

# Cross-Party Group on Rural Policy

26th September 2023, 18:00-19:30 (Hybrid)

## The future of food and drink production in a changing policy context

### Minutes

#### Present

##### MSPs

Finlay Carson MSP  
Edward Mountain MSP  
Rachael Hamilton MSP  
Ariane Burgess MSP  
Emma Harper MSP

##### Speakers

Professor Steven Thomson	SRUC
Jonnie Hall	NFU Scotland
John McCulloch	Agri & Rural Affairs Chair, Scottish Association of Young Farmers Clubs

##### Non-MSP Attendees

Adam Forrest	Scotland Food and Drink
Alan Bruce	SAC Consulting
Alexa Green	SRUC
Alexander Walker	NFUS
Alistair Prior	Rurali Ltd.
Ana Vuin	SRUC
Andre Prasetyo	University of Edinburgh Student
Andrew Bauer	SAC Consulting
Andrew Heald	CONFOR

Anna Sellars	SAC Consulting
Arthy Surendran	SRUC
Beatrice Morrice	NFUS
Brady Stevens	SAC Consulting
Carolyn McGill	Forth Valley Food & Drink
Claire Donaldson	SRUC
Claudia Rowse	Scottish Natural Heritage
Craig Davidson	SRUC
Cristina Clopot	RSE
Danielle Higginson	SRUC Student
David Cameron	Community Land Scotland
David McKay	Soil Association Scotland
David Nicholson	Musician
David Watts	University of Aberdeen
Davy McCracken	SRUC
Douglas Scott	
Ewan Johnston	SAC Consulting
Francis Naab	SRUC
Geoff Simm	University of Edinburgh
Graeme Beale	RESAS
Heather Stuart	SAC Consulting
Iain Boyd	SAC Consulting
Ian Merrell	SRUC
Ian Muirhead	Agricultural Industries Confederation (AIC)
Jack Zuill	SAC Consulting
James Brown	Scottish Government
Jane Organ	SAC Consulting
Jane Taylor	Angus Council
Janet Hunter	Growbiz
Janine Mills	National Trust for Scotland
Jennifer Campbell	DM Hall

Jenny McMillan	SRUC
Joana Ferreira	SRUC
Katy Ewing	Southern Uplands Partnership
Kylie McConnell	Southern Uplands Partnership
Laura Robertson	HIE
Lorna Dawson	Hutton
Lucy Rothenberg	
Mandy Dailly	SAC Consulting
Marcus Craigie	University of Aberdeen
Mark Bowsher Gibbs	SAC Consulting
Michelle Flynn	SRUC
Michelle McWilliams	University of Aberdeen
Moira Gallagher	SAC Consulting
Osla Jamwal-Fraser	SAC Consulting
Pete Ritchie	Whitmuir Organics Limited
Philip Duffy	Scottish Government
Rebecca Richmond	Black Isle Walking with Horses
Richard Haw	RESAS
Rob Clarke	HIE
Sally Abernethy	IPSOS
Sara Bradley	UHI
Sarah MacLean	Buth Bharraigh Ltd.
Sascha Grierson	SAC Consulting
Sharon Rice-Jones	Perth & Kinross Council
Stephanie Weir	Scottish Government
Stephen Cox	Scottish Government
Theona Morrison	Scottish Rural Action
Tiernan Bark	
Wendy Barrie	Scottish Food Guide

## Apologies

### MSPs

Rhonda Grant MSP

### Non-MSP Group Members

Dr Ann MacSween

David Gass

Prof Sarah Skerratt

Harriet Donald

David Henderson-Howat

Michael Danson

Jim Hume

## Agenda item 1

### **Welcome, introductions and apologies**

Edward Mountain MSP (chair and co-convener) welcomed everyone to the first meeting of the Cross-Party Group in the Scottish Parliament on Rural Policy for the 2023-24 year. He noted the MSPs in attendance and MSP apologies, including co-convener Emma Harper MSP.

