

Support for Agriculture and the Rural Economy – Post-Brexit Transition

Scottish Wildlife Trust Response

15th August 2018



We welcome the opportunity to respond to the public consultation on a transitional rural funding arrangement. We recognise the upheaval and uncertainty caused by our forthcoming exit from the Common Agricultural Policy (CAP) and acknowledge the need to provide stability. The transitional period, potentially lasting until 2024, is a crucial period for our wildlife, climate change targets and mitigation actions, and for ensuring environmental resilience. Below, outline what we believe is needed during this transitional period to deliver on Scotland's environmental ambitions and commitments. Overall, we stress the opportunity a transition provides to implement a system of rural support that is better aligned to Scotland's environmental and economic objectives.

Summary

- The Land Use Strategy should inform the future direction of travel for the rural economy.
- A transition must be *transitioning to* something: we can't set a direction without knowing the destination. A strong environmental vision should inform this. [The Scottish Wildlife Trust's Land Stewardship policy](#), written in the context of Brexit, provides a World Trade Organisation (WTO)-compliant, costed framework for delivering economic and environmental co-benefits, focusing on providing public goods.
- We'd be keen to see a binding clause expressing no-regression on environmental protections in the transitional policy to safeguard our existing protections.
- A binding clause should be contained in the policy that commits the government to regular review and gives the transitional policy a shelf life.
- The Trust remains concerned with the payment of public money without policy goals. The EU's [2020 vision](#) for the Common Agricultural Policy (CAP) acknowledges this issue and commits to further reform to move away from a concentration on production.¹
- Unlike agri-environment schemes, payments for ecosystem services (PES) are not constrained by EU or WTO agreements. As such, the Trust would support a phase-in of natural capital-based payments, for instance during the mandatory phase-out of Less Favoured Areas Support Scheme (LFASS) payments.
- 'Enhancing Scotland's Natural Capital', as contained in the [Agricultural Champions report](#) and committed to in our [Economic Strategy](#)², should remain central to our agricultural vision, including during the transitional period.
- Limited phase-ins of new systems, like natural-capital-based approaches, could provide important learning opportunities for a broader post-CAP solution.
- We support the use of pilot schemes, for example to investigate sustainable financial mechanisms that promote environmental co-benefits, and to contribute to the Scottish Government's vision of restoring and protecting our natural capital.
- We need to maximise opportunities provided by exiting CAP, which means rebalancing our priorities. There should be greater acknowledgement that strongly subsidising production while weakly supporting environmental measures is inconsistent with our commitments and responsibilities.
- The Trust believes we should at least maintain parity with environment-focused progress in CAP, tracking future protections as a minimum and ideally building on our global reputation by going even further.

¹ https://ec.europa.eu/info/food-farming-fisheries/key-policies/common-agricultural-policy/future-cap_en

² http://www.parliament.scot/ResearchBriefingsAndFactsheets/S4/SB_15-52_Scotlands_Economic_Strategy.pdf

Selected questions:**1. Do you agree with the stability approach described here? Please provide comments**

We welcome a transitional arrangement in order to provide a predictable, stable period so that those working in the agricultural sector and land managers can plan sufficiently for the future. At the same, we emphasise the importance of recognising this period as an opportunity to tackle the systemic problems of the CAP. For this reason, we support the development of pilot projects, including Pathfinder projects with our partners in Scottish Environment LINK, to help bridge knowledge gaps, engage with communities and stakeholders, and learn from the hands-on implementation of innovative, sustainable rural funding. It is paramount that this period is seen not just as providing the necessary stability, but also being part of a process of managed change, where CAP systems are phased out, and new systems are phased in. We believe a strong vision to which we are transitioning in this period is essential for genuine stability. In line with existing Scottish Government commitments and responsibilities, the Trust emphasises the importance of transitioning away from a focus on public money for private goods and production, and towards a system where public money is spent exclusively on the delivery on public goods, with multiple benefits for our biodiversity and climate goals, land managers, and the public more generally.

The Trust is concerned with how 'simplicity' might be construed and implemented in practice. Whilst we acknowledge that the administrative burden of the CAP is a common complaint, phrases such as 'reducing the compliance burden' (p.8) could indicate a worrying trend whereby 'simplicity' is equated to removing environmental protections and conditions. The framing of compliance measures as an unnecessary burden is difficult to support as the language risks being loaded towards reducing environmental protection. Moreover, it has been argued that the complexity of the EU's systems is inherently more protective of environmental resources³. This contributes to the concern that the quest for 'simplicity' will in practice lead to reduced environmental protections.

