainable food production while addressing the climate change and bio-diversity agendas must not be under-estimated or constrained.

In general, STFA supports prioritisation of support to small and medium sized farms and is in favour of capping payments for very large holdings. We also support a move away from the current area-based system and future payments being linked to activity. We are also long-time advocates for specific measures to encourage new entrants, who are often tenants, to farming.

Many of the potential measures mooted by the farmer-led groups and other stakeholder reports will prove a challenge for farm tenants who are governed by tenancy legislation developed over the last 150 traditionally focusing on food production and the maintenance of agricultural productivity. Non-agricultural diversifications, including tree planting and environmental measures, don’t sit well with existing tenancy legislation. Although there have been some changes to tenancy law aimed at permitting tree planting and other diversifications, the experience of the last two decades shows that there are still obstacles to diversification for farm tenants.

STFA is concerned new entrants and tenants on short-term leases will be excluded from many of these proposals in an era where the emphasis on land use will inevitably shift away from agricultural production towards long term environmental and conservation measures. As any farmer will know, improving soil health and increasing soil carbon are long term operations over decades and in many cases require significant on farm investment. A tenant with short term lets is unlikely to make that level of commitment and investment.

The risks for the tenanted sector are twofold: firstly, tenants may not be able to benefit from the new environmental and climate mitigating proposals. Countering this may require changes to tenancy legislation to allow the move away from purely agricultural production, and all future policy should be feasibility tested for the tenanted sector. Secondly, some of the proposals, e.g., re-wilding and forestry, may prove more attractive for a landlord than

having an agricultural tenant, especially on the more upland areas, the traditional route into farming for new blood. This risk could be mitigated by ensuring a robust link between future support and continued agricultural activity.

There are specific obstacles which could limit eligibility and participation for tenants including:

The nature of tenant's improvements.

Many of the proposals involve non-agricultural improvements which are difficult to implement due to restrictions of an agricultural leases. By law, a tenant's improvement is something physical which is attached to land and is included in the Schedule 5 list of eligible improvements. There is no certainty that tenants will be able to invest and benefit from non-agricultural proposals, and way-go compensations currently focuses on pure agricultural value, not amenity, environmental or carbon value.

We already know that tree planting, along with other diversifications, are a challenge for the tenanted sector despite changes to legislation in 2003.

The introduction of milk quota in 1984 and the resulting problems for dairying tenants required expensive court cases and a change in legislation to allow fair treatment of quota for tenants - an example of where feasibility for the tenanted sector was not considered in the original policy and required pain, expense and time to resolve.

We don't know for sure what the future holds but there are likely to be 'improvements' which like quota are non-physical (e.g., contracts, authorisations, consents, carbon allocation and trading rights etc), or physical but not yet thought of and which don't appear on Schedule 5.

The Schedule 5 list of eligible tenant's improvements was updated in 2018 when STFA and SAAVA/CAAV strongly argued that the Schedule should be future proofed with a catch-all provision so that innovation, new technologies and new policy could be quickly adopted by the tenanted sector without the need for a lengthy legal process to change the Schedule.

Unfortunately, other stakeholders did not support a catch-all to future proof the Schedule, and the recent updating of Schedule 5 for the first time since the 1940s only covers the known improvements of today, not the unknowns of the future.

Given the pace of change as farming adopts to play its part in climate change mitigation, STFA believe an opportunity was missed to future-proof the tenanted sector by addressing the limitations of Schedule 5 in 2018. Instead, given the inevitable delays to any future update of Schedule 5, there is a genuine worry that the tenanted sector will always be behind owner occupiers when adopting new technology and policy.

The short-term nature of new lettings

Short termism is a blight across the UK's tenanted sector, with the vast majority of new lettings which make up around 40% of the tenanted sector

being for a term of 5 years or less.

As any farmer will know, improving soil health and increasing soil carbon which look certain to feature in future policy, are long-term operations over decades and in many cases requires significant on farm investment – e.g., converting an all-arable unit to enable the incorporation of livestock will require fencing and watering of fields and livestock handling equipment. A tenant is unlikely to make that level of investment with short term lets.

4.2.2 Mitigation of the negative effect of ambitious afforestation targets

More consideration is required of the effects of tree planting targets on the tenanted sector. Current fiscal and subsidy support make commercial afforestation an attractive option for landlords who take land out of the tenanted sector for planting and deny new blood the traditional upland route into farming.

Many now see the demise of tenancy opportunities resulting from afforestation targets as being acceptable for policy makers. Environmentalists also question the wisdom of such a drive for afforestation as much of the upland grassland currently being planted is high in carbon (peat) and in terms of climate change mitigation, diversity and the environment would be better left as grassland.

Options should include collaborative approaches between landlord and tenant, reviewing the historic resumption compensation payments to tenants who have land resumed for forestry, and introducing small woodland creation schemes tailored for the tenanted sector.