It was confirmed that all participants had been emailed the agenda and the list of attendees and that the Rural Policy Centre (RPC) as Secretariat has a note of all apologies received and would list them in the meeting minutes as usual.

It was reiterated that speakers' presentations (slides and a video recording) would be uploaded to the CPG section of the RPC area of the SRUC website as soon as possible after the meeting along with the unapproved minutes. Group members were encouraged to send the RPC an email if amendments were required in the minutes. The minutes will be formally approved at the next meeting in December.

Participants were reminded to mute their microphones unless speaking and to raise their hands to speak or to type their comments/questions into the chat function. It was noted that due to the importance topic the recordings of the presentations may be turned into a future podcast episode.

## Agenda item 2

### **Approval of minutes from last meeting**

Edward Mountain MSP motioned to approve the minutes of the previous meeting 'Nature based solutions in agriculture', which took place on the 6th June 2023. Minutes were approved by Finlay Carson MSP and seconded by Professor Davy McCracken. The Secretariat confirmed that no comments had been received on the unapproved minutes.

The minutes of the June meeting were approved.

## Agenda item 3

### **Group AGM – reapproval of office bearers**

Edward Mountain MSP explained that he and Emma Harper MSP wished to remain as co-conveners of the Group. This was proposed by Finlay Carson MSP and seconded by Andrew Bauer. Edward Mountain MSP and Emma Harper MSP were confirmed to continue as Group co-conveners.

Ariane Burgess MSP proposed SRUC's Rural Policy Centre (RPC) to continue as Secretariat. Edward Mountain MSP seconded this. The RPC will continue as Group Secretariat.

## Agenda item 3

### **Presentations and discussion**

- ***Professor Steven Thomson***, SRUC
  - Steven spoke about the high-level issues he sees in agricultural policy and issues faced by the sector.
  - He highlighted several significant environmental challenges and policies that are changing the landscape for agriculture globally and in Scotland.
  - In Scotland, these include nature recovery plans, climate change plans, upcoming land use and agriculture targets, as well as the Natural Environment Bill.
  - In addition are the Rural Delivery Plan and initiatives under the Just Transition commission.
  - He pointed out a critical issue with the agricultural budget; that whilst it may appear static it is declining in real terms. This is a major issue in Scotland, across the rest of UK, and in Europe. This poses a substantial challenge in the face of the growing expectations on farmers to contribute to nature recovery, decarbonisation, food and drink production, and supporting rural economies. Steven expressed that the current budget will be insufficient to support farmers to achieve these aims.
  - He also stressed the crucial role of agriculture and the primary sector in rural Scotland's economy and communities. This role is often undervalued in policy debates and these sectors account for a substantial share of businesses, employment, and turnover. Food production is often particularly undervalued, especially in comparison to the drinks sector.

- He expressed concerns about the Scope 3 national inventory approaches, highlighting confusion within the sector. There is a concern that farmers 'give away' their carbon and may not be able to sell their products within the retail sector.
- There is also increasing pressure for private sector investment in natural capital, with fears that insetting and offsetting initiatives will allow businesses in other sectors to continue polluting (i.e. 'greenwashing') whilst agricultural support mechanisms will fail to adequately compensate farmers.
- He discussed the importance of aligning the Natural Environment Bill with agricultural policy to ensure coherence. This alignment is particularly crucial given the introduction of nature restoration targets and environmental support mechanisms.
- He raised questions about the cost implications of these environmental commitments and called for support mechanisms to help the agricultural industry adapt to these changes.
- He noted there is still a lack of detailed information about future agricultural policy, including around support schemes and environmental conditions. The forthcoming Agriculture Bill is a framework bill and is unlikely to contain this detail. He emphasised that clarity is essential for farmers to make informed investment decisions.
- Lastly, he stressed the importance of recognising the need for trade-offs in policy design rather than striving for a perfect system. The complexity of the agricultural and environmental policy landscape requires flexibility and pragmatism.
- Ariane Burgess MSP asked Steven to clarify what he meant about the food and drink sector needing more support. Steven explained that Scope 3 commitments go beyond national inventory approaches and consider the global carbon footprint. His concern was that a narrow focus on national inventories without accounting for imports can lead to misleading emission figures, potentially exacerbating global climate change. The Scope 3 initiative takes a more comprehensive approach, emphasising the need to consider imports and the broader global context. Steven urged that policies are needed which empower farmers and food producers to play a positive role in the private sector's efforts towards environmental responsibility and emissions reductions.
- Following Steven's presentation several MSPs declared their own interests in this topic. Edward Mountain MSP noted that he is long term farmer and part of a family farming partnership. Finlay Carson MSP noted that he is the convenor of the committee that will be discussing the Agriculture Bill and a former farmer. Ariane Burgess MSP noted that she is also on the committee that will be discussing the Agriculture Bill.

