

SCOTTISH PARLIAMENT

ORAL ANSWER 8

Sue Webber (Lothian) (Scottish Conservative & Unionist): To ask the Scottish Government whether it is adapting its agriculture policy for crops and livestock due to the war in Ukraine.

S6O-00917

MAIRI GOUGEON: The Scottish Government recognises the impact that the terrible war in Ukraine is having on global agri-food markets.

On the 17th March we announced the establishment of a short-life Food Security and Supply Taskforce jointly with industry leaders to monitor, identify, and respond to any potential disruption to the food and drink supply chain.

It will also seek to recommend actions that can be taken to mitigate impacts, resolve supply issues and strengthen food security and supply in Scotland where we remain committed to producing more of our own food sustainably whilst maintaining and enhancing nature.

SUGGESTED SUPPLEMENTARY QUESTIONS

Jenni Minto: Clearly we are all going to be affected on these islands by the terrible conflict in Ukraine – how is the UK Government involving the Scottish Government and the other devolved administrations in discussions and deliberations?

MAIRI GOUGEON: Across the Scottish Government we are in contact with the UK Government on a range of aspects relating to the conflict and its impacts. The First Minister is invited to attend a weekly Domestic Resilience Meeting chaired by the Minister for the Cabinet Office. Ukraine has also been one of the top agenda items at the regular Inter-Ministerial Group with Defra and the other devolved administrations.

However, I continue to press for further engagement with Minister Prentis to ensure that we are closely involved in responding to this fast-moving situation, including at the last Inter-Ministerial Group with Defra on 21 March.

Minister Prentis assured all the relevant Devolved Ministers that there would be ongoing close contact and liaison given that many of the issues impacted by the Russian invasion of Ukraine are devolved and are shared across these islands. I am keen to ensure that she follows through on that commitment.

POSSIBLE SUPPLEMENTARY QUESTIONS

Q: What assessment has the Scottish Government made of Scotland's food security in light of the conflict in Ukraine?

MAIRI GOUGEON: As mentioned, the new Food Security and Supply Taskforce will monitor, identify and respond to any potential disruption to the food and drink supply chain resulting from the impact of the war in Ukraine

The taskforce will draw on technical and scientific knowledge and expertise from across a range of sectors, agencies and organisations. It will also consider any future structures and policy measures needed to monitor, address and strengthen food security and supply in Scotland.

Crucially, the Taskforce will support the Scottish Government's continued commitment to use all powers it has available to support people in Ukraine.

Membership will be drawn from relevant sector organisations and the Food Security and Supply Taskforce will be co-chaired by Cabinet Secretary for Rural Affairs and Islands, Mairi Gougeon and Chief Executive of Scotland Food and Drink, James Withers. It is intended for the Taskforce to meet frequently in the coming weeks.

Q: What support is there to help people in Scotland cope with the increase in food prices?

MAIRI GOUGEON: The UK Government holds most of the levers to address the pressures on cost of living including food, but the Scottish Government is providing support where we can.

We are using the most readily available means to get support to people as fast as possible – our £290 million cost of living support package will reach 73% of households, providing £150 to those receiving Council Tax Reduction and those in bands A-D. This builds on our £41 million Winter Support Fund and continued investment in the Scottish Welfare Fund.

Anyone who is worried about affording essentials like food or fuel should contact the national helpline on 0800 111 4000 where they will be put in contact with local advice and support.

Q: In the light of the announcement from the EU commission yesterday, will the Scottish Government make available additional productive arable land for food production by temporarily suspending Ecological Focus Areas (EFAs) in light of the uncertain impact of Ukraine on global food security?

MAIRI GOUGEON: The Scottish Government remains clear in its commitment to supporting farmers and crofters to produce more of our food, nevertheless it is important that we maintain, and enhance, nature and not scale back our efforts.

Events in Ukraine, as tragic as they are, do not lessen the adverse global impacts on climate change or biodiversity, indeed they only strengthen the case to do more.

There are a number of considerations for any change to Greening, however there is flexibility within the Greening rules for farmers to apply them according to their own circumstances. [For example farmers could choose other options to fallow such as Green Crop Cover or Catch Crops.] We will work with the industry to promote these flexibilities.

We recognise that the EU has taken a different view on this issue. We considered the evidence of what a suspension on the fallow rules would mean for food production at this stage of the season versus the potential harm of making this change and I believe we have taken the right decision for Scotland and sustainable food production here.

The Scottish Government will continue to work with the agriculture industry to find practical solution that bolsters food production in these times of uncertainty yet continue to contribute to wider climate change and biodiversity objectives.

