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NOURISH SCOTLAND CONSULTATION RESPONSE:

THE FUTURE OF SCOTTISH AGRICULTURE

Background

The Scottish Government launched a discussion paper "[The Future of Scottish Agriculture](#)" in June 2015. The Scottish Government is keen to hear views from a wide range of people and the deadline for the responses to this consultation is Spring 2016. The discussion paper sets out the Scottish Government's vision for farming which is that "Scotland has a green, innovative and profitable agriculture industry which is outward-looking and resilient, supporting our economic growth, environment and communities and contributing to global food security." This vision is supported by 9 outcomes.

Nourish Scotland regional consultation meetings

Nourish believes that it is important to broaden the discussion of this important issue beyond the usual parameters. Issues such as land availability, climate change and economic development matter to a wide range of people, not just traditional farming interests. For this reason, Nourish supported this consultation by organising a series of 8 events with local partners in Edinburgh (with Edible Edinburgh), Glasgow (with NG Homes), Fife (with the Ecology Centre, Kinghorn), Aberdeen, Inverness, Oban (with Local Origins Rural Network), Dumfries (with Dumfries and Galloway Council) and Stirling (with Scottish Natural Heritage).

Approximately 170 people attended the events, and attendance levels varied from twelve through to thirty over the course of the 8 meetings. Attendees included students, farmers, smallholders, crofters, wholesalers, academics, local elected representatives, community workers and volunteers, members of local ethnic communities and NGOs as well as interested members of the general public.

The events provided opportunities for attendees to reflect on, discuss and influence the direction of Scottish agriculture. The events also aimed to inform people about the issues, to empower them to submit their own responses and to improve the depth and quality of the responses to the consultation. Nourish also produced a [briefing paper](#) outlining the scale of farming in Scotland, discussing some of the challenges faced by the sector and summarising the Scottish Government's consultation document. The events explored the proposed vision and also focussed on three key questions; what is farming for; what benefits do we get from farming and how should we pay for these and how does farming need to change to survive and prosper? Key issues such as profitability, new entrants, training, research and innovation, greener farming and how to better connect our farms and communities were also discussed.

Summaries of the overarching themes coming out of the meetings and of all the individual meetings are available on the [Nourish website](#). In addition, Nourish produced a survey

monkey covering similar questions and forwarded the results of this to the Scottish Government. The views expressed during those meetings have also informed this response from Nourish, although the views expressed here are our own.

The scope of the vision

Nourish commends the Scottish Government for recognising the scale of the challenges facing our agriculture and food systems. These challenges are well rehearsed and include likely declines in future CAP payments (and reducing farm profitability), the need to reduce harmful GHG emissions from food and drink production, difficulties in ensuring new entrants can gain access to land and support, as well as declining biodiversity and the associated need to protect and conserve our soil, water and other natural resources. Other challenges in our food systems are less well reflected in the document, but are recognised elsewhere in Scottish Government policies. These include our rising levels of obesity, diet-related illnesses, food poverty and insecurity.

Many of our attendees felt the current vision was too narrowly focused and would have preferred less emphasis on our agricultural industry and more attention on our wider food production and consumption systems. Further, while accepting that the document is pitched at a strategic level, it is fairly light on the actual steps that will be taken to implement change, in what has often been regarded as a change resistant sector.

The Scottish Government is doing the right thing in developing a strategy and vision to respond to these challenges. However, it is Nourish Scotland's view that the proposed vision and strategy are not ambitious or transformative enough to move us beyond the problems of our current system. The future vision presented by the strategy is simply not different enough – it is more a case of business as usual with a few tweaks around the edges. It assumes that our farming and food systems of the future will be broadly similar to what they are today, and that our food will be produced, purchased and consumed in the same ways. Nourish believes that a more fundamental re-assessment is needed, based on a thorough understanding of what our food and farming systems are for and how we can value and support them most effectively.

What is farming for?

