

SCOTTISH PARLIAMENT

ORAL ANSWER 3

Alexander Burnett (MSP for Aberdeenshire West (Constituency), Scottish Conservative and Unionist Party): To ask the Scottish Government what it is doing to help farmers make improvements to their farms.

S6O-00912

MAIRI GOUGEON: The Scottish Government has a full range of support measures currently in place to help make farm improvements and we will continue to develop these as we transform how we support farming and food production in Scotland to become a global leader in sustainable and regenerative agriculture as set out in our recent Vision for Agriculture.

Current measures include our various grant offer schemes such as the Sustainable Agricultural Capital Grant Scheme and access to specialist advice and information through our Farm Advisory Services. I am also pleased to announce that a further round of KTIF will be opening today and look forward to see what applications will come in that can help the agriculture sector in Scotland.

SUPPLEMENTARY QUESTIONS

Jim Fairlie: Does the Cabinet Secretary share my dismay at the Tories' failure to deliver on their Brexit promise to at least maintain current rural funding and instead, they are now short changing Scotland to the tune of £93 million during this Parliament, funding which could of course be provided to farmers to help them mitigate, address and adapt to climate change?

MAIRI GOUGEON

Yes. The Scottish Government has been clear and consistent that we expect full replacement of EU funds to ensure no detriment to Scotland's finances, and we expect the UK Government to fully respect the devolution settlement in any future arrangement. This has not happened. Wales and Northern Ireland share our frustration.

There was a Bew Review commitment to hold meaningful discussions to agree the principles of future intra-UK allocations. It should have occurred before the UK Spending Review. We are still waiting on UK Government and Mr Eustice to meet this commitment.

Q: What actually is the Scottish Governments vision for Agriculture how will it improve our farming industry?

MAIRI GOUGEON: Our Vision for Agriculture was published on 2nd March and sets out a positive vision that Scotland will be recognised as a global leader in sustainable agriculture that remains aligned to the principles of the future EU CAP.

We will support farmers and land managers who produce more of our own food needs and manage our land sustainably with nature and for the climate

A new Scottish Agriculture Bill will be brought forward in 2023 to provide to replace the Common Agricultural Policy (CAP) with a legal framework to support our vision.

Q: The NFUS called the Cabinet Secretary £5 million allocation to this year's Sustainable Agricultural Capital Grant Scheme as "wholly inadequate" – will the government increase the budget?

MAIRI GOUGEON: The focussed nature of the new scheme reflects the overall capital picture for 2022-23 which is more constrained than in previous years. SACGS 2022 and its budget must be considered in the context of the wider allocation of £25 million for transformative actions (including the National Test Programme).

[Additional detailed information]

SACGS 2022 was developed recognising feedback from stakeholders on the pilot scheme run in 2020. There was a call for better targeting and support given to equipment with a recognised evidence base. The £5 million scheme addresses these issues and specifically targets low emission slurry spreading equipment and slurry store covers that are proven to lower ammonia emissions and reduce adverse impacts on water quality resulting from the storage and spreading of livestock slurry and digestate.

The scheme builds on the £2.1 million offered in the SACGS pilot for such equipment and also takes account of current equipment supply challenges and is at a scale that should allow the funding available to be fully utilised.

Q: Will the government confirm that it plans to maintain direct payments for farmers recognising the vital role they play in our rural economy?

MAIRI GOUGEON: This government will not remove direct payments.

I have also committed to maintaining basic payments at current levels for the duration of this Parliament and I also promised to get 2021 support payments to farmers and crofters bank accounts at the earliest opportunity – we are delivering on that.

- Basic payments were started in December at the earliest ever point, providing £ 363 million of support to date.
- LFASS payments started in January with £ 50 million paid to date.
- Suckler beef support payments worth £41 million will be started in April
- Sheep support payments worth around £7 million will be started in May

Q: When will farmers and crofters finally get access to the National Test Programme Scheme?