Q: What actions is the government taking to ensure a supply of fertiliser for Scottish farmers thereby protecting our domestic food production?

MAIRI GOUGEON: We are closely observing fertiliser markets and the geopolitical events that are driving them. We continue to meet regularly with stakeholders and with the other UK administrations to identify ongoing mitigations.

The Scottish Government recognises the importance of domestic fertiliser production to Scotland's farming and food production industry, which is why I have continually raised the issue of ensuring continued supply to the UK Government. We are pleased that since then an agreement has been reached by the CO₂ industry so that the CF Fertilisers plant can remain open for now, however we continue to press for a long term solution.

We also see opportunities to include more nitrogen-fixing crops in our pasture and arable rotations and we'll be considering how to encourage wider use of nitrogen-fixing crops as we continue to develop the National Test Programme. I would therefore urge all farmers to take up the Programme's Track 1 offer supporting soil sampling and analysis, and nutrient management plans, as soon as it becomes available.

Q: What will the impact of the war in Ukraine be on Ukrainians working in farming and food production in Scotland or who had planned to come here?

MAIRI GOUGEON: We engage closely with our fruit and vegetable producers on a regular basis and we are aware that there are some workers from Ukraine already here, and the plan was for many more to join them as part of the seasonal workforce.

Clearly that is unlikely to happen. We are urgently working with stakeholders and internally to determine how best to support these workers, including to ensure that they are aware of and are known to other parts of government which is co-ordinating our action to support Ukrainian refugees.

We have reached out to RSABI with a view to utilise their already established seasonal worker help line and are working closely with them to find out what and how they can provide assistance.

Clearly we want to be able to provide all possible practical and emotional support and will do all we can with the powers and resources we have to provide that. But the most important message we can give anyone living and working here from Ukraine is that you are welcome here and we will do all we can to support you, including if you wish your family to join you.

Q: What impact will the 35% tariffs on Russian imported goods, including fertilisers, wood, beverages, spirits and vinegar, cereals, oilseeds, and white fish have on food security here in Scotland?

MAIRI GOUGEON: The situation in Ukraine is the result of an unparalleled act of aggression in the modern era for which the Russian Government bears sole responsibility, and we support the introduction of the severest possible sanctions on Russia, even if there is a cost for doing so.

While it is right and proper that the focus of our efforts at this time are on supporting the people and government of Ukraine wherever possible, we are also alert to the knock-on effects of both tariffs and the wider sanctions regime; particularly on Scotland's white fish processors.

We are currently assessing how the UK Government's tariffs, and wider sanctions regime, will impact on both Scotland and the UK, and we expect an announcement from the UK Government on the application of these later this week. We stand ready, however, to engage with Scottish seafood businesses and other stakeholders at any time, and provide appropriate assistance wherever possible.

Q: Why has the Scottish Government approved seed potato exports to Russia / approved a deal between PepsiCo and Saltire to send seed potatoes to Russia?

MAIRI GOUGEON: The Scottish Government does not approve export deals. We have led calls for businesses to disinvest in Russia as a result of the invasion of Ukraine and have communicated this very clearly to the seed potato suppliers concerned.

The Scottish Government and its economic agencies will use all available powers not to support trade and investment activity with Russia.

Where a company makes the decision to export any plants or other plant products from Scotland, including seed potatoes, Scottish Government officials are required to carry out various activities in relation to this, including the inspection and certification of goods.

Q: What does the Scottish Government think of Scottish companies exporting seed potatoes to Russia at this time?

MAIRI GOUGEON: We welcome the steps taken by several Scottish exporters who have done the right thing and severed links with Russia, and we call upon others to do the same.

We recognise and are sympathetic to the serious challenges faced by Scotland's seed potato growers, particularly as a result of EU Exit. The loss of the EU and NI markets has been a significant blow to the sector. It is a direct result of the UK Government's choice to pursue a hard Brexit and their lack of commitment on dynamic alignment with the EU.

Nevertheless, for any sanctions to be meaningful they will also have an impact on the many countries and economies that are imposing them. Any price paid here is significantly less than that being paid by the people of Ukraine.

BACKGROUND FOR S6O-00917

- **Sue Webber** is the Scottish Conservative and Unionist Party MP for Lothian (Region) and Shadow Minister for Public Health (incl Drugs Policy), Women's Health & Sport

16 Mar: NFUS press release calls for immediate action on risks to food security, asking SG to roll out Track of the National Test Programme urgently; increase the Sustainable Agricultural Capital Grant Scheme; suspend the Ecological Focus Areas component of Greening; do a food production impact assessment of policies affecting land use, including for forestry expansion.