This may sound a deceptively obvious question. However, the current CAP and farming system has distorted both what we produce and how we produce it. Our land use decisions are made based on what subsidies and farmgate prices are available, rather than responding to consumer demand or producing the things our land is best suited for. What we produce or farm also appears unconnected to our Scottish dietary goals or our climate change targets. Our land is often intensively farmed, with high levels of chemical inputs, with the resulting produce being sold for export or used in the production of biodiesel or alcohol-based products. Whilst useful for meeting economic goals, this does not integrate well with government policies on food, public health, social justice or the environment. Farming has become a peripheral policy area; poorly integrated with other government policies and aims.

When we asked the question “what is farming for” at our regional meetings, there were three main responses that we received. These were as follows:

- Feeding our people: producing high quality, healthy, sustainable, traceable, products that feed us well.
- Environmental Stewardship: protecting and enhancing our natural resources (water, soil, carbon, biodiversity) so that they can be enjoyed and used by both current and

future generations. Other related benefits included ensuring high animal welfare, recreational access to land, renewable energy development and habitat management.

- Contributing to our Communities: providing incomes and meaningful employment, contributing to the profitability of the food, drink and tourism sectors, supporting rural communities, keeping rural areas populated and connecting people to the land.

Nourish Scotland supports these responses and believes that any future farming strategy must meet these 3 aims. All these aims have clear public benefits and we firmly believe that any public funding for farming should be directed towards activities which result in public benefits rather than private gain. Our future farming model must be greener, promote better connections between our producers, consumers and communities and be based on producing healthy, affordable and high quality produce.

Changing our mental model

We tend to think about farming as a linear production model, converting inputs (land, seed, fertiliser) to farmgate outputs (crops). In this model, we think in terms of farming **or** nature rather than farming **with** nature. We need to rethink farming in circular economy terms, with a primary goal of sustaining and enhancing natural capital (and other capitals, particularly social capital). This means reducing extractive inputs such as phosphorus, chemical nitrogen and fossil fuel, reducing waste at every point, and counting non-market benefits such as soil carbon and soil biodiversity. Sustainability has to be the primary goal, with the focus on optimising rather than maximising production.

We are what we eat

Many of our workshop attendees felt that Scottish farming was failing to deliver what should be its over-riding objective: feeding our citizens well. Despite ever-rising export receipts, based on a marketing image of fresh, natural produce, the Scottish diet remains problematic and we have yet to meet any of our national dietary targets, which would see us eating more fruit, vegetables and fibre, and less sugar, salt, processed foods and fat.

We should be encouraging a far better connection between food, farming and public health, based on better awareness of what we produce and what we eat. We should be encouraging and prioritising support to businesses, social enterprises and charities that support the production and consumption of affordable, sustainable, healthy and nutritious food. For many of those who attended our meetings, our focus should be less on high value export receipts and more on ensuring that Scotland's citizens can afford to feed themselves and their families well. It's not just about commodities and calories; this is about fairness and about good food being available to all.

The Scottish Government has signed up to the UN Sustainable Development Goals of which goal 2 is to end hunger, achieve food security and improved nutrition and promote sustainable agriculture. And yet, despite the clear link to sustainable agriculture, these Sustainable Development Goals are not referenced in the proposed new vision. We cannot afford to ignore the links between what we produce and what we eat, especially given our rising levels of household food insecurity in Scotland. Any new vision for Scottish Farming must address the need for us to feed ourselves well, as well as addressing issues of global fairness in the food chain.

Greener Agriculture

Our agricultural system is responsible for a whopping 23% of Scotland's GHG emissions. Without urgent action, and transformative change, our farming and food systems will continue to make it difficult, if not impossible, to meet the challenging climate change targets set by the Scottish Government.

In Scotland we are not well placed to deal with volatility in the markets, caused by commodity speculation, extreme weather events and climate change. We are a peripheral region of Europe and are more vulnerable than most to weather and transport disruption. As well as being reliant on imported food, we also import a lot of our production inputs such as animal food and fertilisers, increasing the vulnerability of our food chain and our agricultural businesses. Some figures put the UK's reliance on imported food and feed as high as 50%.

Besides contributing to climate change, our food system has a major impact on wildlife, soils, air and water. Around 60% of our wildlife is in decline, largely due to our increased use of chemical inputs, intensification of agriculture, habitat loss and climate change. In Scotland we rely heavily on our natural environment. To become a world leader in green farming we have to start by recognising the importance of these natural assets and the extent to which they are being depleted by current practices.

