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## Delivering our Vision for Scottish Agriculture: Proposals for a New Agriculture Bill

### A. Future Payment Framework

- a) Do you agree with the proposal set out in the consultation paper, in relation to the Agriculture Bill including a mechanism to enable payments to be made under a 4 tiered approach?

- Yes  
 No  
 Don't know

Yes. In principle, the four-tiered approach has the potential to enable funds, advice and support to be allocated appropriately – in some cases highly targeted to areas of specific need, in others more universally so as to achieve a consistent improvement of standards.

Greater targeting at regional level focussed on environmental outcomes is also an effective means of improving value for money. Rural payments should focus on requirements to tackle issues such as soil and water protection, climate change mitigation and adaptation, diffuse pollution, flood resilience, and biodiversity as well as supporting agricultural sectors for economic and social benefits. Rural payments should take a more strategic and planned approach to priority issues across a specific catchment area by all farmers

The need for a flexible approach is especially true of soil – a commodity that all farmers will possess, but which faces a variety of threats (erosion, compaction, carbon loss) – and to different degrees of severity across Scotland. Soil will need to be embedded in all four tiers will need to some degree, but careful consideration needs to be given to how it is spent and why.

We note the Scottish Government commitment (Programme for Government 22/23) to shift 50% of farm support to climate action and nature restoration and enhancement by 2025, but question whether this ambition is great enough. We acknowledge the need to bring minimise the disruption from the loss of direct payments but still feel there is scope for greater ambition at this stage, and would draw your attention to the Scottish Environment LINK's campaign, *Farm for Scotland's Future*, which called for a minimum 75% of the budget to be allocated to these objectives.

At a minimum we would like to see the Bill outline an ambition as to how it will increase the proportion that goes to these objectives over time, including a set of interim targets/milestones along the way to demonstrate a clear direction of travel.

We await further detail as to how different types of actions and interventions will be distributed/allocated between the four categories.

Please give reasons for your answer.

- b) Do you agree that Tier 1 should be a 'Base Level Direct Payment' to support farmers and crofters engaged in food production and land management?

- Yes  
 No  
 Don't know

Please give reasons for your answer.

In the current climate we still see a role for some form of direct payments, but feel strongly that all public money should have some criteria attached to it. While we are heartened by the reference to standards and conditionality for Tier 1 – these expectations do not go nearly far enough.

We appreciate that much of the detail of the scheme has yet to be established, but for now would draw specific attention to the following opportunities/challenges– as Tier 1 might be applied to soil protection.

We agree that the base payment should only be available to active farmers and should be subject to enhanced cross compliance and greening measures, however in the case of soils, the Good Agricultural and Environmental Condition [GAEC](#) requirements relating to soil do not go far enough. By way of example, their reference to organic matter is currently limited to restricting stubble a restriction on. There is significant need for them to be strengthened - to reflect soil's role as a carbon sink, while further GAEC requirements may be necessary to reduce soil erosion.

- We welcome the reference to 'Carbon, Soil and Biodiversity Audit Declarations' within the Whole Farm Plan, but would like to see more ambition. Over and above a 'declaration', we would like to see the requirement to measure and routinely measure soil health made a condition of public money – an 'essential standard' that every farmer should perform to achieve 'the underpinning basic level of sustainability and resilience'.
- Compulsory measurement will require a core set of farm soil metrics – user-friendly, affordable and valuable. As it stands, however the soil analysis (part of the National Test Programme) does not establish this single, universal protocol that can be implemented across the country. To that end, we would direct the department's attention to the Soil Health scorecard approach (developed in partnership with farmers and agronomists across the UK as part of the Soil Biology and Soil Health project), which established a set of measures and an interpretation framework that can be applied to all soils. Last month, guidance on how the scorecard might be applied to Scottish soils was published.
- The generation of uniform, soil health metrics and measurements will unlock a new era of soils appreciation and awareness in Scotland, and act as a gateway for farmers from Tier 1 into the higher Tiers. This will, but also generate considerable data capable of highlighting how and where soil health is changing across Scotland – and therefore the value of the public funds being spent.

Based on the above, there is also an argument for incorporating the soil analysis (part of the National Test Programme) into Tier 1.

Given the ambitions the Scottish government has for farming, Tier 1 should be presented as an introductory level, and the expectation should be made explicit that farmers can – in time, go beyond the minimum standards so as to qualify for Tier 2 payments. This will reduce the proportion of the total budget that needs to be made available under Tier 1 support.

c) Do you agree that Tier 2 should be an 'Enhanced Level Direct Payment' to deliver outcomes relating to efficiencies, reducing greenhouse gas emissions and nature restoration and enhancement?

d)

- Yes
- No
- Don't know

Please give reasons for your answer.

We welcome a second tier for targeted actions that can deliver the best results, but would like to see more detail about the types of measures the Scottish Government has in mind.

Soil management has an overwhelming impact on efficient, sustainable and regenerative farming practices, as well as business resilience and greenhouse gas emissions. A strong focus on identifying, planning and implementing appropriate soil management practices will be required for Tier 2 to succeed. We would like to see a clearly defined, logical thread between payments, actions, outputs and measurable outcomes.

We would also query why businesses that are described as 'highly effective' should be eligible for this Tier? When it comes to soil improvement, the greatest gains will be on degraded soils, where margins might be slightest, and the need for public support greatest. In many instances these will be the least 'effective' farm businesses.