MAIRI GOUGEON: We are continuing to develop our National Test Programme and would urge all farmers to take up the Track 1 offer supporting soil sampling and analysis, and carbon audits, as soon as it becomes available this spring.

Track 1 has been co-designed with stakeholders including the NFUS and we hope as many farmers and crofters take up the offers that will be available and participate.

KTIF – Knowledge Transfer and Innovation Fund

Q – Will the Cabinet Secretary be opening up a new round of KTIF funding that helps to develop innovation and share knowledge and best practice across the industry?

MAIRI GOUGEON: Yes, I'm pleased to announce that we are opening a new round for KTIF applications in Spring 2022. These will be open for projects up to a value of £150K under both the innovation and knowledge transfer categories. Officials are working on the details of this which I will share shortly. The success of projects funded under KTIF is really encouraging and I look forward to what this next round of projects will bring to the sector.

Q – What would Cabinet Secretary's response be to criticism that the KTIF opens on too much of an irregular basis to accommodate applicants?

MAIRI GOUGEON: We work hard with a range of stakeholders and applicants to keep them abreast on funding windows and priorities. Unfortunately, KTIF has been yet another victim of EU exit where funding arrangements have had to change and removed the regularity and security of multi-year budgets afforded to us under the EU. We are doing everything we can to restore that regularity and budget clarity and of course will continue to work closely with KTIF applicants and stakeholders.

Farm Advisory Service

Q: What support can the FAS offer farmers and crofter to improve their farms and crofts?

MAIRI GOUGEON – The FAS offers a significant amount of quality advice and support on a range of topics, the vast majority of which is free to the user. This includes: events, advice line help, technical notes, videos and one on one bespoke consultancy advice to name a few. For any agri business looking to make improvements or needing support I strongly recommend you get in touch with the FAS.

Q: Would Cabinet Secretary agree the uptake for services under the FAS is lacklustre?

MAIRI GOUGEON: No, I would disagree. In 2021, just under 5,000 farmers, crofter and land managers attended FAS events, there was just under 2 million views on the FAS website and 409 carbon audits were completed under FAS. There's should be no argument that this level of engagement is impressive and vital for the challenges we have ahead.

Q: What changes is Cabinet Secretary making to the FAS to improve the service?

MAIRI GOUGEON: We have and continue to listen to the FAS users and our stakeholders. So going forward the FAS will deliver more peer to peer groups, more government funding will be made available for bespoke advice like carbon audits and ILMPs and we are aligning the service to support climate change and biodiversity adaptation whilst maintaining a food producing sector.

New Entrants

Q: Will the Cabinet Secretary confirm she will meet the SNP Manifesto commitment to provide additional funding for new entrants?

MAIRI GOUGEON: Absolutely. Myself and officials have discussed on a number of occasions and fully recognise the importance of attracting new entrants into the sector. Various options that add to our existing support measures are actively being considered. Any suggestion that we are not supporting new entrants into the sector is simply not true. This government has arguably invested the most in new entrant support compared to other parts of the UK.

- We added provision to allocate direct payments to new entrants and young farmers in excess of £7.2m;
- Our start-up provision alone under the SRDP totalled nearly £13m;
- Under the FONE group we have helped facilitate entry to 76 new entrants by providing 112 land opportunities across 7,070 hectares of land;
- And in conjunction with the NFUS, the Scottish Land Matching Service has got off to a very promising start despite the impact of Covid.

Q: What about the loss of farming opportunities for new entrants to farming that might arise as a result of plans to increase forestry cover.

MAIRI GOUGEON: Around 80 per cent of applications for forestry grants come from smaller land owners, including farmers, who are seeing many benefits to integrating trees as part of their business. Scottish Forestry has an active engagement programme with farmers and their trade associations to help them get more benefits from tree planting. Its goal is to work alongside the agricultural community and ensure an integrated approach to getting the right tree in the right place.

