SCOTTISH PARLIAMENT

PORTFOLIO QUESTION Q3 - (S6O-02490)

Alasdair Allan (Na h-Eileanan an Iar) (Scottish National Party): To ask the Scottish Government whether it will provide an update on the progress of its proposed Land Reform Bill.

Mairi Gougeon:

As set out in the Programme for Government we are committed to introducing a Land Reform Bill to further improve transparency of land ownership, help ensure large scale land holdings deliver in the public interest, and empower communities by providing more opportunities to own land and have more say in how land in their area is used. The Bill will also include measures to modernise agricultural holdings.

(67 words)

POSSIBLE SUPPLEMENTARY QUESTIONS

Q. Does the Scottish Government share my concern about the constituents of Great Bernera

- I know Dr Allan has supported his constituents on Great Bernara for a number of years. I understand that the Great Bernera community group is now a registered crofting community body but has not yet submitted a crofting community right to buy application.
- The Scottish Land Fund, which was increased to £11m this year, is available to community groups across Scotland, whether they are acquiring an asset through any of the rights to buy, or entering into a negotiated sale with a willing seller. We have committed to increasing this to £20m by the end of 2026.
- The Scottish Government's Community Land Team regularly assist community groups with guidance on the right to buy process. The Great Bernera group have already made use of this support in getting to this stage and I hope that they will continue to do so.
- The new Land Reform Bill will build on our land reform measures to date and will complement existing community right to buy mechanisms.

Q. Is the Scottish Government still committed to introducing a new Land Reform Bill by the end of 2023 (as per the Bute House Agreement)?

- We remain committed to the introduction of a further land reform Bill by the end of 2023 as set out in the Bute House Agreement, Policy Prospectus and as the First Minister highlighted last week in the Programme of Government.

Q. Does the Scottish government intend to bring in an overall cap on landownership as proposed by Mercedes Villalba MSP (Scottish Labour)?

- I know that the consultation for Ms Villalba's draft Members Bill has just closed and we will consider the detail of the proposals.
- We are not however proposing a cap on landownership.
- The Scottish Government is not persuaded that a such a cap is supported by adequate evidence and a cap is unlikely to be compatible with the European Convention on Human Rights.
- Instead, our proposals seek to empower communities by providing more opportunities to own land by receiving prior notification of impending sales or transfers and have more say in how land in their area is used.
- Our proposals will of course be fully compliant with the European Convention on Human Rights and the terms of the devolved settlement.

Q. Why do you consider it proportionate to place these requirements on large-scale landholdings?

- Our approach is based on the principle that those with the broadest shoulders should bear the greatest burden, in terms of contributing to our goals for net zero, biodiversity and community benefit.
- While key measures in the Bill would apply to certain large-scale landholdings, scale is not in itself problematic. Rather, with rights come responsibilities.
- We have consulted on the definition of 'large scale landholdings' for the Bill, proposing a threshold of 3000 hectares.
- We are considering responses to our recent consultation on the criteria.

- A threshold is needed to avoid disproportionate duties on small scale landholdings or family farms. We do not wish to place an undue administrative burden on small businesses which would disadvantage them relative to larger landholdings with more staff and capacity.

Q. Why are you not doing more to help communities to buy land, particularly with the rising land prices?

- Communities have a number of rights in terms of community ownership. There are four separate community rights to buy, most of which are compulsory purchase rights, as well as the right to request an asset transfer of an asset from a public body.
- In addition, the Scottish Land Fund, which was increased to £11m this year, is available to community groups across Scotland, whether they are acquiring an asset through any of these rights, or entering into a negotiated sale with a willing seller. We have committed to increasing this to £20m by the end of 2026.
- So far, since the latest fund opened in 2021, the committee has awarded a total of £12.8m to over 70 community groups.
- Since 2016 the Scottish Land Fund has approved 300 awards of funding for the acquisition of land and land assets, totalling over £50m, bringing over 10,000 hectares into community ownership.
- Over 1 million people across Scotland now live in communities where assets have been acquired with funding from the Scottish Land Fund.