4.2.3 Outstanding measures from the Land Reform Act 2016

There are three outstanding measures from the 2016 Act which relate to:

- the removal of the requirement to register an interest in buying land under the pre-emptive right to buy
- the enforced sale where a landlord is in breach of his obligations
- repairing tenancies

STFA hopes that once finalised, these provisions can be passed relatively quickly, through secondary legislation.

4.2.4 Tenancy legislation issues additional to the Land Reform Act 2016

Rent Reviews: The previous Cabinet Secretary for Rural Affairs promised to continue with the revision of the rent review system, currently on hold due to the difficulties in agreeing a simpler and workable productive capacity test which would be fair to all. Bob McIntosh, the Tenant Farming Commissioner, has examined alternative ways of reforming the current rent test in a way which would address concerns about the use of open market comparable rents and explore ways of taking account of the productive capacity and earnings potential of the holding.

Rent Test: The current rent test is already unfit for purpose. Given that we are

likely to see the introduction of new policy with strong environmental links and the capacity to reduce farm profitability, a new rent test is required to allow rents to change in line with farming profits.

Resumption: In response to STFA's longstanding lobbying for greater fairness in compensation for land resumed for development the previous Cabinet Secretary agreed to look into the matter and bring forward legislation to ensure tenants receive fair compensation where land has been resumed for sums way above its agricultural value.

Removal of legal obstacles preventing tenants helping meet climate change targets: The previous Cabinet Secretary recognised that tenant farmers find themselves constricted by the contractual terms of their leases which often make it difficult to participate in many environmental and conservation schemes. The tenanted sector comprises nearly 25% of agricultural land in Scotland and represents a significant area of land in danger from being excluded from contributing towards environmental, conservation and mitigating climate target. The Cab Sec wanted to make use of this resource by ensuring tenant farmers are able to operate under the same conditions as owner occupiers and, if need be, is prepared to introduce legislation to make this happen.

Woodland creation is an obvious example, and the government is already investigating ways of encouraging tenant farmers to plant trees, through a stakeholder group working with Crown Estates. At the AGM, Fergus Ewing revealed plans to take forward a Tenant Farmers Forestry Scheme in the next parliament. However here are other constraints to tenants pursuing non-agricultural activities which need to be explored. Will tenants be able to trade carbon credits or claim support for peatland restoration?

Further Land Court Reform: STFA welcomes the recent announcement that the Scottish Land Court and the Lands Tribunal for Scotland should be unified to form an expanded Land Court, which would offer substantial benefits to court users. However, we remain convinced that more needs to be done to deliver affordable and accessible justice for tenant farmers.

STFA agreed with the original consultation's proposition that that the present power of the Land Court to award expenses against unsuccessful appellants in rural payment appeals operates as a barrier to justice. We were therefore disappointed that the recent made no mention of proposal to conduct hearings either based on each side paying its own expenses or capped at a reasonable level which should deter vexatious appeals but should not act as a deterrent for genuine appellants. Proposals STFA wholeheartedly supported at the time.

The 'winner takes all' principle raises more widespread concerns where there is frequently an imbalance of resources between parties and undoubtedly acts as a significant barrier to justice for the majority of tenants seeking fair play in a dispute with their landlord, particularly where the dispute is over straight-forward questions regarding farm rent and other valuation issues, such as compensation for improvements.

STFA believes that for the sake of fairness and access to justice, account must also be taken of the way in which expenses are currently awarded following the resolution of disputes between landlords and tenants. Allocating expenses to

the 'winner' acts as a deterrent to individuals who may have the necessary experience and expertise to argue the case themselves but are deterred from doing so because of the fear of having landlord's expenses awarded against them, especially where the landlord is armed with an array of expensive advocates and professional advisers.

STFA would like to see the court amalgamation acting as a catalyst for further reform. The tenanted sector now has comprehensive guidance and codes of practice from the Tenant Farming Commissioner. The Court should be taking account of compliance to these codes and reflecting non-compliance in any apportionment of expenses. Justice must become affordable, and expenses brought under control either by the introduction of a statutory cap on awards of expenses – so that appellants would know in advance what their maximum exposure to expenses was – or a discretion to the Court to limit awards in appropriate cases.

Written submission from Scottish Environment LINK

The state of the sector

We live in interesting times.

Tomorrow September 23rd is the UN Food Systems Summit, convened by the Secretary General. It has been called because our food system is inextricably linked with the nature and climate emergencies and with malnutrition – both widespread undernutrition and a global epidemic of chronic disease caused by overconsumption of unhealthy foods.

In Scotland, greenhouse gas emissions from agriculture represent 20% of total net emissions and our net zero target cannot be achieved without deep cuts in agricultural emissions over the next twenty years, starting now. Agriculture is also the greatest single influence on our natural environment and contributes to the steady decline in the abundance and diversity of species².