- **Jonnie Hall**, Director of Policy, NFU Scotland

- Jonnie discussed various aspects of agricultural policy and its implications.
- He highlighted the lack of inherent contradiction between high quality food production, tackling climate change, protecting biodiversity, and supporting rural communities. However, it is vital to get the policy framework right in order to prevent the development of conflicting aims and measures.
- He highlighted that since the Brexit vote and Scotland's departure from the EU, there is significant uncertainty in the farming sector regarding the direction of agricultural policy.
- Referring to the Scottish Government's second Agricultural Reform Route Map which published earlier this year, Jonnie expressed concerns about the complexity and coordination of land reform, environmental and agricultural policies in Scotland.
- He emphasised that the agricultural sector will play a crucial role in addressing climate change and biodiversity losses and supporting rural communities, and noted that much of the country's land mass is under some form of agricultural management.
- He argued that it is essential that farmers are properly supported with sufficient funding if they to deliver public goods (e.g. environmental benefits) and other goods which are in the public interest, including food production.
- He further highlighted the erosion of the real term value of agricultural support due to inflation, and that funding must increase to support the delivery of new policy outcomes and to support agricultural businesses to work differently. UK government funding commitments expire at the end of the lifetime of the current parliament, adding further uncertainty.
- He concluded by highlighting that the challenges faced by Scotland's agricultural sector are consistent with those across the UK, the EU, and globally. One statistic suggests that to effectively feed the world today and eradicate malnutrition, there would need to be a 28% increase in global food production. This challenge is set to further increase by 2050, highlighting the critical importance of supporting agriculture to adapt and to adopt technologies.
- Finlay Carson MSP asked for clarification regarding the figure of having to increase global food production by 28% and whether it takes food waste into consideration. Jonnie responded by acknowledging the global issue of food waste and expressing the urgent need to address it. Jonnie stressed the importance of ensuring the continued production of high-quality, affordable food in Scotland, particularly in the context of the cost-of-living crisis and the upcoming agriculture bill.
- Emma Harper MSP also raised the concerns about global food waste, noting that over half of all food produced worldwide is wasted. Food waste from various sources needs to be tackled, including from restaurants, supermarkets and households.

- **John McCulloch**, Chair of Agri & Rural Affairs Committee, Scottish Association of Young Farmers:
  - John highlighted the major concerns of young people in Scottish agriculture. Key issues include access to land and access to funding, especially for those who want to farm independently.
  - Succession planning is an important issue relating to access to land, with productive land not always handed over younger people wanting to farm the land. This situation has been exacerbated by increases in the purchasing of land by natural capital investors. Additionally, high land prices driven by factors like forestry make it difficult for young farmers to compete in the land market.
  - He also emphasised the need for better utilisation of services like the Scottish Land Matching Service, which aims to ensure a smoother transition of land to the next generation of farmers.
  - On the funding front, young people face bureaucratic hurdles and limited financial support when seeking to start or expand their own agricultural businesses.
  - John highlighted the case of some young people being unable to access a grants scheme aimed at young people in agriculture in cases where they already had an existing business. He called for the development of a government backed loan scheme to support young people wishing to start or expand agricultural businesses.
  - John also stressed the importance of providing training opportunities, as not all young people wanting to work in agriculture come from farming backgrounds.
  - Training is essential to building the necessary skills for working in agriculture, and John called for the expansion of training programs designed to cater for the diverse interests of young people in agriculture.