Q. What is the government doing to tackle the rising land prices?

- We know that responsible private investment in Scotland's natural capital is essential to tackle the twin biodiversity and climate crises.
- Scottish Government published a set of Interim Principles for Responsible Investment in Natural Capital on 31 March 2022
- The Interim Principles set out our ambitions and expectations for a values-led, high-integrity market for responsible private investment in natural capital to communities, investors, land managers, land owners, public bodies and other market stakeholders.
- They make clear that investments should create benefits that are shared between public, private and community interests.
- We are also considering the recent Scottish Land Commission's Rural Land Markets Insights report.

Q. Why do the property rights of landowners trump the rights of communities?

- It is simply not the case that private rights trump those of communities, however it is imperative that we balance the land rights and responsibilities of landowners, communities and the wider public.
- The European Convention on Human Rights is fundamental to our legal framework in Scotland.
- Our land reform measures will be fully comply with human rights legislation.
- Land reform is driven by a desire for modernisation of the rights and responsibilities in relation to land.
- The Scottish Government represents and respects all people in Scotland and aims to balance the rights of all those who live, work and depend on land, while ensuring all members of society have access to the resources required to meet their needs.

Q. If these measures reduce the scale of landholdings then will this have a negative impact on climate change goals?

- Our land reform objectives for greater diversity of ownership are not incompatible with our net zero and environment ambitions.
- All landowners - public, private, community and charitable - are capable of working together at a landscape scale in order to realise net zero ambitions, irrespective of the scale of individual holdings.

Q. Where's your evidence base for the reforms?

- Land is a vital resource that underpins the wealth, and the well-being, of our nation as a whole.
- Our proposals for reform are based on the recommendations from the Scottish Land Commission who considered the evidence in depth.
- We have consulted on our Bill proposals and are developing impact assessments to ensure that the proposed measures are proportionate.

Q. What about the substantive contributions that Scotland's landholders already make?

- There are many dedicated and innovative landowners in Scotland who are focused on making a positive impact on their local communities, as well as rising to wider environmental and economic issues.

- The Land Reform Bill is focused on building on that good practice already demonstrated by many landholders and making this universal, strengthening the contribution that large scale land holdings make to the public interest, improving transparency of land ownership and empowering local communities.

BACKGROUND NOTE

Alasdair Allan is the Scottish National Party MSP for Na h-Eileanan an Iar. Mr Allan is a Member of the Rural Affairs and Islands Committee. He is also a substitute Member for the Standards, Procedures and Public Appointments Committee.

Mr Allan is a Member of 8 cross-party groups including Crofting (Co-Convener), Islands (Member) and Gaelic (Convener).

Previous PQs asked by Alasdair Allan MSP have been on a broad spectrum of issues with a focus on land use, agriculture, crofting and island communities. More recently he has asked questions in relation to the roll out of Cost Crisis Emergency Fund in the Islands and another on Crofting Commission processing times.

In June 2022 Mr Allan led a Members' Business debate on the Great Bernera Community Land Buyout. The text of the motion was:

> That the Parliament recognises the work of the Great Bernera Community Development Trust towards a crofting community buyout and the development of the island; understands that, despite concentrated efforts on the Trust's part to bring the crofting land's sale to completion, a reported lack of cooperation by the island's absentee landlord has delayed and halted necessary progress; is deeply concerned by reported recent demands for significant payments by the landlord from local crofters before he will give permission for various legitimate, and elsewhere payment-free, transactions to proceed; understands that, in recent years, the island's school and local shop have both closed; further understands that part 3 of the Land Reform (Scotland) Act 2003 has not yet been successfully utilised, but considers Bernera to be an example of where that approach may well be required; notes the hope that all relevant agencies can continue to support the Great Bernera Community Development Trust in securing the buyout of the crofting land, and further notes the calls on the landlord to

engage constructively and promptly with the local community going forward.