BACKGROUND NOTE FOR S6O-00912

1. Alexander Burnett is the Scottish Conservative MSP for Aberdeenshire West (Constituency) since 2016.
2. He is a committee member of the Economy and Fair Work Committee and a substitute member of the Public Audit Committee. He is also a member of several cross party groups including co-convener of the cross party group in the Scottish Parliament on Sustainable Uplands Management. He is also the sole trader of AJA Burnett Estate, a property leasing and forestry undertaking managed by Leys Estate Group, Banchory Business Centre, Burn O'Bennie Road, Banchory, AB31 5ZU.
3. It is not clear why Alexander Burnett is asking this question but it is framed as a general question which is likely to lead to some call for further support to the agriculture industry. As such the potential supplementary questions offered is quite wide ranging.
4. Annex A –covers our Vision for Agriculture
5. Annex B covers Agricultural Transformation Fund
6. Annex C covers Sustainable Agriculture Capital Grant Scheme (SACGS)
7. Annex D offers information relating to Farm Advisory Services
8. Annex E offers information relating to New Entrants
9. Annex F offers information relating to Forestry Grants
10. Annex G offers information relating to KTIF – Knowledge Transfer and Innovation Fund
11. Annex H offers information relating to Climate Change Mitigation and Adaption Training Fund and Woman in Agriculture Practical Training
12. Annex I provides a high level comparison of SG schemes vrs UKG

Contact: (Redacted text) - Agricultural Transformation in Productivity

Vision for Agriculture

The Vision for Agriculture was published on 2nd March and sets out a positive vision that Scotland will be recognised as a global leader in sustainable agriculture that remains aligned to the principles of the future EU CAP.

It shows that we will support farmers and land managers who produce more of our own food needs and manage our land sustainably with nature and for the climate.

A new Scottish Agriculture Bill will be brought forward in 2023 to provide to replace the Common Agricultural Policy (CAP) with a legal framework to support our vision.

Until then -

- We will support the rural economy with stability and simplicity until 2025.
- We remain committed to supporting active farming and food production with direct payments.
- By 2025 we will shift half of all funding for farming and crofting from unconditional to conditional support, with targeted outcomes for biodiversity gain and a drive towards low carbon approaches which improve resilience, efficiency and profitability.

Agricultural Transformation Fund

Issue: The Agricultural Transformation Programme Fund is intended to support the agricultural sector to reduce greenhouse gas emissions, improve efficiency and enhance Scotland's natural environment through the period of transition.

Budget for 2022-23

- £5m Capital funding has been allocated to assist in delivering these objectives.
- Detail on how this funding will be allocated is still be announced; although it will take account of the views of the ARIOB.
- The budget for Agricultural Transformation Fund for 2022-23 has been **significantly reduced:**

	2021-22	2022-23
Capital Expenditure:	£25 million	£5 million
Financial Transactions:	£20 million	<i>None</i>
Total Budget:	£45 million	£5 million

Top lines

- Our vision for the future of agriculture in Scotland is a positive one, with a clear ambitious aim: to transform how we support farming and food production in Scotland to become a global leader in sustainable and regenerative agriculture.
- The budget for agricultural transformation now reflects the roll-out of the National Test programme which will be worth £51m over the next three years; this significantly increases expenditure on 'low carbon'.
- The overall spend for agricultural transformation in 2022-23 is £25m, and will be used to start work on transforming farming and food production in Scotland to be world leading in sustainable
- As part of the overall Agricultural Transformation, the **capital Agricultural Transformation Fund for 2022-2023 is £5 million**. This will now be used in a targeted manner to complement these measures; through SACGS 2022.
- This is part of an £630m package of support to farmers and crofters to continue stability through maintained support across the agricultural

sector while we test new approaches to help farmers and crofters cut emissions and support nature restoration. This includes continued agri-environment investment of £36 million, including funding to help deliver our commitment to double the land used for organic farming and support for advice, knowledge transfer and business development.