Key issues raised in the discussion included:

- ***Alignment and Responsibility for Changes in Agricultural Sectors:*** Edward Mountain MSP asked the speakers whether we are ‘all in this together’ and for comments regarding the degree of shared responsibility across consumers, suppliers, manufacturers, and farmers, and who will bear the costs of any changes or challenges. He inquired about the level of collaboration and unity across the government, environmental organisations and other actors when it comes to managing the countryside, and whether there is a sense of cohesion or fragmentation. Jonnie Hall responded that there is currently a lack of equity and fairness in the agricultural supply chain, emphasising that different players had different priorities and objectives. He pointed out that consumers were experiencing food price inflation due to high input costs impacting primary producers (farmers and crofters), while retailers and processors in the supply chain were making substantial profits. He mentioned efforts by the UK and Scottish governments to address fairness in

the supply chain but acknowledged that these issues had not been fully resolved. Jonnie referred to the Office for the Internal Market's study on the impact of rising input costs on food prices for consumers, which could provide valuable insights. Edward Mountain MSP shared a personal example of his narrow profit margins as a farmer in contrast to drink suppliers' record profits, underscoring the disparity within the supply chain. Steven Thomson further explained the dynamics within supply chains, focusing on upstream suppliers such as feed manufacturers. He emphasised that despite rising raw material costs, suppliers were maintaining the same profit margins, resulting in them making increased profits. He underscored the importance of considering adjustments to tax rates and profit margins to prevent disruption throughout the supply chain in the face of inflation. He also mentioned the Just Transition Commission's efforts to address equity concerns in various sectors, including agriculture. Steven highlighted the need for adequate consideration of agricultural workforces, including provision of retraining opportunities for those engaged in agricultural activities or other industries as policies lead to transitions in employment markets. He noted that equitable issues span various supply chains and are not limited to agriculture and food, particularly as decarbonisation efforts continue.

- ***Liberal Democrats' Proposal for Additional Agricultural Budget:*** David McKay, Head of Policy in Scotland at the Soil Association noted that the Liberal Democrats have recently called for an additional £1 billion annually to be added to the UK farming budget. This proposal was based on research referred to by Steven Thomson earlier, suggesting that there had been an approximately 8.3% real terms cut in the budget since 2019. David sought Steven's perspective on whether this £1 billion increase was a realistic and adequate figure. In response, Steven referred to an article he had authored for Farm Northeast earlier this year, where he examined the agricultural budget over the long term. He highlighted there that the real term agricultural budget has undergone a more than 50% decline in recent years. He expressed his belief in taxing people to fund initiatives related to nature recovery, net biodiversity gain, and carbon emissions, as it leverages existing mechanisms and avoids potential greenwashing. Regarding the proposed £200 million increase in the UK farming budget, Steven suggested it would not be sufficient to meet the government's commitments within their specified timeframes. He noted that the agricultural reform programme's target of a 24% reduction in carbon emissions from agriculture by 2025 is unachievable. He indicated that achieving such objectives required substantial financial support to accelerate transitions beyond what the private market could accomplish. He currently thinks that the private market might drive decarbonisation more rapidly than the government. Jonnie Hall explained that NFUS had discussed this issue with Tim Farron MP, the Lib Dem Rural Affairs spokesperson. Based on current allocations, this would equate to approximately 17% for Scotland or £170 million. Jonnie expressed his full support for this proposal and stated that it would be a primary area of focus in their upcoming political engagements. However, he concurred with Steven, noting that while the increase would help mitigate the decline in real terms support, it will not be enough to fully address the additional demands placed on the agricultural sector. David concluded by highlighting a study from RSPB

and others, which suggested that the budget for agriculture needed to double across the UK to fulfil current ambitions.