15 Mar: Media reported UKG announcements to impose tariffs on some Russian imports, incl fertilisers, cereals, oil seeds and whitefish. *Scottish Farmer* reported that fertiliser hit £1k per tonne and suppliers are pausing/stopping sales.

13 Mar: NFUS Pre. Martin Kennedy told BBC *Sunday Show*. *“The energy prices have soared that much just now that dramatic increase in input costs is going to have massive implications on our ability to produce food... paying more for food was something no-one in the industry wants to see, but that it may be necessary to prevent faster, more damaging inflation in the future”*.

11 Mar: Germany to allow over 1m hectares of greening agricultural land to enter production.

8 Mar: NFUS wrote to Cab Sec Rural Affairs & Environment requesting temporary suspension of Ecological Focus Areas (EFAs) requirements, and

We are obviously concerned about the price and supply of food and how both might be affected as a result of this terrible situation. We are liaising and engaging with key sectors and stakeholders to monitor issues closely.

- The Ukraine is a major producer of cereals, oilseeds and vegetable oil (mainly sunflower).
- Historically the UK imports relatively small amounts of wheat and barley from the Ukraine. However, Ukraine makes up approximately 30% of total UK maize imports and the majority of that is used in animal feed.
- The impact of energy price rises, particularly on fertiliser production, is yet another pressure that is adding to price inflation on food production, alongside, for example, fuel, transport, labour and materials.
- Many growers will already have in stock, or, on order, sufficient fertiliser for 2022, although continued disruption to supply or manufacture could have a significant impact for crop year 2023.
- This would arise as a result of the ongoing conflict directly affecting global supply of fertiliser, with the compounding effect of shortages of raw materials for fertiliser production and/or if energy prices remain high.

We are urgently considering how the UK Government's tariffs will impact on the availability of whitefish and whitefish produce in Scotland and the UK - though there is no doubt there may be issues.

- Clearly we support what the UK Government is doing in this area. It is the right approach – the international community is united on this, and we fully support the application of sanctions against the Russian Federation because of its illegal invasion of and unprovoked aggression towards Ukraine.
- However, we are also alert to the potential significant adverse effect on Scotland's white fish processors and stand ready to engage with and support businesses affected.

We are currently considering that and have made clear previously our commitment to providing support to Scottish exporters and businesses affected by this situation.

- The Scottish Government has raised the specific needs and interests of our fish processors with Defra Ministers and made clear the need for them to provide support for businesses

We are closely observing fertiliser and feed markets and the geopolitical events affecting them.

- We are engaging regularly with stakeholders and the other UK administrations to understand the impacts on Scottish farmers and to identify mitigations.
- The Scottish Government recognises the importance of domestic fertiliser production to Scotland's farming and food production industry, which is why the Cabinet Secretary for Rural Affairs & Islands has continually raised the issue of ensuring continued supply to the UK Government.
- We are pleased that an agreement has been reached by the CO2 industry so that the CF Fertilisers plant at Billingham can remain open for now. However, we continue to press for a long term solution.
- We also see opportunities to include more nitrogen-fixing crops in our pasture and arable rotations to reduce our requirements for nitrogen fertilisers and we will be considering how to encourage wider use of nitrogen-fixing crops as we continue to develop the National Test Programme.
- I would therefore urge all farmers to take up the Programme's Track 1 offer, supporting soil sampling and analysis, and nutrient management plans, as soon as it becomes available this spring.

NFUS CALL FOR SUSPENSION of GREENING ECOLOGICAL FOCUS AREA RULES (8 March)

This government is clear in its commitment to supporting farmers and crofters to produce more of our food more sustainably – but it is important that we maintain and enhance nature, and not scale back our efforts

- The approach from the NFUS advocating a temporary shift away from environmental measures on farm land towards food production is understandable
- However, there are a number of considerations for any change to current Greening rules, not least that any such change for this payment year could delay the opening of the application window – potentially causing delay to basic payments and that would impact on all farmers and crofters
- Any change clearly needs careful consideration.
- There is already flexibility in the rules that allows farmers to apply them according to their own circumstances. For example farmers could choose other options to fallow, such as green crop cover or catch crops – and government officials will work with the industry to promote these flexibilities.
- There is a discussion to be had about how we find practical solutions to the need to produce more of our own food more sustainably, while safeguarding nature.
- Events in Ukraine, as tragic as they are, do not lessen the adverse global impacts on our climate or biodiversity – indeed they only strengthen the case to do more.

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