At the same time, household food insecurity is widespread in Scotland, with about 8% of households reporting food insecurity in each of the last three years³. Scotland's dietary health is poor compared to other European nations, and not improving⁴. All these challenges are complex and interlinked, requiring long-term cross government action to address. This action is more likely to be effective if underpinned by strong legislative framework.

This Parliament faces a historic challenge and opportunity. Two bills – the Good Food Nation Bill and the next Agriculture Bill – will shape Scotland's food system and landscape for the coming decades. They can lay the foundation for restoring nature, transforming dietary health, ending household food insecurity, tackling the climate emergency and supporting a thriving food economy.

This is not about tweaking. This is about realigning the food system to deliver on the Sustainable Development Goals (which are in turn reflected in Scotland's National Performance Framework). Legislation has to be grounded in purpose and values – underpinning a food system which is designed to nourish all our people while at the same time restoring nature and slowing climate change.

Crucially, it is about joined-up thinking and policy making. Food cuts across health and social care, environment and climate, circular economy, marine, social justice, communities and local government, planning and land use, education, economy and trade, human rights, gender, culture and more. This is increasingly recognised internationally, with the EU currently consulting on a 'Sustainable Food Law' which will have implications across many policy areas, including the next CAP.

The Good Food Nation Bill similarly can provide a 'framework' for future policies and laws relating to food by setting out principles, outcomes and targets.

² <https://www.nature.scot/sites/default/files/2019-10/State-of-nature-Report-2019-Scotland-full-report.pdf>

³ <https://www.gov.scot/publications/scottish-health-survey-telephone-survey-august-september-2020-main-report/pages/8/>

⁴ https://www.foodstandards.gov.scot/downloads/Situation_report_-_the_Scottish_diet_-_it_needs_to_change_-_2018_update_FINAL.pdf

This framework then shapes future support to farmers – what are we asking them to do as food producers and land managers, and how will national and local government help them?

There is a growing movement in Scotland of nature-friendly, organic and regenerative farmers but this needs to move from margin to mainstream. Change is possible:

Scottish agri-environment schemes (AES), in which subsidies support wildlife-friendly farming methods, have delivered some positive outcomes, in particular in addressing declines in some farmland birds^{8,9}. Efficient food production can demonstrably be decoupled from ecological damage with the right incentives and advice. The terrestrial breeding bird index farmland section, incorporating trends from 27 species, has shown a 14% long-term increase (1994–2017)¹⁰, and more specifically trends in abundance of seed-eating birds in Scotland have become more stable¹¹. In some areas targeted AES have arrested declines and even enabled partial recovery, such as for Corncrakes in the Hebrides and Corn Buntings in northeast Scotland^{12,8}. **Nature of Scotland report 2019**

However, there is currently no clarity about the future of the Agri Environment Climate Scheme which has delivered these results.

A sense of urgency is needed. Between now and 2026, Scotland must develop a new agricultural support system which delivers broad benefits for society, public health, climate and nature.

With the reality of climate change and nature decline so visible this year, and two key COPs on climate and biodiversity in the next few months, Scotland has the opportunity to show leadership and turn intentions into action. As one of our members wrote in the course of developing this briefing:

“ Re-creating dynamic self-sustaining nature is not an option, it's a necessity, for human life - and it's that that makes changes in land use and management imperative. No one is telling farmers and other land managers mere opinion or what they *should* do - we are all together trying to get behind the solutions that will mean life on earth (and life in Scotland) can be bearable and fruitful. “

Key Issues for the Committee in Session 6

1 Equity

We have a two tier food system. Too many of us – at least 20% of Scots – simply can't afford a healthy sustainable diet. This is not about education. It is about money. Price rises since Brexit have made this worse. People with no recourse to public funds are particularly affected – and so are disabled people, single parents and people in rural areas where food prices are much higher.

Equity is also a key issue in farm support. The current system directs most of the public support to the biggest farms on the best land. For example in 2014, only 16% of Pillar I support went to Highlands and Islands regions compared to rest of Scotland and only 38% of Pillar II despite H&I representing half of all Scottish farmland and being very important in environmental terms.

The new CAP is intended to address this, with recommendations to reduce large payments, support small farms and deliver internal convergence so that payments per hectare are similar whatever the land type. The new CAP also supports greater gender equity.

2 Nature and climate

Scottish Government is clear that the nature and climate emergencies must be addressed together. The Edinburgh Declaration on biodiversity and the Glasgow Declaration on food and climate reflect this approach internationally at the forthcoming COPs.