[REDACTED]

[REDACTED]

LAND REFORM BILL: TOP LINES

The Bute House Agreement and Policy Prospectus set out our commitment to the introduction of a further land reform Bill.

- This new Bill will build on our land reform measures to date and will complement existing community right to buy mechanisms.
- The public consultation on the Bill, "Land Reform in a Net Zero Nation", was open from 4 July until the 30 October 2022, and received approximately 540 responses which are available online.
- We published an independent analysis of the responses on 2 June.
- This showed a majority of respondents agreed with many of our ambitious proposals for land reform - including the introduction of a public interest test for transfers of large-scale landholdings.

We are committed to introducing Land Reform legislation to further improve transparency of land ownership, help ensure large scale land holdings deliver in the public interest and empower communities by providing more opportunities to own land and have more say in how land in their area is used.

- We are proposing that the Bill should include three key measures that will apply to large-scale landholdings:
    - The strengthening of obligations on owners to comply with the Land Rights and Responsibilities Statement (LRRS);
    - The introduction of compulsory land management plans;
    - New measures to regulate the market in large-scale landholdings, including the introduction of a Public Interest Test, and requirements for community bodies to receive prior notification of impending sales or transfers.
- Agricultural holdings proposals, which had originally been identified for the Agriculture Bill, will now be included in the Bill along with proposals for a Land Use Tenancy and small landholdings.

Land reform is a vital part of this Government's aspirations for a fairer, more equal and socially just Scotland

- Since devolution land reform has been central to achieving a number of outcomes around fairness, equality, and social justice for the people of Scotland.
- Our bill will be a significant step forward in ensuring our land is owned and used in the public interest and to the benefit of the people of Scotland
- We believe that those with the broadest shoulders should bear the greatest burden in relation to the actions needed to achieve our goals of net zero, nature restoration, and a just transition.
- The Bill supports the existing work to pass more power to people and local communities, encourage and support responsible and diverse landownership and communities having a say in how land in their area is used.

Land reform is a journey and has been an ongoing and important process since devolution in Scotland. We have made great progress but more remains to be done.

- Both the SNP and Green manifestos for the 2021 Scottish Election contained land reform commitments, and the Bute House Agreement commits us to the introduction of a Land Reform Bill by the end of 2023.
- This Bill is based on a substantial body of work carried out by the Scottish Land Commission, including a major review of the Scale and Concentration of Land Ownership.
- The proposals for the Bill are based on the SLC's recommendations for legislation to tackle problematic scale and concentration.

TENANT FARMING

The tenant farming legal framework is outdated, complex and creates barriers to participating in climate change mitigation and adaption

- We are committed to modernising tenant farming and small landholding legislation to meet the Bute House Agreement commitment to allow them to actively participate in climate change and mitigation measures.
- Working closely with the Tenant Farming Advisory Forum, the proposals will modernise legislation will give tenant famers greater equality of opportunity to enable them play their role in delivering our Vision for Agriculture.
- We will continue to do all we can to support tenant farmers who manage 20% of Scottish agricultural land.

END

Minster for Energy and the Environment
Draft closing speech for Mercedes Villalba MSP's Members' Business debate on Deconcentrating Land Ownership

Allocated length of speech: 7 minutes (Presiding Officer often gives some leeway during Members' Business debates)
Current length of speech: 760 words (approximately 6 mins to allow for interventions and personalisation)

Introduction

I welcome the opportunity to close for the government in my first debate since becoming Minister for the Environment. Land reform and transparency is a crucial issue and I thank Mercedes Villalba for bringing it forward today.

The motion itself

There is much in Ms Villalba's motion that the Scottish Government supports as we see community ownership at the forefront of land reform.

The 2003 Land Reform Act, which brought about the first community right to buy, was truly ground-breaking. It has allowed so many communities to own land and take control of how it is used. Indeed, over 200,000 hectares of land, that's 2.5% of the total land area of Scotland, is now under community ownership.