- The proposed rural funding from UK Government provides insufficient budget to replace EU funding levels lost to Scotland. Between 2021-22 and 2024-25 Scotland is set to lose out on approximately £93 million. We have been clear and consistent in our position that we expect full replacement of EU funds to ensure no detriment to Scotland's finances, and we expect the UK Government to fully respect the devolution settlement in any future arrangement.
- The financial transaction element of the budget has been removed from the Agriculture Transformation Fund budget. The impact of COVID-19 has made it difficult to progress a loans scheme that would be available for capital projects nor could it compete with existing loan products from commercial lenders; and the Scottish Government would not wish to enter into competition with those lenders.

Background/Context

- The ATF was established in 2020 in response to the approach made to the First Minister by the Climate Emergency Response Group (CERG) in 2019, which sought additional funding across Scottish Government portfolios to address the climate emergency.
- The CERG request for agriculture was for £100 million over 3 years. The original allocation in 2020-21 for the ATF was for £40 million of funding; split equally between capital funds and financial transactions (loan funding).
- Over 2,300 farmers and crofters have already received support to invest in a variety of items of agricultural equipment which will enable them to make improvements to their work practices; and also to invest in small scale wood processing equipment and farm woodland planting. The greater portion of that has been through the Sustainable Agriculture Capital Grant Scheme (SACGS) (see Annex 12)
- Going forward it is anticipated that the ATF will be adapted as the National Test Programme is rolled out and provides information on how capital spend can be more effectively linked to outcomes.

Contact: (Redacted text)

Sustainable Agriculture Capital Grant Scheme (SACGS)

Issue: SACGS 2022 will be focussed on support for low emission slurry spreading equipment and slurry store covers that are proven to reduce harmful ammonia emissions and reduce adverse impacts on water quality resulting from the storage and spreading of livestock slurry and digestate. The budget for SACGS 2022 **has been significantly reduced from the pilot scheme** with a reduction for capital funds.

SACGS 2022 Budget

- **SACGS 2022 will utilise the full amount of the Agricultural Transformation Programme Fund capital allocation of £5 million for Financial year 2022-23.**
- The overall spend for agricultural transformation for 2022-23 is £25 million, to start work on transforming farming and food production in Scotland to be world leading in sustainable and regenerative agriculture. This will encompass the National Test Programme, **SACGS 2022** and service development.

If challenged on the level of funding available:

- The focussed nature of the scheme reflects the overall capital picture for 2022-23 which is more constrained than in previous years. SACGS 2022 and its budget must be considered in the context of the wider allocation of £25 million for transformative actions (including the National Test Programme).
- SACGS 2022 was developed recognising feedback from stakeholders on the pilot scheme run in 2020. There was a call for better targeting and support given to equipment with a recognised evidence base. The £5m scheme announced addresses these issues and specifically targets low emission slurry spreading equipment and slurry store covers that are proven to lower ammonia emissions and reduce adverse impacts on water quality resulting from the storage and spreading of livestock slurry and digestate. The scheme builds on the £2.1m offered in the SACGS pilot for such equipment and also takes account of current equipment supply challenges and is at a scale that should allow the funding available to be fully utilised.

SACGS 2022

- No formal launch date has been set but the scheme is expected to open in mid-April and the deadline for applications will be towards the end of May.
- The scheme will open to Scottish farmers, crofters and agricultural contractors who store and/or spread livestock slurry or digestate who are registered with the Scottish Government Rural Payments and Inspections Division (SGRPID).
- Successful applicants will also be required to get a Carbon Audit and/or a Nutrient Management Plan (based on soil analysis) by the time their claim is submitted if they do not already have one.
- The 2022 scheme should be viewed in the context of the introduction of the 'The Water Environment (Controlled Activities) (Scotland) Amendment Regulations 2021'.
- The pilot scheme, attracted some criticism relating to the non-targeted and non-conditional nature of the support offered and the ARIOB also commented on the lack of evidence for capital investments and that future capital support should be demonstrably linked to outcomes.
- It is estimated that agricultural activities account for around 90% of ammonia emissions.
- The SACGS 2022 scheme focusses support on low emission slurry spreading equipment and slurry store covers that will help farmers, crofters and agricultural contractors comply with new regulatory requirements, reducing harmful ammonia emissions and adverse impacts on water quality from the storage and spreading of livestock slurry and digestate.
- Offering this targeted SACGS funding will link the financial support to measures that will mitigate the impact of ammonia and lead to water and air quality improvements.