For too long, we have seen nature and farming as a zero sum game – nature **or** farming. People say “you can’t be green if you’re in the red”. This has been reflected in the CAP where Pillar 1 historically supported production (though it now just supports land ownership) and Pillar 2 supported actions to reduce the damage caused by Pillar 1. The new CAP moves away from this two pillar approach.

We have to change our mindset to farming **with** nature - understanding and working with the interactions between soil, microorganisms, plants and animals to produce good food while valuing and restoring nature. This is **agroecology** – an approach which is gathering pace across Scotland, with innovative farmers at all scales leading the transition.

It means different things in different places, from growing multiple arable crops in the same field in Fife to managing species rich grassland in the Borders, to integrating cattle, sheep and trees in highland Perthshire. Agroforestry – integrating trees with crops or livestock – gets us away from the idea that we can have trees **or** food – we can have both together, with benefits for nature, animal welfare, water management and farm income.

Organic farming is one form of agroecology which is growing quickly, worldwide and in Europe. We welcome the Scottish Governments commitment to doubling the area of organic land but we are at a historically low level of 2% (one of the lowest in Europe) and we should be much more ambitious given the EU 2030 target of 25% of land under organic management.

The shift to agroecology and organics will not happen on its own. Farm support has to be redirected to help farmers tackle the climate and nature emergencies, to pay for non-market goods and support the market for healthy and sustainable food. This will mean investing in nature and climate positive practices at all scales from field to landscape, co-investing with farmers in whole farm change and new business models, and investing at national level in advice, training, innovation, research and development.

This is recognised in the new CAP which requires 25% of national farm support to be directed to ‘eco-schemes’.

3 Governance

While there are promising signs that food businesses are taking steps to address the climate and nature emergencies, we cannot rely on the market forces which created the problems in the food system to resolve them. Governance is key if we are to

shape the food and farming system to deliver greater benefits and fewer harms for people and nature. Three examples of areas where joined-up policies are needed:

Regional land use partnerships.

Done well, these can support a more inclusive and democratic process of land governance. For example, decisions about new forestry are currently market-led, with investor-driven plantings on farmland of predominantly sitka spruce. This can result in net biodiversity loss and even net carbon emissions over decades; can exclude new entrants from accessing land and leave communities feeling disempowered. Similarly, intensification of dairy farming or consolidation of small family farms into bigger units can affect landscapes, jobs, availability of land for housing and so on.

Local government.

There has been increasing engagement in food issues by local government in Scotland, and at least a dozen council areas now have sustainable food partnerships. During the pandemic, local government played a key role along with communities in ensuring that vulnerable people could access food. Food growing plans have now been developed by all Councils, and many like Glasgow are now developing crosscutting plans to reduce the environmental impact of their food consumption while improving health and tackling food insecurity.

The Glasgow Declaration on Food and Climate (www.glasgowdeclaration.org) underlines the importance of local government in food policy and the need for local and national governments to work together. The new local food strategy currently being consulted on by Scottish Government is a good example of where this partnership is essential.

Consideration should be given to directing a proportion of future farm support to local government, to underpin local action on food – whether this is to enhance public procurement, recover derelict land for food growing, provide start-up assistance to market gardens, glasshouses and vertical farms, or support social enterprises to improve access to healthy sustainable food. We should not underestimate the role of urban farming, with Dundee Council's food growing strategy estimating that 35 % of the city's fruit and vegetable needs could be grown on city land, with positive impacts on fairness and poverty for both neighbourhoods and at-risk groups.

These sorts of food businesses also don't have such large barriers to entry and are much more likely to be led by or to provide employment for women, disabled people, young people and new Scots (many of whom bring food and farming skills and knowledge with them).

Public/private finance

Currently there is huge interest from private investors in 'nature based solutions', whether this is planting trees, restoring peatland or trading soil carbon. While Scotland has led the way on developing new carbon codes in these areas, there is a danger that a purely market-driven approach picks all the low hanging fruit and leaves public investment to tackle the rest – while also possibly creating perverse incentives (for example, tenants being moved off farms to allow afforestation). A blended and planned approach to finance could make public money go further and align better with policy goals.

4 Transition

Just as we are investing in transition for workers in the oil and gas industry we must invest in transition in food and farming. This is not just about new knowledge and skills for farmers (and fishers). It is also about revaluing and retraining catering staff in both the private and public sector, supporting food manufacturers to develop healthier products and green their supply chains.

It also means retraining advisors and lecturers, refocusing research and developing new curricula, courses and qualifications, as happened in France following their 2014 law on agroecology. The universities and college, along with SQA have a key role here.

Putting new wine into old bottles slows down change. There is a huge opportunity here too, with for example 25% of the Horizon agricultural research budget focused on organic food and farming

5 Design and delivery

In designing the new farm support scheme, we must pay attention to deliverability – the cost and complexity of administering the scheme should be kept as low as is compatible with equity, transparency, evaluation and audit.