Ms Villalba references in her motion the 2015 Community Empowerment Act. Brought in by this Government, this Act introduced a right to buy abandoned, neglected and detrimental land. It also extended the right to buy to include urban communities.

Since 2016 the Scottish Land Fund has approved over 300 funding requests, bringing 10,000 hectares into community ownership. Over 1 million people across Scotland now live in communities where assets have been acquired with support from the Fund.

Ms Gougeon recently announced an increase in the fund by a further £1m for this year and the Scottish Government is committed to doubling the fund to £20 million by 2026.

The Land Reform Bill

Presiding Officer, this Government readily acknowledges that there is more to do to address concentration and transparency of land ownership and to support more communities into land ownership, where they wish that to happen. That's why we're bringing forward a new Land Reform Bill.

The Bill will build on existing land reform measures and complement existing community right to buy mechanisms. It will further empower communities by providing more opportunities to own land and have more say in how land in their area is used.

We will seek to further improve transparency of land ownership to help ensure large scale land holdings deliver in the public interest.

I appreciate Ms Villalba has just launched her own consultation on land reform. We have already said that we would be happy to discuss her ideas and bill proposals once these have been developed and published.

It would be a retrograde step, however, in the cause of land reform should members support an amendment by Jeremy Balfour at Stage 3 of that bill next week which seeks to exempt some of Scotland's churches from complying with the Register of Controlled Interests in the previous land reform act in 2016. That would be unhelpful in our view, even if it does stem from good intentions.

We acknowledge that compliance with the Register of Controlled Interests is challenging for some. That is why we extended the compliance period by a year and that approach was supported unanimously in Chamber.

Instead of moving back, we should be trying to move onto the next phase of land reform – as Mercedes Villalba's motion largely seeks to do.

The Scottish Government has now published the full analysis of all 500 of the responses received to our consultation on the Land Reform Bill.

There was broad support for many of the measures we were proposing but responses also highlighted a number of concerns. We've heard some of these today – both a desire for the status quo or that such changes or that we're not going far enough.

We're not content with the status quo but as our development of the Bill progresses, I know Ms Gougeon will continue to work closely with stakeholders. We want to make sure we introduce a Bill that is ambitious, balanced and robust, achieving our policy aims in a proportionate way that is fully in line with human rights legislation.

Our longstanding land reform objectives for greater diversity of ownership are not incompatible with our net zero and environment ambitions. All landowners - public, private, community and charitable - are capable of working together in order to realise net zero ambitions, irrespective of the scale of individual holdings.

Close

In closing Presiding Officer, the First Minister recently said that we will use the powers of devolution to their maximum to deliver services and improve the lives of the people of Scotland. That is the case no matter whether you live in rural, island or urban Scotland, and that is exactly what the Scottish Government will achieve with our next land reform bill.

I encourage everybody across the chamber to get behind our proposals and help take our nation forward on the next part of our land reform journey.

END

MINISTER FOR ENERGY AND THE ENVIRONMENT
BRIEFING FOR MEMBERS BUSINESS DEBATE ON DECONCENTRATING LAND OWNERSHIP

What	Briefing for Mercedes Villalba MSP's Members' Business debate on Deconcentrating Land Ownership.
Where	Scottish Parliament Chamber
When	Thursday 22 June: 12:45 to 1:30 (approx.. - will follow FMQs)
Key Message(s)	Ms Villalba will likely use the debate to highlight her recent draft proposal and consultation for the Land Ownership and Public Interest (Scotland) Bill. Your closing remarks will be an opportunity to highlight the Scottish Government's work on the Land Reform Bill. Key messages are: Land Reform Bill: • The Bute House Agreement and Policy Prospectus set out our commitment to the introduction of a further land reform Bill. • The Government wants to empower communities by: o further improving transparency of land ownership; o helping ensure large scale land holdings deliver in the public interest; and o empowering communities by providing more opportunities to own land and have more say in how land in their area is used. • We published an independent analysis of the responses on 2 June which showed that a majority of respondents agreed with many of our ambitious proposals for land reform. These will help inform the development of the Bill. • The Scottish Government welcomes Ms Villalba's interest in land reform, however the SG proposals in the forthcoming SG Bill are the most credible way to achieve Scotland's land reform objectives.
Who	The full list of expected speakers for the debate will be sent to your private Office once known.
Why	Full text of Ms Villalba's motion (S6M-09174): "That the Parliament understands that, in 2013, just 432 landowners owned 50% of all Scotland's privately-owned rural land; notes that feudal tenure in Scotland was only formally abolished through the Abolition of Feudal Tenure (Scotland) Act 2000; supports the expansion to community rights to buy under the Community Empowerment (Scotland) Act 2015; understands that continuing concentration of ownership remains