- ***Impact of Implementing Caps on Direct Payments in Agricultural Funding:*** Rachael Hamilton MSP asked what would happen to the level of food production if a cap was implemented on direct payments in the future agricultural funding system? In response, Jonnie Hall noted that capping had been a long-debated topic and was already feasible under the existing Common Agricultural Policy (CAP). However, he expressed reservations about implementing an arbitrary cap, emphasising that such a measure might lead to a decline in food production. Jonnie's concerns included the potential impact on larger, more efficient farming units which could face reduced payments due to capping, thus affecting their ability to produce food. He cautioned against imposing an arbitrary cap, describing it as a blunt tool that would not effectively incentivise desired changes in behaviour and practices. Jonnie also highlighted the importance of considering what happens to the capped funds, and whether funds would be reinvested in agricultural business to support climate, biodiversity or other management initiatives. Jonnie drew attention to developments in other parts of the UK where they direct support payments are being phased out by 2027, meaning that market demands for standards will need to become more important in meeting climate and nature objectives. Steven Thomson started by acknowledging the presence of capping mechanisms already in place in Scotland. There is a cap at 600,000 for basic payments, and degressivity at 5% for amounts exceeding 150,000 euros. He saw capping as a potentially useful tool because it could address the issue of inactive farmers receiving substantial support payments, a situation often referred to as 'slipper farming'. Capping could provide a solution in this context. He emphasised the importance of finding ways to support young farmers and the need to find new funds to support these initiatives. He recognised that larger farms tend to benefit from economies of scale and operate more efficiently, resulting in lower transaction costs with government and meeting compliance requirements on a per-hectare basis. He noted then that is a need to consider various approaches to redistributing funds, which are not limited to capping and also include redistributive payments. Steven stressed that funding is essential to accomplish a range of goals, including supporting young farmers to establish new agricultural businesses, encouraging agricultural diversification, and responding to climate and environmental concerns, and advocated for an open and honest discussion on funding sources to meet these objectives.
- ***Agricultural Funding and Environmental Considerations:*** Finlay Carson MSP noted that some farmers have expressed a preference for a phased reduction in base payments, and that this is the case across both large and small farms. He also stressed the importance of directing public money toward active farmers and the delivery of public goods. Finlay highlighted the decline in the value of the annual agricultural budget over time, a trend driven by inflation and other factors. He questioned whether it might be more appropriate to allocate agricultural payments exclusively for farming, given that an array of other sectors are increasingly vying for those funds (e.g. Ramblers Association, RSPB, Wildlife Trusts). He proposed moving beyond specific budget allocations toward more comprehensive, multi-purpose budgets that align with specific policy objectives, such as those related to food

security, climate change, and the natural environment. In response, Steven Thomson stressed the importance of considering the broader environmental impacts when allocating support payments to avoid negative unintended consequences. He highlighted the need for strong conditionality in agricultural support to ensure that farming does not lead to pollution, biodiversity loss, or water quality issues. He mentioned that in the EU, elements previously deemed ineligible for agricultural support are now being re-integrated into support packages. Following this, Jonnie Hall further highlighted the importance of environmental benefits in justifying financial support provided to the agricultural sector and the need to recognise positive land management as an important outcome of agricultural systems and businesses. He went on to highlight this is an important aspect of the government's new four-tier framework for agricultural support. Tier One involves the base payment for financial stability, whilst Tier Two introduces enhanced payments for management options constituting direct support for agricultural businesses. Jonnie asserted that these first two tiers should still receive the majority of the funding allocation, since they have the ability to play fundamental role in addressing challenges such as climate mitigation and adaptation and biodiversity conservation. Most importantly, this will ensure the viability of agricultural businesses so that can continue to produce food. Jonnie highlighted here the importance of achieving the correct balance in funding allocations. He noted the precarious financial and physical position of farming on the west coast of Scotland and that removal of direct support would lead to the rapid collapse of agricultural businesses. This would have far-reaching socio-economic consequences, with loss of both livestock and communities.