We welcome the reference to supporting 'regenerative' farming and look forward to seeing what practices specifically will be incentivised – especially since there is no fixed definition of 'regenerative'- other than it has soil health at its heart. Our experience is that its implementation needs some degree of flexibility, enabling farmers to adopt and apply practices that reflect their crop, soil types and climate. It should also be that for some crops (especially root crops), 'regenerative' farming is very challenging.

Finally, we would highlight the use of the term 'outcomes' in this section, and flag that, when it comes to soil, change – in particular SOM storage - takes place over a long period of time, making a specific and measurable 'outcome' unrealistic. Alongside outcomes, outputs – provable 'actions' (e.g. covered soil), especially those that have an established evidence base, e.g. for carbon sequestration, should be considered as a desirable.

e) Do you agree that Tier 3 should be an Elective Payment to focus on targeted measures for nature restoration, innovation support and supply chain support?

- Yes  
 No  
 Don't know

Please give reasons for your answer.

We welcome the objective here to support conversion to alternative forms of agriculture such as organic production and to encourage innovation.

We would like to see 'regenerative' included among these different forms. This would reflect the fact that, for farmers wanting to transition to regenerative farming, the principal barrier is financial, and comes in the early years of adoption when some drop in yield (alongside increased overheads) are to be expected. Supporting farmers through this initial 'dip' – i.e. by front-loading any finance/advice - should be a priority for the scheme in order to secure the greatest economic/environmental rewards.

f) Do you agree that Tier 4 should be complementary support as the proposal outlines in the consultation paper? If so what sort of Complementary Support do you think would be best to deliver the Vision?

- Yes  
 No  
 Don't know

Please give reasons for your answer.

For the scheme to work, the correct balance must be struck between reform, new regulation, voluntary action, advice and guidance and incentives. While we agree in principle with the need for complementary support in the form of advisory services and CPD, would highlight the risk that knowledge and education become too siloed if presented as a separate Tier - rather than a constant thread throughout all 4 levels - a universal offering, but also a universal expectation.

We would specifically highlight the need for training, education and advisory support to ensure compliance with current and future policies and regulations - as well as for specific issues (e.g. sustainable soil management practices). Land managers should not see an awareness and understanding of the law as an optional add-on – to be opted into, but a condition of public money. All Tiers should be used as a mechanism to achieve this.

We welcome the inclusion of support for 'measurement tools' including for sequestration in this Tier, since the overheads associated with measurement act as a significant barrier to participation in the emerging farm soil carbon marketplace. It is also not clear how/where this subsidy overlaps with the soil analysis supported as part of the National Test Programme. The objective of the scheme within the overall strategy – and the 4 Tiers specifically – needs to be clarified.

g) Do you agree that a 'Whole Farm Plan' should be used as eligibility criteria for the 'Base Level Direct Payment' in addition to Cross Compliance Regulations and Greening measures?

- Yes  
 No  
 Don't know

Please give reasons for your answer.

Yes, however much more detail as to what should be included in a whole farm plan must be very clearly defined.

For a start, as a farm's most important asset, the state of its soil should lie at the heart of the plan, hence the argument that support for soil sampling (the National Testing Programme), which currently sits in Tier 2, should be incorporated into Tier 1. The quality and health of a farm's soil should be critical for informing businesses decisions – about risk, cropping, rotations – but also its potential to enable participation in ecosystem markets.

We also welcome the proposal that cross compliance and GAEC elements be made a requirement for future Direct Payments - but question whether these currently go far enough – in particular the soil protection measures, which have the potential to deliver much greater public benefit and environmental protection were they to be further developed.

For example the Good Agricultural and Environmental Condition (GAEC) requirements relating to soil organic matter are currently limited to restricting stubble burning. There is significant need for them to be strengthened - to reflect soil's role as a carbon sink, while further GAEC requirements may be necessary to reduce soil erosion. It is essential that policies protecting these carbon sinks are developed – both to enhance soil's carbon storage potential and make them more resilient to a changing climate.

Improving the impact on Cross Compliance depends on ensuring land managers have access to clear guidance on the requirements of the regime, high awareness levels and the availability of coordinated advice on meeting the requirements. It is also critical that inspectors have the necessary knowledge and resources to adequately enforce these requirements.

There needs to be more detail in the Bill as to how the new scheme will achieve this.

h) Do you agree that the new Agriculture Bill should include a mechanism to ensure a Just Transition?

- Yes  
 No  
 Don't know

Yes.

The [Climate Change \(Emissions Reduction Targets\) \(Scotland\) Act 2019](#) provide the principles of a just transition in different sectors, which includes agriculture and food production. For the sake of this consultation, we would like to focus on one aspect in particular - the potential impact of a marketplace for farm soil carbon.

Investment from this market (offsets, ecosystem services etc), has the potential to stimulate and accelerate the growing commitment to net-zero farming by farmers, supply chains, consumers and financial institutions and the adoption of carbon-positive farming practices.

Purchases are increasingly being recognised as an important influence on land markets, however, the precise size of the market and the extent to which natural capital investment is driving land acquisitions and sales is unclear. As a subcategory of natural capital, the marketplace for soil carbon is still immature (many schemes only launched formally in 2021), and engagement in these projects across the UK remains small with the result that no holistic analysis of the scale, quality and scope of the marketplace have taken place.