But this must not tie us in to simply tweaking the current area-based system because we have the computer set up to deliver it – more new wine in old bottles. The proposal to make 50% of farm support conditional by 2025 begs the question – what about the other half? Why are we giving businesses (some of them already wealthy and profitable) money without expecting anything in return?

We have a unique opportunity to stay aligned with the CAP principles while designing a support system which works for Scotland – not just one which works for the current beneficiaries and supports the current models of production, but one which works fairly to nourish all our people, to sustain good livelihoods for food producers of all shapes and sizes, to let nature flourish, and to ensure that food and farming are part of the climate solution, not the climate problem.

6 Immediate actions

The Agri Environment Climate Scheme must be at least maintained and extended in parallel with the current basic payment scheme during this transition period to 2024. Otherwise, good existing schemes will stop, and no new ones will start, losing precious time to tackle the nature and climate emergencies.

Finally, Scotland has high visibility and a leadership role in COP26 and COP 15. We should be making bold commitments on food, farming, climate and nature.

Written submission from the Scottish Crofting Federation

Letter to Cabinet Secretary for Rural Affairs and Island (August 2021)

Future Agriculture Support

The Scottish Crofting Federation has considered the many and various reports that have been written over the last few years, most recently from the Farming and Food Production Future Policy Group.

Having assessed the impact on our members, we wish to make the following points:

- The budget for agriculture (and rural development) should increase, or at least not decrease. Public funds have to be used more prudently than under the CAP and must be targeted better, with measurable, policy-driven outcomes.
- High quality food production should be at the heart of the system with local food supply and sustainable food production, including horticulture.
- Payments will include a mix of direct, area-based payments and targeted payments with defined outcomes.
- Direct payments will be conditional on active land management contributing to specific policy objectives – which include mitigation of climate change, promotion of bio-diversity, population retention and thriving local economies – ‘public goods’ that are not rewarded in the market.
- Any measure of activity should take account of differing land types and appropriate stocking rates.
- There will be 2 payment regions for direct payments – arable and grazing. This is what stakeholders wanted in the SG consultation in 2013 and can be re-tested. Direct payments will be capped at a maximum – we have in the past agreed with the suggestion of £150,000.
- Targeted payments will be an optional addition as an incentive to achieve specific outcomes –
 - e.g. increasing biodiversity, carbon sequestration, decreasing emissions. Grazing management, peatland restoration & maintenance and appropriate tree planting will feature particularly. These schemes will be easy to access and front-loaded (degressive) to encourage smaller units and have measures specifically tailored for Common Grazings.
- LFASS will be replaced by a system which offsets natural constraints (based on EU Areas of Natural Constraint). These areas will be defined by reference to Scottish land only (i.e. ANCs will be measured relative to other land in Scotland), so will cover a minority of the country.
- The Crofting Agriculture Grant Scheme and the Croft House Grant

Schemes have been shown to be very effective and cost-efficient. There will be a loan or advance-payment available to help those with limited access to capital (who the schemes are intended for).

Crofting is already diverse and has strong environmental credentials, but it can do more. Crofters have always had to adapt to survive but any new agriculture / development system will need to be underpinned with individualised advice, technical support and training to drive the change in practices.

We look forward to working with whatever stakeholder groups you set up to design and evaluate replacement support systems. We urge you move quickly on this before uncertainty takes its toll on crofting and wider agriculture.

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Open letter to: Crofting Commissioners 14 September 2021

Dear Commissioners

As you approach the end of your term of office governing crofting's regulatory body, could we ask you to reflect on the work of the Crofting Commission. SCF is a key stakeholder in this unique regulated system of land tenure, and we offer some observations at a critical time for crofting. We would appreciate your comments on our observations, as you are in the position to lend us, and the Scottish Government, the benefit of your experience as commissioners.

In 2008, Professor Mark Shucksmith, chair of the Committee of Inquiry on Crofting (ColoC) commented: *"Fifty-four years ago the Taylor Committee argued that crofting was worth preserving 'for its own intrinsic quality.' We believe, on the basis of all the evidence that we have heard, that the potential contribution of crofting is even more important, nationally and internationally, than was realised half a century ago. The national interest today demands much more from the countryside than the post-war imperative of expanding food production. Scotland requires a well-populated countryside which sustains a diverse and innovative economy, attracts visitors, cares for natural habitats, biodiversity and carbon stocks, and sustains distinctive cultures. Crofting has had success in relation to these objectives, and – given the right support – has the potential to contribute much more."*

1. Crofting, as a unique form of regulated land management, and all the benefits outlined above, will be lost if left on its current trajectory. Succession of crofts has stagnated and a market in crofts has gone completely out of control. Crofts are unaffordable to local or young people, many crofts are unused and inappropriate decrofting is granted. Despite its efforts, the Crofting Commission is failing to manage the system, or the crisis crofting faces, in any meaningful way. The situation has deteriorated considerably since the ColoC reported in 2008 yet the recognition of the value of crofting has increased during this same period – in addressing depopulation, the climate emergency and in community resilience. There is an urgent need to intervene. SCF takes the position that this is an emergency.