- ***The Good Food Nation Act, local food production, and gene editing:*** Wendy Barrie, from the Scottish Food Guide, sought clarification on the prominence of the Good Food Nation Act within the agricultural bill. She emphasised the importance of viewing these issues as interconnected and not in isolation, highlighting the need for an integrated approach. Finlay Carson MSP was first asked to comment and addressed the issue of secondary legislation in the Parliament, particularly regarding framework bills. He expressed a concern that there are too many framework bills which relegate important details to secondary legislation, which are subject to less parliamentary control or influence. To address this concern, he emphasised the need to anticipate and discuss secondary legislation at an earlier stage, ideally during stage one. However, he acknowledged that such discussions may not always lead to parliamentary amendments or changes in the legislation. The Good Food Nation Act is an example of this, where efforts were made to include targets, reporting mechanisms and checks to ensure that the bill achieved its intended outcomes. He noted the challenges of achieving this within the current parliamentary framework but expressed hope that the forthcoming Agricultural Bill might provide an opportunity to incorporate such mechanisms. The ultimate goal of the Good Nation Food Act was to work towards sustainable, affordable food security while considering climate change and biodiversity. However, the outcome remained uncertain, pending the development of the Agricultural Bill. Ariane Burgess MSP also highlighted the inclusion of the Food Commission in the Good Food Nation

Act, which is expected to be established around the end of 2024. She mentioned that the government is working on its plan, including setting up the Food Commission, and local authorities will subsequently need to develop their local plans. Ariane stressed the importance of the local procurement aspect within the Good Food Nation Act, and the direction this would give to local authorities. She noted that the recent Verity House agreement, which includes commitments related to climate change, poverty, and people-centred public services, was encouraging local authorities to align their efforts in specific directions. While she was not certain that the Good Food Nation Act would be referenced in the Agricultural Bill, she felt there was still reasons to optimistic about the act. Jonnie Hall also highlighted the merits of the Good Food Nation Act including aspects related to local procurement. However, he expressed concern about the extent of the Act's focus on primary producers, emphasising the need for sustainable food production to begin with these producers and extend all the way through to the end consumer. Jonnie hoped that the Act had sufficient scope to ensure this alignment. He also stressed the importance of legislation, including the Agricultural Bill, being complementary rather than conflicting with other pieces of legislation related to land reform, the natural environment, biodiversity etc. Steven Thomson addressed several key challenges in the context of local food production and consumption. He highlighted the lack of processing capacity in some local authority areas, which hindered the delivery of local food. Using Orkney as an example, he pointed out the absence of an abattoir, making it challenging to provide local beef or sheep meat for consumption within the region. Small local abattoirs have disappeared, causing issues for organic farmers some of whom have to transport their products to the mainland for slaughter at significant cost. Steven also mentioned his visit to Shetland, where he observed that much of the fruit and vegetables were produced for home consumption rather than an active market, underscoring the difficulties in local food distribution. Steven also shared his perspective on gene editing. He recognised the scientific opportunities in areas like the potato sector, where researchers can manipulate genetic resistance to diseases. However, he emphasised the need for careful consideration when dealing with these technologies to avoid potential risks and challenges.

- **Promoting Agricultural Cooperation:** Andrew Bauer from SAC consulting asked Jonnie Hall and Steven Thomson what they would like to see in the secondary legislation, regulations and funding, to encourage more cooperation within agriculture. Steven emphasised the need for agricultural infrastructure and cooperation and highlighted the already significant presence of cooperatives in Scottish agriculture with a collective turnover of £1.3 billion. He stressed the importance of holistic thinking, particularly in the context of biodiversity and habitat networks. He stated there is significant potential to create an enhanced payment system, potentially in Tier 3, for individuals and entities involved in networking and collaborative efforts related to biodiversity and landscape-level actions. He noted that this enhanced support could extend beyond the natural environment and also include