Nevertheless this marketplace comes with some degree of risk and the recent JT report was right to identify the prospect *that rises in prices in the voluntary carbon market in the coming decades will deepen inequalities in the absence of policy intervention, with potentially large financial rewards for landowners from the generation of carbon credits and upwards pressure on land values.*

By way of example, investors in natural capital (private/individual and corporate/ institutional buyers) are increasing competition in the farmland market, putting up the price of land “land sparing”, because land is taken out of production, and put aside or “spared” for carbon. Large land acquisitions for carbon driven by voluntary offset activity bring with them a variety of risks and trade-offs, summarised in the [Safari report](#): Risk and opportunities from large-scale land acquisition for carbon.

These risks justify the need for the Agriculture Bill to align closely with wider policy mechanisms, including the Land Reform Bill and the Just Transition Plan for Agriculture if the market is to serve the needs of farmers, environmental outcomes and local communities.

To achieve a just transition, an ambitious future farm support regime should ensure businesses and communities remain viable while carrying out actions to reduce emissions, protect and restore nature, as well as supporting producers to diversify their incomes while ensuring benefits do not simply accrue to wealthy landowners.

We would also echo calls from the second Just Transition Commission report, Making the Future for increased public investment in training, expanded capacity for advisory services and training for advisors. Indeed, we need a new model of farm advice, with advisory services upscaled and upskilled to help farmers and land managers identify suitable climate action for their land holdings and the funding streams to deliver them.

Please give reasons for your answer.

i) Do you agree that the new Agriculture Bill should include mechanisms to enable the payment framework to be adaptable and flexible over time depending on emerging best practice, improvements in technology and scientific evidence on climate impacts?

- Yes  
 No  
 Don't know

Yes.

The challenge of achieving soil health is a good example of an area where there is a particular need for flexibility and adaptation, and for payments rates to reflect – directly or indirectly, a variety of changing dynamics. These include advances in technology (especially soil testing), overheads (training, cover crop seeds), supply chain expectations and an improved understanding around the ability of different soils to sequester and store carbon.

Above all, public payments for soil need to be able to respond to the growing private sector interest (food supply businesses, the carbon marketplace), and where necessary, fill gaps and address market failures to ensure fair and consistent outcomes.

For example, as it stands, private markets for soil are currently designed to reward future gains in carbon sequestration, but not to monetise long-term carbon storage. As the market matures, public funds might need to be diverted in order to protect this carbon, and counter market pressures to reverse any gains.

Determining when and how agricultural practices increase carbon stocks, and how to measure and credit their gains, is complex - the efficacy of soil carbon interventions depends on local climate conditions, land management history, and soil characteristics.

Improved modelling and measurement and the use of technology can be expected to close this knowledge gap over time, but in the meantime, the costs of soil carbon measurement acts an important barrier to widespread participation in farm soil carbon markets. Targeted payments to reflect might unlock new and lucrative income streams.

In recognition of the potential barrier for certain farm soil carbon projects from MRV costs we see a role for the government in covering some of the start-up expenses involved. We would draw your attention to Australia where the Government offered grants to support baseline measurement costs. Scottish government support along these lines (as proposed in Tier 4) will help reduce costs to projects and deliver economies of scale relevant to the UK marketplace.

Please give reasons for your answer.



j) Do you agree that the new Agriculture Bill should include mechanisms to enable payments to support the agricultural industry when there are exceptional or unforeseen conditions or a major crises affecting agricultural production or distribution?

- Yes
- No
- Don't know

Please give reasons for your answer.

Yes, in principle, but this should not come at the cost of ensuring resilience against increasingly foreseeable conditions, including extreme weather.

## **B. Delivery of Key Outcomes**

### **Climate Change Adaptation and Mitigation**

- a) Do you agree with the proposal set out in the consultation paper, in relation to the new Agriculture Bill including measures to allow future payments to support climate change mitigation objectives? Do you have any views on specific powers and/or mechanisms that could support such alignment?

- Yes  
 No  
 Don't know

Please give reasons for your answer.

Yes, Payments made from the public purse to land managers should be strongly linked to Scotland's strategic objectives including the Climate Change Plan.

Climate change is a critically important issue for Scottish agriculture. In 2018, the agriculture sector contributed 18% all Scottish greenhouse gas (GHG) emissions, and when it comes to reducing this impact, the industry still a long way to go. Some studies say it needs to act [four times faster](#) than the pace of historical reductions.

Scotland will not achieve its net zero ambition by 2045 without a widespread commitment by the agricultural sector to not only reduce GHG emissions but also to sequester carbon. The amount of carbon in Scotland's agricultural topsoil is 3000 times more than the carbon in all the trees in Scotland.

We welcome the recognition in the Bill that management of natural capital has a critical role to play in helping Scotland meet its climate targets. Soil carbon is an important component of this, and James Hutton Institute [research](#) has indicated that there is an opportunity to increase carbon storage in cultivated soils by adopting management that adds and retains organic matter in the soil.