The Trust cannot support any regression of any kind in environmental protection, regulation, and compliance measures, due to the importance of the next several years to Scotland's broad sustainability efforts. We support the [commitment and assurances given](#) by Cabinet Secretary for Environment, Climate Change and Land Reform, Roseanna Cunningham MSP, that in light of Brexit, the 'Scottish Government will steadfastly adhere to its environmental commitments'⁴. As such, there is a question about the extent to which simplification, if this means reducing the compliance 'burden', is in keeping with stated Scottish Government priorities. We would welcome clarification on this issue.

In line with this, if simplicity of erroneous administrative procedures is possible without any loss of environmental protections, useful data gathering, and other benefits, on a long-term basis, then simplification could be supported. The Trust would be keen to see a binding clause expressing zero regression on environmental protections contained in a transitional policy. An environmental impact assessment (EIA) should be carried out on any simplification proposals.

The Trust remains concerned with the payment of public money without a clear link to the delivery of public goods. We cannot support the use of public money without clear policy targets. A post-CAP arrangement represents an important opportunity for learning from the mistakes of the CAP. Already, the 2020 vision for CAP acknowledges these past mistakes and commits to further, [continual reform of the CAP](#) to move away from a concentration on production and towards public goods delivery⁵. Although maintaining Direct Payments, this development at least recognises the need to reorient European priorities in land

³Particularly the subsidiarity commitments and multiple formats for addressing different environmental pressures across various spatial and temporal scales – see, for example, Ostrom, E. and Cox, M. (2010) Moving beyond panaceas: a multi-tiered diagnostic approach for social-ecological analysis. *Environmental Conservation*, 37(4); p 451-463

⁴ <https://blogs.gov.scot/rural-environment/2017/11/06/commitment-environmental-principles/>

⁵ https://ec.europa.eu/info/food-farming-fisheries/key-policies/common-agricultural-policy/future-cap_en

management to address climate change and resilience, biodiversity loss, and the delivery of other ecosystem goods and services.

To implement this, the Trust emphasises the existing commitments of the Scottish Government, such as in the [Economic Strategy 2015](#)⁶:

Protecting and enhancing this stock of natural capital, which includes our air, land, water, soil and biodiversity and geological resources is fundamental to a healthy and resilient economy. It also supports sectors such as agriculture, forestry, fisheries, tourism and renewables.

[The Scottish Wildlife Trust's Land Stewardship policy](#), written in the context of Brexit, provides a World Trade Organisation (WTO)-compliant, costed framework for delivering economic and environmental co-benefits, focusing on providing public goods to maintain and enhance our natural capital.

The Trust calls for case studies and pilot projects that identify and build upon innovative financial mechanisms and other forms of support. We would stress the need for pilot projects that investigate how financial provision for public goods delivery can support rural businesses and agricultural land management.

More generally, the Trust is concerned that a transitional period risks being adopted well into the future, as new political priorities come to the fore. We would ask that a binding clause be contained in the policy that commits the government to regular review and gives the transitional policy an effective shelf life.

4. Do you support the continuation of some or all CAP rules on inspections and compliance during the Transition period, bearing in mind that Scotland will still need to comply with the rules of the World Trade Organisation (WTO)?

The proposals must set out how they comply with existing Scottish Government priorities in this area, principally the commitment to zero regression on environmental matters, and the adoption into law of the key European principles of environmental protection, especially preventative action. In line with this, the Trust supports existing environmental compliance measures as a bottom line: future policy frameworks must demonstrate how they comply with current protection measures as a minimum.

However, the Trust acknowledges that existing support structures, such as the advisory service, are ill-suited to meeting compliance measures. We would greatly encourage improvements in support measures to help farmers, crofters, and other land managers meet compliance measures. This is essential as our priorities shift towards protecting and enhancing our ecosystems for resilience against environmental change, and other ecosystem services. Specifically, there needs to be a clear link between advisory services, compliance measures, and inspection regimes. Advisory services need to be responsive to common compliance failures, especially as our land management and priorities adapt to our changing environment and pressures. In line with the Scottish Government's priority of delivering public value with public money, advisory services need greater capacity in ecological knowledge, as well as a clear, landscape-scale environment strategy to ensure joined-up institutional thinking. The Trust advocate the implementation of whole farm reviews to help land managers deliver upon priorities and structure their businesses accordingly.