aspects of food production to align with legislation like the Good Food Nation Act. However, he underlined the critical need for financial resources and support to make these strategies viable. Steven also expressed concern that farmers might focus on basic income support without considering strategic investments, and he advocated for the allocation of funds to support strategic capabilities across Scotland. Jonnie discussed the provisions within the UK Agriculture Act related to producer organisations and the potential for their greater use. He noted the existing use of producer organisations in the fruit and vegetable sector and advocated for their broader application across various sectors. By facilitating more significant collaboration among groups of farms through these organisations, they could collectively wield more purchasing and negotiation power. Jonnie concurred with Steven's earlier point about the importance of collaboration for delivering biodiversity and climate outcomes. He mentioned a recent meeting with the Lorna Slater (Scotland's Biodiversity Minister) during which he and other stakeholders emphasised the need for the new framework to allow for more collaborative land management across multiple holdings, ideally on a catchment or landscape scale. Jonnie stressed the enhanced effectiveness of such an approach and the necessity of funding to facilitate it. He provided historical context by mentioning the Environmental Collaboration Action Fund (ECAAF) under the SRDP in 2015, which had a £10 million budget and was aimed at supporting facilitation and opportunities for farmers and land managers to work at larger scales but was subsequently discontinued. Jonnie also referred to past initiatives like the Environmentally Sensitive Areas (ESAs) and existing networks and designations that are underutilised, emphasising the potential for increased taxpayer value by enabling farmers and crofters to collaborate more effectively over larger areas. Ariane Burgess MSP inquired about the Regional Land Use Partnership pilots and sought the opinions of the panelists regarding their progress and significance. She highlighted the importance of these initiatives, emphasising their focus on landscape-scale collaboration, not limited to agriculture, and expressed concern that they might be overlooked or not receive adequate attention. Jonnie responded by acknowledging the importance of the Regional Land Use Partnership pilots and agreed that this is currently an absence of sufficient information about their progress and the insights gained from their implementation. Jonnie emphasised the potential of these pilots to enhance collaborative land management and deliver outcomes at a larger scale than individual farm-level approaches. Other opportunities for learning in relation to landscape-level collaboration include the national parks and SEPA's 'priority catchments' initiative.

- **Farmer data collection and sharing:** Rachael Hamilton MSP asked whether the panel could respond to concerns that farmers are reluctant to share their data, which was a response found in the Agricultural Bill consultation. Steven Thomson highlighted the substantial amount of data collected and shared in the farming and land management sector, providing an example of the detailed data available on cattle performance including individual cows. He

noted that while data on economics is less widespread, the Farm Business Survey covering approximately 420 farms provides insights into economic performance. Steven explained that farmers are willing to share data when there is a legal or economic imperative to do so. He mentioned integrated supply chains and buying clubs as other examples of contexts where data is being shared. He also pointed out that monitor farms are sharing their information and subjecting themselves to scrutiny, emphasising the importance of transparency in discussing the sector's performance from economic, social, environmental, and climate perspectives.