The Scottish government has a crucial role to play in promoting this process, and we call on the government to consider the following mechanisms in particular:

- Promoting options that benefit the soil while helping to maintain productivity. For example, legume cropping which can increase soil organic matter and are an excellent source of protein. James Hutton is participating in an EU-funded TRUE project to explore the best 'transition paths' to increase sustainable legume cultivation and consumption, which would benefit soils and climate change mitigation. We urge the authorities to translate the results from this work into practical implementation by land managers.
- Although researchers know about the impact of certain management options, when it comes to modelling their impact on specific soil types and under specific environmental and social conditions, the knowledge base is thin. As a priority, we urge the government to invest in filling this knowledge gap, and specifically scenario modelling to predict outcomes of different soil management interventions on soil carbon sequestration across all farming systems.
- We would like to see greater government clarity on how different ecosystem markets will operate in future - specifically how will the different codes and programmes be regulated. This includes clarifying the relationship between the UK Land Carbon Registry, existing soil carbon programmes and new and emerging nature-based codes. We look forward to seeing the (UK-wide) Ecosystem Markets Framework due for publication early in 2023 which will set the high level principles to apply to private investments in sustainable farming and nature recovery, as well as plans for standards development and monitoring and evaluation of market development.

To that end, we would draw attention to an Environment Agency funded project by a consortium led by the Sustainable Soils Alliance and including representatives from SRUC, James Hutton Institute and Dundee-based Agricarbon. The Consortium recently published [a report laying out minimum requirements](#) for high-integrity soil carbon projects, including the MRV (Monitoring, Reporting, Verification) and principles including permanence, additionality, leakage etc.

We urge the Scottish government to explore mechanisms for embedding these recommendations into policy so as to give investors, farmers and other stakeholders confidence in the marketplace and unlock both income streams and environmental benefits.



b) Do you agree with the proposal set out in the consultation paper, in relation to the new Agriculture Bill including measures to allow future payments to support climate change adaptation objectives? Do you have any views on specific powers and/or mechanisms that could support such alignment?

Yes

No

Don't know

Please give reasons for your answer.

Yes

In Scotland, [changes in temperature and rainfall](#) resulting from Climate Change have already been observed, and farming businesses and landscapes shaped by agriculture are already being affected by the impact of unseasonable weather, floods and prolonged droughts.

A WWF study concluded extreme weather in 2017 and 2018 contributed to losses of up to £161 million for Scotland's farmers (Ecosulis, 2019).

There is a clear challenge around how best to calculate and align future payments to reflect these challenges, and a number of knowledge gaps – not least around the impact of changing weather on Scottish soils. To that end we would draw your attention to the September 2019 Scottish Climate Change Adaptation Programme (SCCAP2) report which says: “Soils are severely impacted by climate change but there is currently insufficient data and metrics to assess their vulnerability to climate change.”

In response, a recent CXC report: [Measuring the vulnerability of Scottish soils to a changing climate](#) assessed the most likely changes in climatic factors influencing vulnerability/ resilience of Scottish soils and the level of threats they represent. It concluded that: *the generic climate scenarios under consideration would have a substantial economic impact, both on farm and in the wider rural environment, through impacts on soil health... this may have a cascade effect along the full supply chain.*

This makes a clear rationale for interventions and that will build resilience through agroecological transition.

c) Do you agree with the proposal, in relation to the new Agriculture Bill including a mechanism to enable payments to be made that are conditional on outcomes that support climate mitigation and adaptation measures, along with targeted elective payments?

- Yes  
 No  
 Don't know

Yes.

The Scotland & Northern Ireland Forum for Environmental Research (SNIFFER, n.d.) predicts that rising temperatures will increase soil degradation while heavier rainfall and stronger winds both contribute to soil erosion (Ritter, 2018).

Flooding will also have an impact on agricultural land. The area of best quality agricultural land at risk from fluvial flooding in Scotland is projected to increase by 26% by the 2050s and 31% by the 2080s under a +2°C at 2100 scenario (SNIFFER, n.d.).

In other words, soils (and hence farming and society) face a variety of different risks that will reflect geography, farm, crop, soil and climate types. Outcomes for soil management interventions should reflect all of these risks, and not focus overtly on SOM/SOC increase but include biodiversity, chemical and physical (structure) improvements.

These metrics are all included in the soil testing programme.

There is another reason to caution against an overt focus on SOC/SOM increase as the critical outcome for Scottish soils. Determining when and how agricultural practices increase carbon stocks, and how to measure and reward their gains, is complex - the efficacy of soil carbon interventions depends on local climate conditions, land management history, and soil characteristics.

On top of that, any changes in soil carbon occur slowly, which makes it difficult to reliably track changes once new practices are implemented.

Finally, we should emphasise that measures that are beneficial for nature and climate won't necessarily bring any commercial benefit to the farmer implementing them so there is a clear justification for public support – but only if the public can see the clear environmental benefits of the interventions they are supporting. This will require clearly defined outcomes against which progress can be assessed over time.

Please give reasons for your answer.

- d) Do you agree with the proposal set out in the consultation paper, in relation to the new Agriculture Bill including measures that support integrated land management, such as peatland and woodland outcomes on farms and crofts, in recognition of the environmental, economic and social benefits that it can bring?

- Yes  
 No  
 Don't know

Please give reasons for your answer.

Yes, and integrated land management should be accompanied by an integrated payment framework that recognises public and private, economic and environmental outcomes.

As this bill explains there is growing public sector appetite a growing private incentive market for paying farmers for the delivery of ecosystem services alongside – including the sequestration of carbon into the soil which provides multiple co-benefits including improved water quality, biodiversity, resilience to drought and improved yields.