Inspections are essential to ensure responsible delivery of any post-CAP system. For this reason, the Trust supports the current efforts to create an empowered regulator. We emphasise that the focus must be on institutional capacity to empower land managers, and for this reason the advisory services and clear priorities must be developed alongside regulatory instruments.

⁶ <https://www.gov.scot/Resource/0047/00472389.pdf> p.45

5. Do you have any suggestions for straightforward changes that would improve the environmental outcomes achieved through greening payments in Pillar 1?

The Trust does not believe there should be a role for Pillar-1-style payments in a post-CAP policy; but we acknowledge the role that some stakeholders see them playing in a transitional phase. We believe there is a certain short-sightedness in insisting on 'straightforward' changes. A transitional period should be a process of change, progressively incorporating elements of a sustainable, effective, and responsible post-CAP policy. We would therefore advocate bringing in whole farm reviews, to include financial performance and efficiency, soil, water, energy, greenhouse gas emissions, and biodiversity. While this is not a 'simple' proposal, we strongly believe it is essential to form a post-CAP policy around a strong, system-level evidentiary basis. At minimum, soil testing and carbon audits should be a condition of greening payments, which would build a picture of soil functionality at a local scale, informing future schemes addressing this regulatory and provisioning ecosystem service.

7-9 – responding together: Capping Direct Payments

The Trust's Land Stewardship Policy suggests 'a transitional period where existing arrangements remain in place of between 3-5 years may be appropriate. The Trust can therefore see merit in progressively capping direct payments under the proposed 5-year transition period with a view to removing them, and progressively bringing in commensurate funding for public goods provision to make up the short fall – funded through savings in progressive caps. This is a WTO-compliant means of supporting farms by diversifying revenue streams, and of helping to restore our depleted ecosystems so they deliver on our national priorities. Moreover, this presents a means of taking forward the proposal outlined in the [Agricultural Champions report](#)⁷:

There must be a transition period of no more than 3-5 years. During the transition, policies should not be changed radically. But industry must not sit back – businesses must use that period of relative continuity to start evolving and making the changes that are needed, while the farm support budget should still be at current levels. We recommend that government cap payments and release money so that new policies and schemes can be trialled and evaluated during the transition period with adequate funding. (Para 5, p.7.)

In terms of investment, this also needs to be seen in the light of our binding commitments and broader responsibilities, contributing to biodiversity restoration and the host of public services that flow from this. As Greening can't be capped until outside of CAP regulations from 2020, this gives time to address knowledge gaps, engage with communities, and build our evidentiary basis. Limited phase-ins, such as during the LFASS phase-out, would similarly provide experience in a limited setting that can be learnt from and applied to a broader, progressive system.

10, 11 – responding together: LFASS efficiency/alternatives.

Keeping on the Less Favoured Area Support Scheme makes sense due to withdrawal as alternative would only come into effect with less than a year before CAP withdrawal, and could be costly to set up. In the Trust's Land Stewardship Policy we advocate a support mechanism that both reflects the ecological importance of these areas, and the need to diversify revenue streams for these systems. Therefore, the Trust would emphasise that, unlike agri-environment schemes, payments for ecosystem services (PES) are not constrained by either EU or WTO agreements. Moreover, there is no statutory restriction on the timeframe of PES schemes. As such, the Trust would support a phase-in of natural capital-based payments during the mandatory phase-out of LFASS payments. As LFASS decreases to 80% in 2019, and 20% in 2020, followed by removal, we suggest a commensurate phasing-in of public-goods-based payments. This supports Scotland's position as a leader in the development of natural capital accounting.

⁷ <https://www.gov.scot/Resource/0053/00536005.pdf>

This would have the additional benefit of ensuring the transitional arrangement is locked into providing greater support for ecosystem maintenance and renewal, helping to deliver on binding UN Aichi Targets, Sustainable Development Goals, and other commitments. Moreover, it provides an opportunity for testing, tailoring, and learning from implementing a natural capital-based system on a smaller scale. This could provide useful information for moving to a wider natural capital-based system post-2020 when CAP Greening measures can begin to be progressively capped.