Decisions on support for future years – either for the items being targeted for support and/or the level of budget - will not be taken before the end of this year.

SACGS Pilot Scheme

- The SACGS pilot scheme supported investment in a wide range of items of agricultural equipment to enable changes necessary to reduce direct and indirect greenhouse gas (GHG) emissions; as well as delivering co-benefits through supporting sustainable farming, improving land and livestock management and improving air and water quality.
- 3,160 businesses (90% of grant offers), claimed their grant by the claim deadline date.
- Payments totalling £12.42m have now been paid to 3,065 farmers and crofters.
- The total spend for SACGS will be £12.9m (76% of money offered)
- The remaining payments will be made in the coming weeks.
- 346 businesses did not proceed with their grant award.

Contact: (Redacted text)

ANNEX D

NEW ENTRANTS TO FARMING

ISSUES:

- SNP 2021 manifesto committed to provide more support for new entrants into farming.
- Recent negative press activity around Forestry and Land Scotland (FLS) discontinuing their Starter Farm Programme.
- There are numerous barriers to entering agriculture including: lack of capital, access to land, competition from established farmers, access to finance and servicing debt etc.

Top Lines

- The Scottish Government has invested the most in agricultural new entrants compared to other parts of the UK.
- We added provision to allocate direct payments to new entrants and young farmers in excess of £7.2m. We have also offered Young Farmer Start Up Grants which totalled over £12m and New Entrant Start Up Grant totalling over £600,000.
- Since 2017, the Farming Opportunities for New Entrants group (FONE) has helped facilitate entry to 76 new entrants by providing 112 land opportunities across 7,070 hectares of land.

- The Scottish Government recognises new entrants to be vital for the future of the industry as they drive innovation, best practice and improve efficiencies.
- Despite the profound impact of Covid-19 following the launch of the **Scottish Land Matching Service (SLMS)**, the service has received in excess of 300 enquiries and most importantly concluded 11 agreements with others under negotiation.
- The **Scottish Farm Advisory Service (FAS)** has three separate and dedicated measures for new entrants these include: free support through a mentoring programme, free support through specialist advice and a New Entrants to Farming Programme includes numerous activities to aid potential and aspiring new entrants to the agricultural industry.
- Additionally, the Scottish Government support and facilitate the **Farming Opportunities for New Entrants (FONE)** group to maximise starter opportunities on publically owned land to provide a business opportunity to a new entrant. FONE has been a success story facilitating 112 business opportunities across 7,000 hectares of land to mainly New Entrants since 2017.
- We are also looking at extending the popular and highly regarded **Ringlink pre-apprenticeship programme**. We hope to report back on that soon.
- Later this year we will announce additional support for new entrants in line with the manifesto commitment on the SNP 2021 Election Manifesto but it is unlikely to include funding mechanisms we witnessed in and around 2016.

Contacts: (Redacted text) - Agricultural Development and Crofting Branch

(Redacted text) – Agricultural Development and Crofting Branch

FARM ADVISORY SERVICE (FAS)

Issue: The agriculture sector is facing a period of significant change . It is imperative therefore that our farmers, crofters and land managers get access to a first-rate advisory service provision. that will help them meet the challenges of the future.