This is a new 'market', however, and as it stands, existing payment rates aren't necessarily enough to cover the costs – especially of training and overheads when transitioning to a new way of farming. Indeed, in many instances only when public and private ecosystem support are combined will there be the necessary investment and joined-up thinking needed to give farmers confidence and motivation for long-term change (i.e. permanence) to their land management changes.

By aggregating demand for multiple services, it will be possible to design packages of measures including those that sequester and store soil carbon, and we would draw attention to the successful example of Landscape Enterprise Networks, regionally focused approach which harnesses commercial interest in how landscapes function to drive investment and innovation around strategic assets like soils, aquifers, access infrastructure, habitats and tree cover.

This blending of public and private schemes is uncharted territory globally – requiring leadership from Scottish government including greater clarity and consistency on the key practical, technical and legal principles at stake, including additionality, stacking and data transparency.

We would draw attention to the conclusions of the study [Integrating ecosystem markets to co-ordinate landscape-scale public benefits from nature](#) (Reed et al), specifically:

- a) Markets for one ecosystem service should not compromise the delivery of other services;
- b) Private payments should be possible for multiple ecosystem services from the same location (“stacking”)
- c) Public funds should be used to de-risk and leverage private finance or pay for outcomes in locations and for services in which there is market failure.
- d) Public and private funding can be successfully blended in future nature-based projects, for example integrating funds delineation with carbon trigger funds or carbon guarantees
- e) The market needs robust standards to govern the development of new markets in a wider range of land uses and habitats, to provide investor confidence and ensure outcomes are delivered.
- g) In some contexts regulation may be considered, for example the integration of Net Biodiversity Gain in the planning system
- h) Government funding could also help unlock supply by employing facilitators to explain opportunities to owners and managers of land and marine assets, simplifying and democratising access to private finance.

### **Nature Protection and Restoration**

- a) Do you believe the new Agriculture Bill should include a mechanism to protect and restore biodiversity, support clean and healthy air, water and soils, contribute to reducing flood risk locally and downstream and create thriving, resilient nature?

- Yes  
 No  
 Don't know

Please give reasons for your answer.

Yes. Ensuring our soils are healthy is a large part of the solution to many of the problems we face. The way we use and manage land greatly affects the state of our soils and the benefits they provide. Healthy soils are less prone to loss through erosion, less likely to emit GHG, more likely to contain carbon, need fewer nutrient inputs to maintain crop yield, will decrease the risk of flooding, be more resilient to drought and support more habitats and species. Degraded soils do not only cost the farmer money and harm the environment, they also have a large often hidden cost to society.

Any policy mechanisms that address soils- through incentivisation, regulation or other instruments need to be underpinned by a clear, robust narrative that highlights their societal and productivity value to farmers – one that is capable of engaging hearts and minds, and demonstrating not only what is expected of them, but why. Central to this must be the themes of productivity, public goods but also – critically – climate change resilience, which we see increasingly resonating with Scottish farmers – especially when they connect soil health and water accessibility following this Summer's droughts.

To that end, we recommend that the Scottish government revisits and updates The Scottish Soil Framework, which is now 13 years old, to assess progress against its original objectives, evaluate whether it is still fit for purpose.

At a time when there is growing appreciation of soil's importance should be used to create the single, soil-specific narrative thread that can link all the separate



b) Do you believe the new Agriculture Bill should include a mechanism to enable payments that are conditional on outcomes that support nature maintenance and restoration, along with targeted elective payments?

Yes

No

Yes.

When it comes to soil, careful consideration needs to be given to the use of outcomes as a basis for payments - both in terms of what is achievable and desirable, and to the process of how to assess change over time.

For a start, soils face a variety of different risks that will reflect geography, farm, crop, soil and climate types. Outcomes for soil management interventions should reflect all of these risks, and not focus overtly on SOM/SOC increase, but include biodiversity, chemical and physical (structure) improvements.

These metrics are all included in the soil testing programme.

In addition, determining when and how agricultural practices impact on soil health, and how to measure and reward this change, is complex - the efficacy of soil carbon interventions for example depends on local climate conditions, land management history, and soil characteristics.

We would highlight that changes in soil health – in particular SOM storage - takes place over a long period of time, making a specific and measurable ‘outcome’ unrealistic. Alongside outcomes, outputs – provable ‘actions’ (e.g. covered soil), especially those that have an established evidence base, e.g. for carbon sequestration, should be considered as a desirable.

Finally we would draw the government’s attention to the evolving evidence base that underpins regenerative agriculture. It indicates that, while individual soil management interventions (cover crops, livestock integration) are beneficial, it is only when these are introduced as part of a holistic transition incorporating a wide range of practice changes that the true benefits – climate change adaptation, biodiversity increase, SOM storage – can be witnessed. We urge the government to keep a close eye on the new but evolving science of regeneration, and incentivise holistic transition where appropriate.

Don’t know

Please give reasons for your answer.

c) Do you believe the new Agriculture Bill should include a mechanism to enable landscape/catchment scale payments to support nature maintenance and restoration?

Yes

No

Don’t know

Please give reasons for your answer.

Yes

Rural diffuse pollution from farming is the single largest pollution pressure in Scotland, contributing to adverse failing water quality standards in around 400 water bodies. Severe soil structural degradation was found in 18% of topsoils across four catchments. Run-off, erosion and nutrient losses were about 10 times more from these degraded parts of fields. The total annual costs of soil erosion in Scotland £31-50 million/year.