13. Would you support a simplified approach to scheme use of map information or to the land mapping system?

The Trust is hesitant to support widening the margins of error or tolerance between claimed and recorded land. The assertion that 'very small changes ... do not have a material bearing on outcomes' is unsupported in the consultation document. Relatively small areas of land can play a vital role in providing, for example, wildlife corridors, which is essential for the preservation of biodiversity. Part of the problem here is that 'outcomes' does not presently include ecosystem factors such as biodiversity, but predominantly production. Small changes may not affect production enough to justify the regulation regime, but they can affect other performance indicators, including three [National Indicators](#)⁸ from the National Performance Framework: protected nature sites, biodiversity, and natural capital (see our responses to questions 22 and 23 for more on this). We do not support the widening of margins of error without sufficient evidence that this will not impact on biodiversity conservation efforts, and other environmental factors that we believe should inform performance and outcome indicators.

Response to pilot schemes

The Trust strongly encourages the development of pilot schemes. New financial mechanisms are needed to diversify revenue streams whilst ensuring WTO compliance and the delivery of public policy objectives, pilot schemes should form part of our strategy to bridge knowledge gaps and develop implementation guidelines as we transition to a more sustainable rural support policy.

Specifically, we support LINK's proposals for Pathfinder projects⁹. As LINK outlines:

The purpose of these would be to translate the regional land use frameworks into delivery on the ground in a smaller local area. Activities would flow from the priorities, opportunities, and constraints identified by the RLUFs, and crucially, would trial a grassroots model of civic engagement on strategic land use. Practically, we would envisage:

- *6-8 pathfinder projects, covering different geographies, demographics, land use models and sectors.*
- *Groups of land managers would bid for pathfinder status, ensuring buy-in from the start.*
- *They would be properly resourced to allow facilitation, and with a notional budget to spend on land use priorities.*
- *They would be led by Local Authorities, who would prioritise civic conversations between stakeholders and different members of the community.*
- *SEFARI and RESAS would be closely involved, collecting and collating baseline economic, social and environmental data, and studying the outcomes.*

We echo the concerns of LINK that the transitional period is being implemented without a clear direction of travel. The Pathfinder projects would help inform this direction to ensure what opportunities exist from exiting the EU are maximised according to our existing environmental commitments.

⁸ <https://www.gov.scot/Resource/0049/00497339.pdf>

⁹ See the Scottish Environment LINK response to this consultation for more information.

20. Many of the measures described in this consultation will have co-benefits for both agricultural productivity and for reducing Scotland's Greenhouse Gas Emissions. Are there other practical and feasible measures that would have similar co-benefits that you feel should be considered?

The Trust supports an ecosystems approach, as the Scottish Government has [previously outlined](#)¹⁰. In such an approach, the tendency for one process to enable another in an interconnected web mimics the function of ecosystems. This could be regarded as a system of co-benefits but is more helpfully thought of as the services and goods that are provided by healthy, resilient ecosystems, which aren't reducible to any single measures or outcomes. Moreover, whilst certain agricultural measures may partially reduce emissions, on balance agriculture has a significant net contribution to carbon and methane emissions. Framing the limited carbon reduction or carbon storage benefits as co-benefits derived from agricultural practices risks obscuring this.

A coordinated biodiversity renewal policy, such as adopting the National Ecological Network policy, would produce considerable co-benefits to a wide number of stakeholders from improved ecosystem services: pollination, biodiversity, wildlife corridors, and numerous others. This can be a coordinated means of implementing already existing government pledges, and therefore maximising the benefits that accrue from these.

In the provision of ecosystem goods and services, there are countless other 'co-beneficiaries' to the sustainable management of land. For example, the restoration of peatlands contributes significantly to the maintenance and restoration of important biodiversity, whilst also maximising the carbon storage potential, already around 1600 megatons in Scotland. Carbon-rich soils are by far the largest terrestrial store of carbon in Scotland, at around 3,000 megatons, compared with the estimated total storage of all vegetation, at less than 60 MT. Soil functionality has been severely impaired by erosion arising as, partly, a result of agricultural practices.

Overall, the Trust emphasises that maintaining and renewing the functionality of soils, as well as tree growth, is the only way to maximise the co-benefits between biodiversity protection, ecosystem services, and especially terrestrial carbon sequestration.