We need to do more to reduce monocultures, which whilst productive, rely on intensive use of inputs. A common theme in our consultation meetings was a desire to see more support for smaller, more diverse farms, producing a wider range of products.

We need urgent investment in the promotion of sustainable farming techniques, which can include organic or high nature value farming, agro-ecology or agro-forestry. All of these techniques work with nature, locking in carbon, increasing biodiversity and protecting wildlife from the harmful effects of pesticides and insecticides (including neonicotinoids, which have been implicated in the decreasing numbers of bees and other pollinators). They also protect our soil and water from the adverse effects of intensive use of fertilisers and help to avoid the issues that can result from overuse of antibiotics in intensive indoor animal rearing. High volume, indoor rearing of animals for food can also result in poor animal welfare and unnecessary distress. A more localised system of farming, with appropriate local infrastructure, could help prevent stress caused, for example, by long journeys to abattoirs,

Agro-forestry and agro-ecology also have potential to assist with flood protection in vulnerable areas, allowing farmers to work with nature to ensure excess water can be absorbed into the ground. Due to higher labour and management inputs, agro-ecological farming also supports a higher number of jobs in the community, helping to keep rural areas populated and boosting the rural economy.

However, sustainable techniques such as these are not well-known or commonly taught in the traditional agricultural curriculum. For these techniques to be mainstreamed, Scotland requires a revamped curriculum in our agricultural colleges and on-farm access to an advisory service well versed in these disciplines. We also need a better-developed peer-to-peer advisory service in farming, where farmers can access on-farm support and mentoring. Our monitor farm network is a good start, but it contains few examples of these sustainable farming techniques. To enable a widespread greening of our industry we need exemplar farms that demonstrate "what success looks like" and are accessible to other farmers for learning purposes.

To fund this step-change, Nourish supports an increase in the rate of modulation, the process which transfers resources from direct payments (pillar 1) to pillar 2 of the CAP,

which pays for the SRDP. This could be funded, for example, by capping large individual payments or by increasing the rate of modulation following the mid-term review.

In addition to re-focussing our production systems on more sustainable techniques, we need to work on reducing food waste, at every step of the system. This means reducing waste in inputs, in processing and in distribution and retail as well as reducing waste once items reach consumers. Nourish was encouraged to see that the Scottish Government has set a target of reducing waste across the food chain by 33% by 2025 as part of its commitment to a circular economy. We need to take a “whole life” or “true-cost” approach to our food systems, ensuring that what we pay for our food, and the prices received by producers, reflect the true cost of our resource use decisions and production inputs.

Remaining Competitive in a Global Environment

If we want to support ‘green’ farming we also need to stimulate markets for ‘green’ produce. Other European countries are demonstrating leadership in this area. Denmark is a world leading organic nation with the highest global market share for organic food and an ambitious target to double the size of Danish land that is farmed organically to 15% by 2020. The Danish Government, recognising the public benefits of organic farming, have invested in initiatives that encourage and support Danish consumers, retailers and large public catering services to buy more organic food. Increasing public procurement of organic food is firmly at the forefront of the Danish national Organic Action Plan with a target of serving 60% organic food in public institutions by 2020.

Sweden, France and The Netherlands are just some of the other European countries that have set national organic public procurement targets as a key policy driver for increasing sustainable food production and demand and delivering environmental, economic and social objectives.

France has recently adopted a new law promoting agro-ecology as the farming method for the future. It states that trade relationships should be grounded in food sovereignty principles and that short supply chains, local and seasonal produce and especially organic production are necessary to achieve food safety and healthy diets. France is aiming to become a leader in agro-ecology and recognises that this depends on mainstreaming public policies towards this goal.