Changing the way we manage land, including natural flood management measures and targeted restoration of river catchments can help deliver landscape changes that will save money and deliver other benefits alongside flood protection, thus benefiting the environment, society and the economy.

Healthy soils with a good structure and organic matter content will help to ensure resilience to flooding and water scarcity, reduced GHG losses, reduced runoff and erosion risks, as well as higher yields and better farm gross margins.

Nitrogen and phosphorus are essential nutrients, but pollution from agriculture affects air, water, soils, and ecosystems –and damages human health. However pollution is far from unavoidable. While farming activity is inextricably linked with nutrient flows, pollution could be drastically cut by using nutrients more smartly. This largely relies on good soil management practices and a catchment-focused approach.

### High Quality Food Production

- a) Do you agree that the powers in the Agriculture and Retained EU Law and Data (Scotland) Act 2020 should be extended to ensure Scottish Ministers have flexibility to better respond to current, post exit, circumstances in common market organisation and easily make changes to rules on food?

- Yes  
 No  
 Don't know

Please give reasons for your answer.

- b) Do you agree that Scottish Ministers should have powers to begin, conclude, or modify schemes or other support relevant to the agricultural markets?

- Yes  
 No  
 Don't know

Please give reasons for your answer.

c) Do you believe the new Agriculture Bill should include a mechanism to enable payments that support high quality food production?

- Yes
- No
- Don't know

Please give reasons for your answer.

d) Do you believe the new Agriculture Bill should include a mechanism to provide grants to support industry in the agri-food supply chain to encourage sustainability, efficiency, co-operation, industry development, education, processing and marketing in the agri-food sector?

- Yes
- No
- Don't know

Please give reasons for your answer.

e) Do you believe the new Agriculture Bill should include powers for Scottish Ministers to declare when there are exceptional or unforeseen conditions affecting food production or distribution?

- Yes
- No
- Don't know

Please give reasons for your answer.

f) Do you believe the new Agriculture Bill should include powers for Scottish Ministers to provide financial assistance to the agri-food sector and related bodies whose incomes are being, or are likely to be, adversely affected by the exceptional or unforeseen conditions described in the declaration referred to in the consultation paper?

- Yes
- No
- Don't know

Please give reasons for your answer.

g) Do you agree that the new Agriculture Bill should include the powers to process and share information with the agri-food sector and supply chains to enable them to improve business efficiency?

- Yes
- No
- Don't know

Please give reasons for your answer.

**Wider Rural Development**

a) Do you agree that the proposals outlined in the consultation paper should be included in the new Agriculture Bill?

- Yes
- No
- Don't know

Please give reasons for your answer.

b) Are there other areas relating to non-agricultural land management such as forestry that you would like considered for support under the Agriculture Bill to help deliver integrated land management and the products produced from it?

- Yes
- No
- Don't know

Please give reasons for your answer.

c) What other powers may be required to enable rural development in Scotland's rural and island communities?

- Yes
- No
- Don't know

Please give reasons for your answer.

d) What potential social, economic or other impacts, either positive or negative, would such powers have on Scotland's rural and island communities?

- Yes
- No
- Don't know

Please give reasons for your answer.

### **Animal Health and Welfare**

a) Do you agree that the new Agriculture Bill should include powers to establish minimum standards for animal health, welfare as a condition of receiving payments?

- Yes
- No
- Don't know

Please give reasons for your answer.

b) Do you agree that the new Agriculture Bill should include powers to make payments to support improvements in animal health, welfare and biosecurity beyond legal minimum standards?

- Yes
- No
- Don't know

Please give reasons for your answer.

c) Do you agree that the new Agriculture Bill should include powers to collect and share livestock health, welfare and biosecurity data?

- Yes
- No
- Don't know

Please give reasons for your answer.

### **Plant Genetic Resources and Plant Health**

a) Do you agree that Scottish Ministers should have powers to provide support for the conservation of Plant Genetic Resources, including plants developed and grown for agricultural, horticultural or forestry purposes and their wild relatives?

- Yes
- No
- Don't know

Please give reasons for your answer.

b) Do you agree that Scottish Minister should have the power to provide support to protect and improve plant health?

- Yes
- No
- Don't know

Please give reasons for your answer.

**C. Skills, Knowledge Transfer and Innovation**

a) Do you agree that support should continue to be provided in this area?

- Yes
- No
- Don't know

Please give reasons for your answer.

b) Is there any particular gaps in delivery that you can identify?

- Yes  
 No  
 Don't know

Yes.

Restricting payments for soil sampling and farm carbon audits to Region 1 land under the soil testing scheme (as currently outlined), i.e. excluding rough grazing land, is missing a huge opportunity to support the broadscale improvement in soils and sustainable soil management across the greatest part of Scotland's land mass.

Soils in these more marginal lands will play a key role in Scotland's climate change mitigation and adaptation across rural land use. These soils are vulnerable to organic matter losses and increased contribution to soil derived GHG emissions whilst being important in supporting for biodiversity (e.g. wading birds) in the uplands.

Restricting payments to specific regions (e.g. Region 1 land) for these knowledge opportunities will exclude a significant proportion of Scotland's land from obtaining key information about the current status of their soils and farm carbon. This information is essential to any land manager making decisions in transitioning to net zero agricultural land management and in working towards climate resilience of farming and rural livelihoods across all of Scotland's regions.