22. Do you agree with the proposal to look at moving towards a more performance-based approach to compliance, using key performance indicators and better information?

The recommendation of the Agricultural Champions that 'public funding should be linked more to expectations around improving performance' (p.19) is vague and open to interpretation and changing political priorities. Instead, we support a much clearer notion of linking public funding to public policy objectives and public goods and services. In this way, performance has a more consistent, accountable meaning while ensuring that public money is spent in the public benefit, and according to clear objectives.

23. Do you have views on the types of indicator that should be used or areas of priority action within the operation of current CAP schemes?

Sustainability, environmental, and climate objectives should be central. We do not agree that production should be a key indicator – this would be against the principle of public money for public goods, as production in this sense would be of private goods. Moreover, production as a performance indicator is impossible to reconcile with our climate and biodiversity commitments and targets. Our focus for public money needs to be on encouraging and rewarding those actions which are not rewarded by market mechanisms (positive market externalities) and, together with appropriate regulatory regimes, ensuring negative market externalities are minimised and removed. The Trust believes performance indicators should

¹⁰ See particularly the Land Use Policy: <https://www.gov.scot/Topics/Environment/Countryside/Landusestrategy>

be designed to reflect this important distinction, and thus contribute to our higher-level objectives in addressing climate change and biodiversity conservation, with financial co-benefits for land managers.

In addition to the above, the Trust emphasises the importance of three of [National Indicators](#)¹¹ from the National Performance Framework: protected nature sites, biodiversity, and natural capital, and the role these should play in informing all governmental decision making and prioritisation. Ecosystem health indicators need to be a priority here, to gauge how Scotland's ecosystems are faring and how effective intervention measures and spending are, there needs to be more progress on applying ecosystem health indicators at the catchment scale. Ecosystem health is the condition of an ecosystem, its individual parts and their connections. A healthy ecosystem is one whose structure and functions enable it to deliver a full range of services into the foreseeable future. Consequences of failing to increase the number and application of ecosystem health indicators includes:

- A continued decline in biodiversity
- Insufficient and poorly targeted actions on ground
- Continued focus on protected areas rather than also on wider countryside and landscape scale
- Wasted spend of limited funding

The [Scottish Government outlines](#) the need for including ecosystem health indicators: 'While ecosystems and biodiversity are important in their own right, all of the food we eat and the resources we use ultimately come from nature, so ecosystem health is relevant to all of us. Due to the nature of the indicators, some change quite quickly such as condition of freshwater, whereas others such as soil carbon are much slower to change'.¹²

24. Given the importance of continuity of support for the forestry sector and that the target for new woodland is to increase to 15,000 hectares by 2025, should the current Forestry Grant Scheme continue broadly in its current form until 2024 or can you suggest other short-term changes that would better achieve these policy aims?

Woodlands are not currently realising their potential for helping Scotland adapt to climate change. More connected riparian woodlands, for example, could prevent flooding, reduce erosion, improve water quality, and allow wildlife to move through the landscape. This greater connectivity of native woodlands is being poorly delivered at present. We believe a National Ecological Network should help inform forestry strategy so that ecosystem goods and services are maximised. Sitka spruce currently dominates productive woodlands in Scotland, leading to the lower biodiversity value often associated with non-native monoculture plantations. In particular, the Trust recommends the following goals:

- Highest rates of grant support for the establishment of native woodland by planting and by natural regeneration, ensuring natural regeneration is an attractive option compared to planting. 26 Priority areas for woodland creation will be identified at local level by Regional Land Use Partnerships, and by taking account of Indicative Forestry Strategies as part of the process of catchment scale opportunity mapping.
- Grant support for the establishment and restocking of productive non-native plantations remains linked to UK Forestry Standard requirements, i.e. no more than 75% of the area restocked composed of a single species; 10% of the restocked area left open-space; 10% managed for biodiversity; and 5% native broadleaves. Rates to be set at a level which ensures stable future supply of softwood timber.
- Annual woodland stewardship payments to support the management of existing native woodlands to address overgrazing by deer, control of invasive non-native species (INNS), introduction of continuous-cover silviculture, and measures to improve the long-term value of hardwood timber.