Do you agree with this? What do you think is preventing the commission from being the effective custodian we all want? What is required to restore crofting to good health?

2. *What we want* is crofting legislation that enables the system to develop and thrive.

But, what we see is crumbling, ineffective law that restricts the effective regulation of crofting, leaving it to wither. Law reform has been widely called for, for many years, yet crofting was only referred to in passing in the Programme for Government and progressing crofting law reform did not appear at all.

Do you agree that crofting law reform is urgently needed and would facilitate the more effective regulation of crofting?

3. *What we want* is all crofts being used and those no longer needed being passed on to new entrants to use. We want an empowered, resourced and tasked commission investigating and enforcing breaches proactively, rather than only responding to a complaint from a restricted few.

But, what we see are many hundreds of neglected or completely abandoned crofts. The commission seems to have become solely an administrator rather than an effective regulator of crofting.⁵

What is preventing the commission from having some proactive, on-the-ground activity - for example, one-to-one advice or community asset planning?

4. *What we want* is crofts being passed on to new entrants at a minimal price and then being used.

But, what we see is young and local folk excluded by exorbitant prices of both crofts and tenancies; crofts bought by people who have no intention to croft or lack the qualifications and experience to do so; crofts occupied for only short periods of the year and not used as crofts; crofts assigned to those who already have multiple crofts; crofts assigned to landlords or their close relatives to take back 'in hand' as part of the estate; crofts bought by individuals or companies as development land. Crofting is a regulated system; everything in crofting is regulated – except for the market in crofts and croft tenancies.

What is stopping the commission from regulating the transfer of crofts, to ensure that crofts are transferred to those who are needed by crofting – those who will use them, young people, local people, new entrants? How can the commission use its position as regulator to intervene in the market – for example enforcing regulation, or taking the position of 'honest broker' (managing the transfer of crofts), using a targeting system such as that used in the CHGS?

5. *What we want* is the creation of thousands of new crofts, including 50%

⁵ Recent figures indicate that there is an overall total of 1127 croft holdings that are identified as vacant crofts. This doesn't include the many more that are not used but are not 'vacant'. A recent CC board meeting was told that, of the 48 staff, the RALU team has 3 FTE, one currently off for a year; we understand this may have changed since, but is still indicative of the prioritisation you are forced into.

woodland crofts, and ministers freeing up publicly-owned land to create crofts.

But, what we see is almost no creation of new crofts and none by Scottish Government.

What would it take for the commission to be proactive in the creation of new crofts?

In 2008 the ColoC said, after gathering evidence from all over the crofting counties:

“Our consideration of evidence about these issues, together with the underlying public interest in crofting, has led us to recognise the importance of distinguishing between the interests of crofting, of individual crofters and of communities. Many people told us of their concern that a satisfactory balance is not being struck between individual interests and those of crofting. Regulation has sustained crofting by balancing the interests of the individual against those of the wider community, now and in the future.

“To secure the public interest in crofting and therefore its wider benefits, there must be effective governance arrangements linked to stronger, but simpler, regulation – understandable, enforceable and clearly directed to agreed policy goals. Unless there is a better balance struck than at present, giving wider interests, especially those of future generations, precedence over individual gains, crofting will ultimately disappear, and its potential contribution to sustainable rural development will be lost.”

Written submission from Women in Agriculture

WIA research 2020-22: one-page summary

ANNEX 1 - BRIEFING NOTE

Women in Agriculture: research 2020-2022

A range of research is currently being carried out as part of the Women in Agriculture programme, building on previous work. A progress report on research conducted as part of the Women in Agriculture programme 2020-21 will be published by December 2021.

Research background

- The Scottish Agricultural Census 2020 shows that 39% of all working occupiers and spouses on Scottish farms are female, and 61% are male.⁶
- Research commissioned by Scottish Government in 2017 identified key issues that impact women in agriculture and limit their participation in the industry.⁷
- The Women in Agriculture Taskforce published its Final Report in 2019, which outlined a series of recommendations, on topics including: training and development for women; an Equality Charter for the industry; improved succession planning in farming families; and improving childcare in rural areas.⁸

Current research

In 2021, we published a report titled 'Rural childcare provision, innovative models and the needs of agricultural families'.⁹ This informed the development of a rural childcare pilot with Mull and Iona Community Trust, which is being co-funded by Women in Agriculture.¹⁰

Current research includes an evaluation of the 'Be Your Best Self' training pilot 2020-21, delivered through the Women in Agriculture Development Programme (WiADP). Follow-up interviews are being carried out with participants to examine its long-term impact. The evaluation will be completed this year and a report will be published in early 2022.