Lines to Take

- Scotland's Farm Advisory Service has evolved and is well placed to adapt, keep pace with change and provide, amongst other things:
 - A range of low and no cost ideas to help farmers identify, support and improve biodiversity on their land;
 - Increased awareness of woodland planting and the benefits for businesses, carbon sequestration and improved habitats;
 - Ideas to help farmers manage carbon on their farm and adapt to a changing climate, making their business more resilient to future changes;
 - Advice on the opportunity and benefits of organic farming.
 - Business management advice such as benchmarking, using data and resource efficient farming as well as responding to specific business challenges.
- But we are not complacent, and thinking about the post 2020 period, we will continue to consider the focus of the FAS and how that advice can be delivered to best effect.
- We are currently concluding the procurement exercise for new FAS contract to start in early April 2022 through to March 2023, with an option to extend for a further year.
- This will allow a period of time to consider emerging advice from ARIOB and allow us to use this advice to inform the basis of a new contract (post March 2023/24). We will also welcome the views from stakeholders.

Background

FAS Components

- The FAS has two distinct provisions: a One-to-One service managed by Ricardo Energy and Environment and a One-to-Many service managed by SAC Consulting.

FAS One-to-One Delivery

The service component includes:

- Training and accreditation of advisers
- Mentoring for new entrants
- Carbon Audits
- Integrated Land Management Plans
- Specialist advice on a range of environmental and business-orientated topics

FAS One-to-Many Delivery

The service component includes:

- One-to-many events such as workshops and seminars; discussion groups; and site visits and demonstrations. This covers a range of topics including: Resource efficiency and sustainability; climate change adaptation and mitigation; pollution prevention and control; compliance and greening; animal welfare; sustainable farm/croft woodlands; crop, tree and plant advice, including pesticide use; soil and nutrient management; and biodiversity, habitats and conservation.
- Agricultural business advice. This includes farm efficiency; renewables; use of benchmarking tools and advice to new entrants.
- Newsletters; technical notes; email and text alerts; case studies; fact sheets; and social media.
- A subsidised subscription service and provision of face to face generic advice service to crofters and small farms.

Next steps

- The current FAS contracts finish on 31 Dec 2021. Officials are currently finalising new FAS contracts, starting in April 2022, with an option to extend for an additional year.
- Once the Implementation Board has reported its advice/findings, officials will start work on procuring multi-year FAS contracts aligned to the Board's priorities for March 2023/24 onwards.
- The Cabinet Secretary has yet to formally announce the award of the new FAS contract, which are currently being signed and returned. SG procurement has advised that until these contracts are signed, an announcement should be held in abeyance. Officials will update the Cabinet Secretary immediately when the contracts have been signed and returned.

Contacts: (Redacted text) - Agricultural Development and Crofting Branch (Redacted text)

FORESTRY IN SCOTLAND – LIGHT FORESTRY BRIEFING

1. Forestry Grant Scheme (FGS), Targets and Funding

- Woodland creation targets are increasing from 13500 hectares in 2021/22 up to 18,000 hectares in 2024/ The target for native woodland has been increased from a minimum of 3000 ha to at least 4000 ha for 2021/22 and 2022/23 as part of the SGP with the 'Greens'. Future native woodland creation targets will be evidence based and informed by the 2022 biodiversity strategy.
- FGS supports 3 main elements: **woodland creation**, where there is 9 different options including commercial conifers, native woodlands and small farm woodlands, **woodland improvement grants**, designed to provide capital payments to improve, protect and develop existing woodlands and **sustainable management of forests grants**, which are annual payments over a 5 year period to help with the ongoing protection and development of forests and woodlands.
- The total FGS grant funding in the current year is £71.5 M. 86% of the grant budget is allocated to woodland creation.
- Over 80% of approved applications for forestry grants come from farmers and crofters with small and medium sized forestry projects of 20% or less.
- Large schemes over 300 ha, receive a lower grant rate than smaller schemes but are subject to the same level of scrutiny before approval is given.
- The Forestry Grant Scheme is open and available for farmers to apply to. Tenant Farmers can also apply with landlord consent.
- Tenant Farmer Commissioner has recently published interim guidance through the Scottish Land Commission around carbon trading benefits tenant farmers and landlords.
https://www.landcommission.gov.scot/downloads/6225dd8ba66c1_TFC%20Interim%20Guide%20to%20Securing%20Tradeable%20Carbon%20Credits%20in%20an%20Agricultural%20Holdings%20Situation.pdf