Changes such as these require political will to implement. They require leadership from the very top. Serious consideration also needs to be given to how to incentivise the adoption of these techniques on the ground. If Scotland is to fulfil its promise of becoming a world leader in greener agriculture then we need our government to take a lead by purchasing sustainably made produce, and to invest money in research, teaching, and knowledge transfer techniques. We also require much better communication between researchers and farmers, with an emphasis on co-production, dissemination of findings and experiential learning. Once this level of knowledge and bank of techniques exist, we need to find ways of ensuring it is mainstreamed into everyday farming experience. We need to provide incentives and opportunities for life long learning and CPD to become the norm; perhaps by linking access to support or top-up funding to such activities.

Profitability and Public Funding

It seems likely that the levels of subsidy that Scotland receives from the CAP will decrease; it is important that we target our remaining resources at achieving transformative change in order to gain a long-term competitive advantage. Farming and food production in Scotland will continue to require – and merit – public funding and support. However, these scarce

resources should not be used to simply maintain the status quo when our industry is at a competitive disadvantage.

Nourish is not arguing for a withdrawal of public support; instead we want to see a new social contract between our farmers and civil society, based on a constructive and continuing dialogue about what our farming efforts should be focused on and where our public support should be best directed. The efforts of our food producers and our public funding should be harnessed together if we are going to make any progress.

Given our peripheral nature, other countries will always be better than us at getting high volume goods to market at a cheaper price. Fighting on price alone will not give our farmers a future; we need to be able to produce high quality, sustainable products which are responsive to changing consumer demands. This means producing premium products for high-value markets based on provenance and strong environmental and consumer protection credentials. Rather than focusing on intensification and increasing volumes, we should be focusing on using our scarce resources in the most efficient way possible. This is consistent with the Scottish Government's approach to developing the circular economy, in which food and drink is a key priority area for development.

We should be aiming to ensure that food producers receive a better share of the retail price through receiving a higher farm gate price for products which emphasise quality (and a resulting price premium) over volume. This is entirely feasible, as long as our producers are willing to work together to develop new markets and new supply chains, as outlined further below. It will require collaboration, networking and a collective investment in skills and knowledge transfer.

Making Connections

With so many big companies (such as agro-chemical suppliers, supermarkets or global processing companies) controlling the markets, our farmers have become price-takers, with little bargaining power. Our supply chains are ever longer and controlled by ever-fewer companies.

However, our retail models are shifting and these big companies are under pressure to survive. It is likely that our current models will change significantly to accommodate new technologies and changing consumer habits. Online shopping will continue to grow and delivery and distribution services will be shaped by new developments such as the use of dark stores, drones and driverless cars. Consumers are also moving away from doing a single weekly shop towards a more fragmented model of buying, including more frequent shopping, or direct buying. There are both threats and opportunities inherent in these new models.

Our current retail model treats food as a commodity, breaking the links between those who produce and those who eat our food. In our regional meetings we found a considerable interest in recreating and re-energising these links. Going forward, short supply chains - with a lower number of intermediate steps between production and final purchase - have capacity to help our farmers reduce risks and achieve a better margin, thereby enabling a better standard of living for those working in the sector. If we can shift our food system away from the dependence on the global commodity market, towards reliance on high quality, localised production, processing and retail then our employment and economic opportunities also change.

Every job directly in the farming sector supports more jobs in the associated sectors of food and drink processing, rural services and so on. Independent and community retailers employ

three times as many people per unit of turnover than the big supermarkets. An emphasis on producing quality rather than volume should result in higher quality jobs with more opportunities for skills development and with more employers able to pay the Living Wage, in a sector which has often had too many low-paid, seasonal, low quality jobs. If we can keep money within the local area, the local economic multiplier means that we get a much higher return than when the same money is spent with multiple retailers. Every £10 spent in a supermarket leads to only £2.54 being spent in the local area. By comparison, spending £10 in a local food outlet is actually worth £25 to the local economy, as it gets re-spent locally several times.

To do this requires investment in both supply and demand. We need to provide help our businesses grow to meet demand and produce a consistently high quality, traceable product. We need to help these businesses with finance and marketing expertise, as well as technical or product based help. We need to ensure that our business advisers can provide advice on opportunities arising from the demand for sustainable food. And we need to ensure that buyers, both public and private sector, are aware of the opportunities for sourcing such products.