¹¹ <https://www.gov.scot/Resource/0049/00497339.pdf>

¹² <https://www.environment.gov.scot/our-environment/state-of-the-environment/ecosystem-health-indicators/explore-ecosystem-health-indicators/>

- Payments to restore plantations on ancient woodland sites (PAWS) to native woodland.
- On the National Forest Estate, diversification of tree species and stand structure will be increased year on year through restructuring, repositioning and increased use of native species for restocking.

The focus on creating new native woodland and restructuring existing woodland specified by this policy will be a significant change, bringing about more diverse and resilient woodlands. The resulting change will be better for biodiversity; help to adapt to and mitigate against climate change; and provide timber, fuelwood, shelter for livestock, and space for recreation.

26. Given the importance of continuity of support for environmental outcomes, should the current Agri-Environment Climate Scheme continue broadly in its current form until 2024 or are there short-term changes that could be introduced to i) simplify and streamline the scheme, ii) improve customer experience and/or iii) enhance the delivery of environment and climate change objectives?

It cannot be a transitional period if the system continues 'broadly in its current form' – this would simply move the cliff edge further into the future. The Trust stresses the importance of the next several years in meeting our various commitments and obligations, both domestically and globally. We need to progressively strengthen our environmental protections to meet our global responsibilities, mitigate against environmental risks, and boost ecosystem resiliency in the face of environmental change. For these reasons, the Trust strongly believes that the transitional period must be just that: a period of phasing out an old system, and phasing in a new system. Our vision for a new system is set out in our [Land Stewardship Policy](#)¹³, while the answers to questions on capping and LFASS withdrawal set out how we think a transition should be managed. Overall, we stress the importance of the transitional period as a process of testing and implementing new environmental solutions based on the protection and enhancement of our natural capital.

27. Are there new emerging environment or climate change priorities that need particular focus under the Agri-Environment Climate Scheme in the next three - five years?

Terrestrial carbon storage has already been identified as playing a huge role in our climate change mitigation strategy.

- The Land Use Strategy (e.g., p.11 s.C) commits to recognise value of carbon storage as a primary use in decision making
- Soils contain <3,000 Mt of carbon, according to Scottish Natural Heritage, with deep peat soils containing around 1,600 Mt [1]. Peatlands cover 2-3% of the world's land (estimates vary, the most recent meta-analysis claims 2.84%, or 4.23m km²) but hold between 20 and 30% of terrestrial carbon. They have played a significant role regulating global climate since the Holocene (Yu *et al*, 2010). Scotland accounts for about 1.7 million ha of peatland, around 60% of UK total.
- Conversely, failure to regenerate, including allowing peat and peaty soils to dry out, can release large amounts of this carbon storage [2]. The loss of all carbon stored in Scottish peatland would amount to <120 years of Scotland's annual GHG emissions.
- Methane needs to be considered to fully evaluate the net effect of management practice on the greenhouse gas balance from Scottish peatlands.
- Vegetation contains an estimated 50 Mt of carbon (above-ground and root structure). Several publications measure soil surrounding the root structure when assessing this, potentially leading to double-accounting. Vegetation clearly plays a central role in the ability of soils to sequester carbon, however.
- Forestry of all types saw a 3.0MtCO₂e (42%) increase in its carbon sink between 1990 and 2013. The Land Use Strategy commits to 100,000 ha of new woodland creation between 2012-2022. Targeted

¹³ <https://scottishwildlifetrust.org.uk/our-work/our-advocacy/policies-and-positions/land-stewardship-policy/land-stewardship-policy-full/>

deforestation of non-native plantations has been shown to allow water levels in blanket bog to be restored, e.g. Flows Country.

- New by SIFARI, the EU Horizon 2020 programme, and others is changing the research landscape on carbon sequestration (e.g. how to value, what's the baseline, what are the GHG flux benefits of restoration, etc.)

The Agri-environment scheme must be coordinated with Scotland's strategic objectives and global commitments, and specifically maximise the potential of Scotland's terrestrial carbon storage. Carbon auditing of farm systems should help identify where potential is not being met, efficiency savings, and contribute to our evidentiary basis during the transitional period.

Elsewhere, the scheme must stay abreast of emerging evidence and EU responses to pressing agricultural and environmental issues such as bee decline, where the precise role of different forms of fungicides, insecticides, and others, remains a considerable area of research. We stress that this is a key testing ground for Scotland's adoption of the precautionary and preventative action principles across governmental policies.