- Scottish Forestry has recently published with Confor, guidance to help farmers clear up windblown trees after recent storms. <https://forestry.gov.scot/publications/1394-top-10-tips-for-storms/viewdocument/1394>

ANNEX G

Knowledge Transfer and Innovation Fund (KTIF)

Background

- The Scottish Government's [Stability and Simplicity Consultation](#) concluded that there would be a period of stability and continuity of support until 2024. This means that the Scottish Government will continue to support delivery of [EU rural priorities under KTIF](#).
- RESAS are scheduled to have completed an evaluation on KTIF by March 2022.
- Officials will closely monitor the advice coming from ARIOB and align KTIF to the recommendations made by the board.

Top Lines

- The Knowledge Transfer and Innovation Fund is delivered through the Scottish Government's rural budget. The scheme funds knowledge transfer and innovation based projects aligned to EU rural priorities, including:
 - promoting resource efficiency; and
 - supporting the shift toward a low-carbon and climate resilient economy in the agriculture, food and forestry sectors.
- The scheme has two main aims. The knowledge transfer element of the scheme has traditionally provided financial support for vocational training, skills development and knowledge transfer projects delivered through workshops, training courses, coaching, information dissemination actions and farm visits.
- Secondly, the scheme funded eligible Innovation projects. These projects included agricultural demonstration/benchmarking and similar types of projects and experimental and/or pilot projects that aimed to introduce new and innovative approaches in agricultural practice.
- KTIF has a significant track record in supporting projects which enable farmers, crofters and land managers to create improved opportunities for nature, adapt to climate change and benefit from new organic farming materials.
- Funding has driven forward innovation and knowledge transfer in agriculture and helped businesses contribute to the green economic recovery by farming and crofting more sustainably.

- KTIF has proved to be a useful test bed for industry led projects including:
 - A control plan on infected PRRS pig units on the Moray coast which has now evolved into a project on a national scale;
 - The early, and now current, Monitor Farm Programme(s);
 - The Livestock Performance Programme which is now being considered as a model for the National Test Programme.
- The budget for 2022/23 is £2M, we do not have any approved project for the 2022/23 period.

Current Position and Next Steps

- In January this year, the [Cabinet Secretary for Rural Affairs announced the awarding of 5 new projects](#) which have a specific focus on resource efficiency, cutting emissions, environmental performance and sustainability of agricultural holdings, and are supported by just over £170,000 of funding through the KTIF.
- As agreed with Cabinet Secretary, we intend on reopening the fund in the next few months (likely May 2022). Projects will have to conclude by March 2023 with a value cap of up to £150K.
- After the May 2022 Spending Review we intend on advising Cabinet Secretary on next steps and options. This will include options on larger, high value and multi-year projects.

ANNEX H

Climate Change Mitigation and Adaption Training Fund and Woman in Agriculture Practical Training

The Scottish Government funded **Climate Change Mitigation and Adaptation Practical Training Fund**, enables people aged 13 and over, who are working in land based sectors or who want to train/upskill in those sectors to get the right training to enable them to play their part so we are more adaptive and resilient to meet the challenge we face. People can get £500 or more for a fully funded training course, they can apply through the Scottish Government funded SkillSeeder app/ [website](#) for this Lantra Scotland administered fund. £250k is allocated to this Fund for FY 2021-22

The Scottish Government funded **Women in Agriculture Practical Training Fund** enables women and girls aged 13 and above who live or work in Scottish agriculture to get access to fully funded practical training to increase their skills to support their personal or business development. They can get £500 or more for a fully funded training course, they can apply through Lantra Scotland and they can find courses using the

Scottish Government funded SkillSeeder app/ [website](#). £142,500k is allocated to this Fund for FY 2021-22.