The data being generated on soil health and soil carbon by Scotland from this funding scheme would provide valuable evidence on the current status of Scotland's agricultural soils. There would appear to be a gap in the generation of these data and the analysis of these data for the benefit of the wider community in Scotland and for Scottish Government policy evidence base.

Please give reasons for your answer.

c) Are there any alternative approaches that might deliver better results?

- Yes  
 No  
 Don't know

Please give reasons for your answer.

We would like to see a far stronger emphasis on the combined assessment of soil carbon sequestration with reductions on soil derived greenhouse gas emissions. Farming will require this combined information to be confidence that agricultural is truly reducing its climate impact.

d) Do you have any ideas as to how engagement/participation in advisory services, knowledge transfer or skills development might be improved?

- Yes  
 No  
 Don't know



Please give reasons for your answer.

As it stands, there is a clear lack of advisors who are knowledgeable in regenerative farming practices that are suitable for use in Scotland. We would call for:

- More supporting knowledge events in Scotland bringing in expertise from around the world to stimulate debate and discussion about best practice for regenerative agriculture in Scotland.
- Ensure that Scottish Government funding for agricultural research (e.g. Strategic Research Programme, Centre of Expertise on Climate Change) will deliver on relevant farming information, policy evidence and advisory gaps in regenerative agriculture.

e) Do you agree that Scottish Ministers should have the power to establish a national reserve and regional reserve if/when required to ensure the equal treatment of farmers and to avoid distortions of the market and of competition?

- Yes  
 No  
 Don't know

Please give reasons for your answer.

#### **D. Administration, Control, and Transparency of Payment Framework Data**

a) Do you agree that Scottish Ministers should have the power to create a system that provides for an integrated database, to collect information in relation to applications, declarations and commitments made by beneficiaries of rural support?

- Yes  
 No  
 Don't know

Please give reasons for your answer.

b) Do you agree that Scottish Ministers should have the power to create a system that collects and shares information for the purposes of carrying out management, control, audit and monitoring and evaluation obligations and for statistical purposes, subject to General Data Protection Regulation (GDPR) requirements?

- Yes  
 No  
 Don't know

Please give reasons for your answer.

c) Do you agree that Scottish Ministers should have the power to share information where there is a public interest in doing so, and subject to complying with the General Data Protection Regulation GDPR?

- Yes
- No
- Don't know

Please give reasons for your answer.

d) Do you agree that Scottish Ministers should have the power to create a system that provides a mechanism that aligns with the principles of the Scottish Public Finance Manual (SPFM) that ensures proper handling, reporting, and recovery, where proportionate, of public funds, the need for economy, efficiency and effectiveness, and promote good practice and high standards of propriety?

- Yes
- No
- Don't know

Please give reasons for your answer.

e) Do you agree that Scottish Ministers should have the power to create a system that provides the data required to undertake administrative checks on applications / claims made by beneficiaries for rural support?

- Yes
- No
- Don't know

Please give reasons for your answer.

f) Do you agree that Scottish Ministers should have the power to create a system whereby on-the-spot-checks should be undertaken to further verify applications / claims made by beneficiaries for rural support?

- Yes
- No
- Don't know

Please give reasons for your answer.

g) Do you agree that Scottish Ministers should have the power to create a system that would provide for cross compliance, conditionality that covers essential standards in relation to sustainable environment, climate, Good Agricultural and Environmental Condition (GAEC), land, public and animal health, plant health and animal welfare, Soil health, carbon capture and maintenance?

- Yes
- No
- Don't know

Please give reasons for your answer.

h) Do you agree that Scottish Ministers should have the power to create a system that provides a mechanism to support the delivery of practices aligned to receipt of elective payments, for targeted outcomes?

- Yes
- No
- Don't know

Please give reasons for your answer.

i) Do you believe that Scottish Ministers should have the power to monitor and evaluate outcomes to ensure they meet the agreed purpose and help better inform future policy?

- Yes
- No
- Don't know

Please give reasons for your answer.

j) Do you believe that Scottish Ministers should have the power to seek independent assurance that outcomes are delivered appropriately?

- Yes
- No
- Don't know

Please give reasons for your answer.

k) Do you agree that Scottish Ministers should have the power to enable the publication of details pertaining to recipients who receive payments including under the future payment model (outlined in the consultation paper) and set a level above which payment details will be published?

- Yes
- No
- Don't know

Please give reasons for your answer.

- 1) Do you agree that technical fixes should be made to the Agriculture and Retained EU Law and Data (Scotland) Act 2020 to ensure Scottish Ministers have all requisite powers to allow CAP legacy schemes and retained EU law to continue to operate and be monitored and regulated and also to ensure Scottish Ministers have flexibility to better respond to current, post exit, circumstances?

- Yes  
 No  
 Don't know

Please give reasons for your answer.

#### **E. Modernising Agricultural Tenancies**

##### **Agreement to diversification**

- a) Do you agree that Scottish Ministers should have a power to be able to determine what is an acceptable diversification?

- Yes  
 No  
 Don't know

Please give reasons for your answer.

- b) Do you think that if this power is given to Scottish Ministers that the Tenant Farming Commissioner should have the ability to issue guidance to assist tenant farmers and landlords understand this.

- Yes  
 No  
 Don't know

Please give reasons for your answer.