The most recent CAP vision, from June 2018, follows the slow-but-steady move away from a focus on production, and towards rewarding environmental protections and enhancements. As the Scottish Government has highlighted in recent consultation documents, Scotland voted to remain part of the EU, and this CAP. For this reason, the Trust believes we should track EU environmental protections as a minimum¹⁴. This is based on the principle that these protections and measures would have existed had Scotland remained party to the CAP. Tracking EU environmental protections guarantees Scotland maintains at least the same protections as those enjoyed in the EU. This is not the same as copying what the EU does – ideally, we should continue our leading reputation in going further.

30. [Crofting Agricultural Grant Scheme] Should the scope of what can be funded be reviewed, for example in terms of adding in new elements and restricting total spend on some projects?

Yes. As with other forms of agriculture and land management, the Trust emphasises the importance of maintaining our natural capital through regulation and monetary incentive. This means fundamentally reevaluating what can and should be supported by public money. Public investment to support Scotland's farmers and crofters should be linked to the provision of public goods which deliver enhanced natural capital stocks and ecosystem service flows, i.e. the benefits which accrue to society and the economy from a healthier, [sustainably managed environment](#)¹⁵. In terms of restricting spend, we advocate for progressively reducing and removing public support for private goods, i.e. production, and bringing in commensurate support based on public goods delivery.

39. [Farm Advisory Service] Do you have any thoughts on the form, content and delivery methods for future advice?

The Trust's [Land Stewardship Policy](#)¹⁶ advocates a whole farm/enterprise review in which a well-resourced advisory service helps set social, economic and environmental objectives for each business – these would be informed by regional priorities as identified by the Regional Land Use Frameworks, Land Use Strategy and National Ecological Network.

¹⁴ The EU's June 2018 vision for CAP re-emphasises the principle of subsidiarity, wherein decisions are made as close to the local population as possible (i.e. at the smallest spatial governance scale). In practice this means increased Member State autonomy for the CAP, whilst adhering to a base framework. For this reason, the base framework could still inform our own post-CAP policy as a minimum environmental commitment.

¹⁵ https://scottishwildlifetrust.org.uk/wp-content/uploads/2017/06/FINAL_Land-Stewardship-Policy_07-ONLINE.pdf pp.14-17

¹⁶ *ibid.*

41. [Farm Advisory Service] Do you have any views on how delivery of advice can be better linked to delivery of results?

If advice is for compliance measures, then this should be incorporated into whatever checks and penalties system is set up. Identifying knowledge gaps needs to be a part of designing a funding system with a greater focus on delivering positive environmental outcomes, but also an ongoing process. Create clearer links between where farms fail on compliance, and the advice available to address those failures.

45. [Beef Efficiency Scheme] Would you support a future approach that aims to deliver similar increases in efficiency through the direct payment support mechanisms?

The Trust emphasises its stance against the use of direct payments without policy goals. We would support greater efficiencies in beef production, but do not believe Direct Payments is the appropriate mechanism for delivering this. We are, however, keen that future schemes are developed to continue to build on the 28.5% reduction in GHG emissions [between 1990 and 2015](#)¹⁷. Fewer cattle and sheep have been important in achieving this. As such, it will be important for future schemes to avoid a focus on increased production. As [the Third Report on Proposals and Policies 2018-2032 from the Climate Change Plan](#) outlines, 'A fine balance must therefore be found to ensure GHG reduction can take place while Scotland continues to produce secure and sustainable food'¹⁸.

46. Do you see a continuing role for the Scottish Rural Network (SRN) and, if so, do you agree that its current aims and objectives should be maintained during the transition period?

The Trust believes there should always be a role for community engagement, and both physical and digital spaces provided for cross-sectoral collaboration. However, the Trust believes the remit should expressly cover sustainability issues in its remit. The [European Network for Rural Development](#)¹⁹, for example, includes 'ensuring the sustainable management of natural resources, and climate action' as 1 (out of 3) of its strategic objectives.

We therefore believe the aims and objectives of the Scottish Rural Network should be modernised to reflect governmental priorities and community concern over sustainability and environmental issues.

¹⁷ <https://www.gov.scot/Publications/2018/02/8867/16>

¹⁸ *Ibid.*

¹⁹ https://enrd.ec.europa.eu/policy-in-action/policy-framework_en