We are also carrying out research into women's leadership development programmes and models suitable for women in agriculture, and commissioning a new research project titled 'Women in Agriculture: evidence-based approaches to implementing equality commitments in organisations'. This project is expected to start in October 2021.

⁶ [Scottish Agricultural Census: final results - June 2020 - gov.scot \(w ww.gov.scot\)](https://www.gov.scot/w/womeninagriculture.gov.scot)

⁷ [Women in farming and the agriculture sector: research report - gov.scot \(w ww.gov.scot\)](https://www.gov.scot/w/womeninagriculture.gov.scot)

⁸ [Women in Agriculture Taskforce: final report - gov.scot \(w ww.gov.scot\)](https://www.gov.scot/w/womeninagriculture.gov.scot)

⁹ [Rural childcare provision, innovative models and the needs of agricultural families: research - gov.scot \(w ww.gov.scot\)](https://www.gov.scot/w/womeninagriculture.gov.scot)

¹⁰ [Funding for Childcare and Well Being | Mull and Iona Community Trust \(mict.co.uk\)](https://mict.co.uk)

Further research

During 2021-22, we plan to evaluate the impact of WIA-funded training pilots:

- WIA 'Be Your Best Self', 2021-22
- WIA Practical Training Fund, 2021-22
- WIA 'Knowing your Business', 2022

Written submission from the Landworkers' Alliance

The Landworkers' Alliance (LWA)¹¹ is a democratic, member-led **union** of farmers, growers, foresters and land-based workers with a mission to improve the **livelihoods** of our members and create a **better food and land-use system** for everyone. We operate across the UK and have been active in Scotland since 2018. We are also a member of La Via Campesina: an international organisation of over 200 million small-scale farmers and agricultural workers' unions around the world. We work together to achieve a vision of **agroecology, food sovereignty** and **sustainable forestry**.

Our policy and campaigns work in Scotland is supported by a Committee of Members with representatives for each of nine regions: Argyll & The Islands, Ayrshire, Dumfries & Galloway, East Central, Forth & Clyde, Lothians & Borders, Northeast, Highlands, Orkney & Shetland.

What we stand for: an agroecological future for Scotland

Agroecological farming and land management is **place based, sustainable and deeply integrated with the local community and environment**. But agroecology is more than just a set of agricultural techniques. As a framework for regenerative agriculture systems, it advocates democratic, social and political relationships that are based upon principles of **inclusiveness, equity and justice**.

Agroecology is endorsed by the **UN FAO** and the **UN Special Rapporteur on the Right Food**. It is also included in the text and targets of the **EU Biodiversity and Farm to Fork Strategies**.

We believe that agriculture should focus on producing food for feed people rather than as inputs for global commodity markets. This means guaranteeing the **right to food** to ensure that everyone has **secure access** to nutritious and culturally appropriate food, and that **producers are valued**.

Key issues for the Rural Affairs, Islands and Natural Environment Committee

The broad remit of the RAINE Committee covers many issues that are of strong interest to our members. This parliamentary session will likely see reform of rural payments, a new local food policy and a new organic action plan, and these policies require **integrated, bold, and speedy action**.

An overarching issue is the need for better **recognition** of the **social, economic, and environmental value of genuinely local production and agroecological** farmers, crofters, growers and foresters. Valuing Scottish landworkers also means that we need more **transparent decision-making** with **meaningful and equal opportunities for participation**. Agriculture, land and food are topics that concern us all and only when **all key workers** – the small-scale producer, the local processor, the seasonal worker etcetera – are **included** in the conversation, will we achieve a truly **just transition**.

The complex issues outlined below, and other issues related to the twin crises of biodiversity and climate change, should also be seen as being **intrinsically interlinked**. We are concerned by the fragmented approach that is taken to

¹¹ Our manifesto is available here: <https://landworkersalliance.org.uk/wp-content/uploads/2021/05/LWA-Scotland-Manifesto-website-1.pdf>.

agricultural and (local) food policies. The **Good Food Nation Bill** should offer a framework that enshrines the right to food into Scots law. **Framework legislation** and the work of this Committee are essential to secure **synergies across all relevant policies**.

Land ownership and access: address key barriers to sustainable land use

Historical land accumulation is a key barrier to achieving a sustainable future based on local food production and addressing the climate change and biodiversity crises. Rural land accounts for 98% of Scotland's land area – 50% of which is owned by only 432 families (0.008% of the population).¹² **Land concentration** comes with issues of power concentration and community **disempowerment, inequality** of economic outcomes and it could **harm social and environmental wellbeing**.¹³

Access to land is also the primary **barrier** for agricultural **new entrants**,¹⁴ with related hurdles being the high cost of land, lack of affordable housing and low availability of long-term tenancies and other secure tenure options. As the average age of farmers continues to rise, and the agricultural workforce in Scotland is in decline,¹⁵ there is a need to support a new generation of Scottish **land stewards**.