We need to provide the infrastructure, and the right-sized transport and distribution, processing and retail opportunities to underpin these businesses. Scotland has one of the lowest numbers of producer co-operatives and collaborations across Europe. We need to invest in our producer networks and provide opportunities and incentives to work together. We need to provide different channels for people to buy products, from public contracts, to pop up markets, online buying platforms, box schemes, year round covered or indoor markets, community supported agriculture or direct buying groups. We need to find the resources, under our new SRDP, to provide the business support and development, marketing and brokerage services that are necessary to develop our local food sector.

Most of all we need to value our food production and pay a fair price, reflecting the cost of production. We need more contact and better connections between our producers and communities.

Planning and Land Issues

Our cities drive around two-thirds of the demand for our food. Conversely, around two-thirds of our land is used for agricultural purposes. Bridging the urban/rural divide and harnessing this demand has obvious benefits and can help to bring increased profitability and connectivity to our rural areas. There is strong interest in food production in urban and peri-urban areas and we need to make sure that these producers can also access land and the support that they need. Examples such as the Kindling Trust's work in Manchester show that urban food production can contribute a significant amount to city food systems.

It is no longer viable to assume that food production is something that only happens in rural areas, and we should be ensuring that CAP and SRDP monies can be used to harness and drive forward our regional economies, with benefits flowing to all. We also need to be aware that our regions have different needs. While a centralised vision has a role to play, it should not prevent the development of a finer-grained policy at a local level, which can respond to the needs of different regions, land types, sectors, production methods or other variations.

Our planning system does not really value land used for food production when faced with the competing uses of house building, transport and other development opportunities. We need to safeguard land for food production and ensure that it is valued appropriately. We also need to ensure that our land use strategy joins up with our agriculture policy and our planning policy, as well as integrating with newer policies on sustainable place-making. In

that regard we would strongly support the development of land use pilot projects in urban and peri-urban areas, as well as the two existing rural pilots, to ensure lessons can be drawn from the urban experience.

We would also encourage the prompt development of food-growing strategies, required under the Community Empowerment Act, and we would welcome these strategies being developed with a wide range of stakeholder interests; from allotments and community gardens, to housing associations, local authorities, retailers and commercial growers and farmers as well as private landlords and development agencies. We would welcome these strategies being used to give a strategic overview of food production, demand and supply in a region, rather than simply being used to promote domestic and recreational growing.

Public Awareness, Succession and New Entrants

There are well-rehearsed issues in terms of access to land for new entrants to the industry and issues of security for tenant farmers. Given the demographic of Scottish farming, these require urgent attention. There should be clear pathways in and out of farming for workers, tenants and landowners. A number of issues to do with succession and taxation were raised at our regional meetings and we would support these issues being explored during the passage of the current Succession and Land Reform Bills.

We need to share our success stories and promote opportunities such as apprenticeships to those who may not have been born into the sector. We need to support stronger connections between new entrants and existing producers, encouraging peer support and supporting a culture of life-long learning. We need to ensure our support and advice systems can support urban and peri-urban production and assist people who may not have had any previous experience, or who may have experience of a different farming culture in other countries.

Sustainable food production needs to be made visible in Scotland and needs to be part of our curriculum, with more interaction between schools and producers. More school growing projects also help children become more involved and to envisage future career options in the sector. We need to promote the value of farming beyond food; and help the public understand the wider benefits described above (for example animal welfare, environmental stewardship and contribution to the economy).

Conclusion

We need a Scottish farming sector that is fit for purpose; which can feed our citizens, protect our environment and contribute to our communities. While the development of the proposed vision is a welcome exercise, it doesn't propose the radical changes which are necessary to deliver these three aims.

We need to put farming and food back at the heart of Government policy, not at the periphery. It's about feeding our people, connecting our towns and rural communities, ensuring that producers and employees in the food sector receive a fair reward, and that our land is managed for public benefit. Food policy needs to reflect the food needs of the nation; our national policy, research and training agendas need to be consistent and work together. Our food policies need to connect with policies on the environment, health, fairness, farm animal welfare and the economy. Only then will be able to generate a truly innovative strategy for Scottish farming, working towards a healthier, wealthier, smarter and greener future.