- ***Collaboration with the Health Sector and "Barnetisation" Concerns:*** Emma Harper MSP firstly emphasised the need for greater collaboration between the agriculture sector and the health sector, especially in the context of promoting healthy food production and addressing issues related to poverty, health inequality, and diet. She referenced the work of Professor Pekka Puska in Finland which concerns successful reductions in heart attacks as a result of changing diets to include locally grown berries and vegetables. Emma highlighted the importance of cross-portfolio cooperation, as when she is considering the implications for health in her role as a health committee member. Secondly, she inquired about potential concerns regarding "Barnetisation" in the future, specifically a 17% reduction in budgets. Emma sought the panel's views on the implications and challenges associated with such a scenario. Jonnie Hall responded regarding the importance of food in nutrition and health and noted that the role the Good Food Nation Act has here in ensuring the availability of affordable, healthy, and nutritious food. He emphasised the need for a connected supply chain, stretching from primary producers to consumers, to maximise the utilisation of what Scotland produces. In response to Emma's query about Barnetisation. Jonnie explained that the current agricultural funding of around £620 million per annum received by Scotland is not Barnetised. However, if it were to be Barnetised in the future, Scotland's allocation could potentially reduce to about 9% of its current budget. He stressed that Barnetisation does not just change the budget allocation but also affects its trajectory over time. Jonnie highlighted the complexity of how budget shares for agriculture were initially determined and proposed the need for a more contemporary and equitable distribution of funds, considering Scotland's significant contributions to food production, environmental designations, and tree coverage in the UK. Regarding the importance of food in nutrition and health, Jonnie noted that the Good Food Nation Act has a fundamental role in ensuring the availability of affordable, healthy, and nutritious food. He emphasised the need for a connected supply chain, stretching from primary producers to consumers, to maximise the utilisation of what Scotland produces. Steven noted that Barnetisation does not just change the budget allocation but also affects it over time, potentially leading to further reductions in funding. He referenced evidence given to a recent review which highlighted the challenge that the current budget comes from determinations made in 2001-2003, which does not align with contemporary realities. Steven emphasised that Scotland makes significant

contributions to food production and environmental designations, as well as the importance of considering global food production supply chains. He raised the concern that antimicrobial resistance, a vital issue, is not receiving adequate attention in the one health agenda, which is more embedded in EU legislation at present. Steven urged for a rethink of budget shares, considering Scotland's role in terrestrial environmental designations, food production, and tree coverage, and recognising that the basis for these shares has changed significantly since 2003.

- ***Coherent Policy Framework for Rural Scotland:*** Alistair Prior (Rurali Ltd.) raised a question regarding the need for a coherent policy framework for rural Scotland. He referred the concept of a "swimming pool of policies and legislations" and highlighted the discussions during the event about specific interventions for young farmers, supply chains, cooperation, and more. Alistair sought the panel's views on how to program and structure these specific interventions within a comprehensive policy framework that would facilitate their effective implementation. Jonnie Hall expressed his view on the complexity of the current policy landscape in rural Scotland, characterising it as cluttered and chaotic. He emphasised the need for coherence and complementarity between various policy objectives, recognising that these objectives, while individually laudable, will not be effective without proper coordination. Jonnie noted the importance of identifying the real drivers and priorities for allocating resources, pointing out that a comprehensive policy framework is essential for the effective implementation of policy goals. He gave examples of proposed bills, such as the Natural Environment Bill and climate targets for 2030 and 2045, stating that targets alone do not lead to meaningful action. Instead, he stressed that the achievement of these goals would require policy mechanisms that enable land use to get there, particularly agriculture. Jonnie highlighted that these mechanisms would likely be set forth in an Agricultural Bill and subsequent agricultural policies. Steven Thomson acknowledged the importance of creating a coherent policy framework, highlighting the ongoing efforts to develop such a framework, which includes the four-tier approach mentioned in the agricultural consultation. He expressed his preference for certain elements of the European Union's Common Agricultural Policy (CAP), particularly the idea of having a CAP strategic plan for Scotland. This plan would serve as an equivalent to the European CAP plan, bringing together various aspects and strands of policy into a coherent structure. Steven advocated for this strategic plan to provide a justification for the need for support across different sectors and regions. He suggested that this plan could clearly articulate the interventions required and the outcomes they are expected to achieve. He acknowledged that while Europe's recent reforms to the CAP may not have gone far enough for some, they represent a significant step forward in terms of policy evolution.

## Action points

No action points were raised during this meeting.

## AOB

Edward Mountain MSP concluded the meeting by thanking the speakers and the audience for their contributions to the discussion.

## Next Meeting

- The following dates for forthcoming meetings were noted. More information on the topics to be covered will be shared in due course:
  - Tuesday 5<sup>th</sup> December 2023: Carbon Credits, Carbon Trading and Natural Capital Markets.
  - Tuesday 5<sup>th</sup> March 2024: Land Reform
  - Tuesday 4<sup>th</sup> June 2024: Topic TBC