ANNEX I

Factual Overview of Schemes – Comparison with UK Admins

HIGH LEVEL COMPARISON

BASIC PAYMENT SCHEME (BPS)

Top Lines

- The Basic Payment Scheme acts as a safety net for farmers and crofters by supplementing their main business income.
- Under Stability and Simplicity, the Scottish Government remains committed to BPS until 2024.
- From 2024, at least half of direct payments to be tied to environmental conditionality
- The Welsh Government has taken a similar approach and Committed to BPS until 2023, with payments in 2022 and 2023 made in full. Transition from BPS to a 'Sustainable Farming Scheme' will then begin in 2025
- In Northern Ireland, all entitlements will be paid at the same rate from 2021/22.
- In England direct payments are to be phased out in England from 2021 to 2027. From 2021 to 2027, payment values will be calculated by applying a certain percentage reduction against 2020 payment rates. From 2024, payments will be delinked from land.

LESS FAVOURABLE AREA SUPPORT SCHEME (LFASS)

Top Lines

- Scotland is the only part of the UK to offer LFASS support to those farming in constrained areas
- LFASS provides income support to farms in remote and constrained rural areas (LFAs).
- It compensate farmers for income foregone and for additional costs linked to natural constraints in order to encourage the use of agricultural land.

- This contributes to the maintenance of the countryside, promotion of sustainable farming systems, allows farmers and crofters to continue to operate as viable businesses and avoids the risk of land abandonment

AGRI-ENVIRONMENT CLIMATE SCHEME (AECS)

Top Lines

- The Agri-Environment Climate Scheme promotes land management practices which protect and enhance Scotland's natural heritage, improve water quality, manage flood risk and mitigate and adapt to climate change.
- The Welsh Government offers a number of existing schemes which are similar to SG AECS such as the Sustainable Farming Scheme, Glastir and Financial support for capital projects to maintain and improve Natura 2000 sites.
- DEFRA has indicated that moving forward it intends to focus on public goods for public money. There are a wide range of both existing and new piloting schemes which have similar aims to AECS including: Countryside Stewardship, Sustainable Farming Incentive Pilot - pilots 2022, Local Nature Recovery - Rollout from 2023, Landscape Recovery - pilots 2022, launch 2024, Farming in Protected Landscapes - opened 2021.

CROFTING AGRICULTURAL GRANT SCHEME

Top Lines

- CAGS provides capital grants for crofters to make improvements to their crofts and help to sustain their business.
- Funding can be used for capital projects, such as the construction or improvement of agricultural buildings and the establishment of Common Grazings Committees.
- Crofting is unique to Scotland and therefore there is no equivalent in the other UK administrations.

NEW ENTRANTS

Top Lines

- In Scotland, the New Entrant scheme provided start-up grants for new entrant young farmers of up to 40 years old (as set by Europe) and capital funding for new entrants, regardless of age, to improve

their business. This scheme is currently closed but a PfG commitment.

- Schemes for new entrants in Wales were in 2018/19 and 2019/20
- There are not equivalent schemes in NI
- DEFRA have started a New Entrant Support Scheme which opens 2022

FORESTRY GRANT SCHEMES

Top Lines

- The FGS supports the creation of new woodland and the sustainable management of existing woodlands. It is intended to support the Scottish Forestry Strategy.
- The Woodland Investment Grant under the National Forest for Wales is a scheme that provides grants to enhance and expand existing woodlands and create new woodlands in accordance with the UK Forestry Standard, which have the potential to become part of the National Forest in the future. The Co-operative Forest Planning Scheme (CFPS) is a revenue grant available as part of the Co-operation and Supply Chain Development Scheme (CSCDS)
- In England under the Countryside Stewardship options (until 2023), funding is provided for England Woodland Creation Offer, Tree Health Scheme (pilot launched 2021) and Improving Forestry Productivity
- In NI, forestry schemes include; Forest Protection Scheme, Woodland Investment Grant, Small Woodland Grant Scheme, and Forest Expansion Scheme