Whilst land ownership is a complex issue, there are many **options to support diversification** such as to increase publicly owned land, improve democratic control of planning systems, boost community ownership, cap individual land ownership and scrutinise transfers. It is also necessary to learn from the experiences of new entrants and agroecological land workers and take **inspiration** from initiatives such as the **Ecological Land Cooperative** in England and *Terre de Liens* in France.

Reform payments to protect biodiversity, address climate change and foster equity

Agricultural basic payments have resulted in a positive feedback loop, as owning more agricultural land means more public support, means more possibilities to finance and acquire more land. A new package should be centred around the objectives to **protect biodiversity** and **address climate change** and provide for **greater equity** among food producers and consumers and support **transitions to agroecology**. This could mean radical change in the way existing budgets are being spent, but even if alignment with the CAP is sought, inspiration should be taken from recent reforms, such as mandatory **redistributive payments** and requirements for **social conditionality**.

¹² Scottish Government – Land Reform Review Group (2014) *The Land of Scotland and the Common Good*, available at: <https://www.gov.scot/binaries/content/documents/govscot/publications/progress-report/2014/05/land-reform-review-group-final-report-land-scotland-common-good/documents/00451087-pdf/00451087-pdf/govscot%3Adocument/00451087.pdf/>.

¹³ Scottish Land Commission (2015) *Legislative proposals to address the impact of Scotland's concentration of land ownership*, available at: https://www.landcommission.gov.scot/downloads/601acfc4ea58a_Legislative%20proposals%20to%20address%20the%20impact%20of%20Scotland%E2%80%99s%20concentration%20of%20land%20ownership%20-%20Discussion%20Paper%20Feb%202021.pdf

¹⁴ James Hutton Institute (2018), *Increasing the Availability of Farmland for New Entrants to Agriculture in Scotland Final report to the Scottish Land Commission* (2018), available at https://www.landcommission.gov.scot/downloads/5dd6a2d2ac866_McKee-et-al.-Finalreport-to-SLC-Increasing-land-availability-for-new-entrants-2.5.2018.pdf.

¹⁵ Scottish Government (2020), June Agricultural Census 2020.

We welcome the new **Agriculture Reform Implementation Oversight Board (ARIOB)** but believe that an independent chair would have strengthened a **more balanced approach** to inform reform. Also, sectors that are **crucial for** delivering on a vision for sustainable **local food**, like small-scale **horticulture** and innovative, **community supported** farming businesses, are not represented.

Support genuinely local food production to address climate and biodiversity crises

It is only in the last 40 years of internationalised, supermarket food that most of Scotland's food has stopped being local. Genuinely local food production will help achieve **climate targets** by reducing food miles, enhancing the seasonality of diets and limiting packaging, and may also bring **communities together**. The question should not be: 'How do we encourage more local food production?' But 'How does Scotland prepare to feed itself in a world of climate and biodiversity crises?' In this regard, the lack of economies of scale of local, year-round production and the failure to internalise the negative impacts of industrial farming in the price of food products, puts many local producers at a **competitive disadvantage**. This even though every pound spent on sustainable, local produce generates more for local economies than had it been spent in a supermarket.¹⁶

Key is to put genuinely local, sustainable production at the heart of **public procurement**, giving priority to small businesses, to improve **local infrastructures**, including local or mobile abattoirs, processing and storage facilities, distributions hubs, food waste recycling centres and wholesale markets, and to implement **the polluter-pays-principle** for law and policies on food and agriculture.

Review land-based education and training and increase diversity in farming

Giving children and young adults the **skills** necessary to **grow, choose and prepare nutritious food** does not only provide benefits related to physical and mental wellbeing, but also provides foundations for the creation of a new, diverse generation of conscious farmers, crofters, growers, foresters and other land-based workers. Indeed, if we are going to grow and eat sustainably, then we need to teach our future producers how to do it well: from within Scotland's mainstream **education** system. **National 5 and Higher qualifications** in organic/agroecological food, farming and forestry and a **degree level course** in Local Food Production and Management should be introduced in this session.

Increasing the **visibility and accessibility** of the food and agricultural sector, especially with regard to young people who may otherwise lack exposure, is crucial to **increase diversity** in Scottish farming, crofting, growing and forestry work. More support to women and all gender identities, and monitoring ethnicity of the farming population are important steps to take. The appointment of '**diversity champions**' could also challenge perceptions of who land-based workers are.

¹⁶ B Ward and J Lewis (2004), Plugging the Leaks. Making the most of every pound that enters your local economy (*New Economics Foundation*).