**Waygo and Schedule 5 of the Agricultural Holdings (Scotland) Act 1991**

- a) Do you agree that Scottish Ministers should add new activities and items onto Schedule 5 of the Agricultural Holdings (Scotland) Act 1991; to enable tenant farmers to support biodiversity and undertake climate change mitigation and adaption activity on their tenant farms?

- Yes  
 No  
 Don't know

Please give reasons for your answer.

- b) Do you agree that Scottish Ministers should have a power to amend Schedule 5 of the Agricultural Holdings (Scotland) Act 1991 by secondary legislation to enable Schedule 5 to be changed to meet the future challenges?

- Yes  
 No  
 Don't know

Please give reasons for your answer.

- c) If you do not agree that Scottish Ministers should have the ability to vary the activities and associated items listed on Schedule 5 of the Agricultural Holdings (Scotland) Act 1991 please explain why, including any alternative approach you have to address this issue.

- Yes  
 No  
 Don't know

Please give reasons for your answer.

d) Do you agree that when an agricultural tenancy comes to an end a tenant farmer should have certainty about the timescale by when they will receive any money due to them, and their landlord should also have a similar certainty?

- Yes
- No
- Don't know

Please give reasons for your answer.

**Amendment to rules of good husbandry and good estate management**

a) Do you agree that the Scottish Ministers should be able to amend the rules of good husbandry and good estate management defined in the Agricultural Holdings (Scotland) Act 1948 to enable tenant farmers and their landlords to be able meet future global challenges?

- Yes
- No
- Don't know

Please give reasons for your answer.

**Rent Reviews**

a) Do you agree that adaptability and negotiation in rent calculations are required to meet the global challenges of the future? Please explain why.

- Yes
- No
- Don't know

Please give reasons for your answer.

b) Are there any other relevant considerations that should be included in part of a rent review? Please explain why including any practical examples.

- Yes
- No
- Don't know

Please give reasons for your answer.

### Resumption

a) Do you consider that Scottish Ministers should amend the resumption provisions on compensation for disturbance to include a new valuation formula? And if you agree with this proposal, what do consider to be the appropriate method of valuation?

- Yes
- No
- Don't know

Please give reasons for your answer.

### **F. Scottish Agricultural Wages (Fair Work)**

a) Do you agree that Fair Work conditions, including the real Living Wage, should be applied to all Scottish agricultural workers?

- Yes
- No
- Don't know



Please give reasons for your answer.

b) What do you consider the implications would be on individual businesses and the Agricultural sector more broadly, if the minimum wage for agricultural workers was to align with the real Living Wage?

- Yes
- No
- Don't know

Please give reasons for your answer.

#### **Assessing the Impact**

a) Are you aware of any potential costs and burdens that you think may arise as a result of the proposals within this consultation?

Please give reasons for your answer.

The current guidance for soil sampling and farm carbon audits indicates that soil carbon can be assessed by loss-on-ignition and that carbon audits can use available listed toolkits.

It should be acknowledged that:

- (i) The technology proposed for soil carbon (Loss on Ignition or LOI) would not meet the minimum standards for soil testing methods expected from private sector investment in farm soil carbon e.g. voluntary carbon market for soil carbon credits and soil carbon certificates.
- (ii) Carbon audit toolkits would not meet the minimum standards for modelling soil carbon sequestration / GHG emissions reductions expected from private sector investment in farm soil carbon e.g. voluntary carbon market for soil carbon credits and soil carbon certificates.

To that end, we would draw attention to an Environment Agency funded project by a consortium led by the Sustainable Soils Alliance and including representatives from SRUC, James Hutton Institute and Dundee-based Agricarbon. The Consortium recently published a report laying out [minimum requirements for high-integrity soil carbon projects](#), including the MRV (Monitoring, Reporting, Verification) and principles including permanence, additionality, leakage etc.

We urge the Scottish government to explore mechanisms for embedding these recommendations into policy so as to give investors, farmers and other stakeholders confidence in the marketplace and unlock both income streams and environmental benefits.

- b) Are you aware of any examples of potential impacts, either positive or negative, that you consider that any of the proposals in this consultation may have on the environment?

Please give reasons for your answer.

Scottish Government payments for soil sampling to assess soil health, in particular soil nutrient status, could have a positive impact on the environment if, as an outcome of the scheme, farm management is adapted or altered to reduce nutrient or sediment transfers to the wider environment.

- c) Are you aware of any examples of particular current or future impacts, positive or negative, on young people, of any aspect of the proposals in this consultation? Could any improvements be made?

Please give reasons for your answer.

- d) Are you aware of any impacts, positive or negative, of the proposals in this consultation on data protection or privacy?

Please give reasons for your answer.

- e) Are you aware of any examples of how the proposals in this consultation may impact, either positively or negatively, on those with protected characteristics (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation)?

Please give reasons for your answer.

- f) Are you aware of any examples of how the proposals in this consultation might have particular positive or negative impacts on groups or areas experiencing socioeconomic disadvantage? These could be households with low incomes or few resources; families struggling to make ends meet; people who experienced poverty while growing up; or areas with few resources or opportunities compared with others.

Please give reasons for your answer.

- g) Are you aware of any examples of how the proposals in this consultation might impact, positively or negatively, on island communities in a way that is different from the impact on mainland areas?

Please give reasons for your answer.