	a significant barrier to communities exercising their rights; considers that land represents a huge reserve of unearned wealth in Scotland, including in the North East Scotland region; notes the view that there is a need for stronger action to disrupt the concentration of land ownership in Scotland; further notes the view that a clearly defined, legally enforced, public interest test is needed to ensure that land holdings work for the benefit of the people of Scotland, and notes the calls for Scotland's land to be owned by, and managed for the benefit of, Scotland's communities."
Supporting officials	N/A
Briefing contents	**Annex A:** Top Brief and Background **Annex B:** Land Reform Bill **Annex C:** Regulating Carbon Markets **Annex D:** Agriculture Bill

MINISTER FOR ENERGY AND THE ENVIRONMENT
BRIEFING FOR MEMBERS BUSINESS DEBATE ON DECONCENTRATING LAND OWNERSHIP
ANNEX A
Top Brief and Background

Mercedes Villalba MSP

- Scottish Labour MSP for North-East Region and the Environment
- Member of the Delegated Powers and Law Reform Committee and substitute Member of the Rural Affairs and Islands Committee
- Member of the Cross-Party Groups in the Scottish Parliament on Rural Policy and Nature and Climate

Ms Villalba's Members' Bill proposals

- Ms Villalba lodged a proposal for a Member's Bill on 6 June 2023, provisionally titled the **Land Ownership and Public Interest (Scotland) Bill**.
- Ms Villalba acknowledges the Scottish Government's proposals for a new Land Reform Bill as a positive step forward but believes they do not go far enough.
- Ms Villalba's proposals include:
    - the introduction of a public interest test on individual sales or transfers of land over 500 hectares, with a presumption against such transactions since she is also proposing public interest examinations of existing aggregate landholdings over a 500 ha limit.
    - designating the Scottish Land Commission as the regulatory body for the land market and give it new powers and duties. These powers would include administering the public interest test on land transfers and undertaking public interest examinations on existing aggregate landholdings, with possible outcomes ranging from requiring landowners to produce a land management plan to the eventual sale of all or part of the land.
- **[REDACTED]**
- Ms Villalba's consultation is running from 7 June to 12 September 2023. Ms Villalba will be supported by the Scottish Parliament's Non-Government Bills Unit.
- Responses to the SG consultation on a new Land Reform Bill demonstrate that some consider that SG's proposals go too far or are unjustified, whereas others consider they do not go far enough.
- **[REDACTED]**
- Ms Villalba has stated that she is keen to meet with the Cabinet Secretary for Rural Affairs, Land Reform and Islands to discuss the proposals. Ms Gougeon has previously said that we would be happy to discuss her proposals.

MINISTER FOR ENERGY AND THE ENVIRONMENT
BRIEFING FOR MEMBERS BUSINESS DEBATE ON DECONCENTRATING LAND OWNERSHIP
ANNEX B
Land Reform Bill

ISSUES
6 June: Scottish Labour MSP Mercedes Villalba launched consultation on her proposals for a Members Bill to introduce a limit of 500 hectares on how much land an individual can own, sell or transfer, above which a public interest test would be triggered.
2 June: Land Reform Bill consultation analysis reports published. Majority support for most proposals, with landholders tending to be in opposition.
22 May: The Scottish Land Commission published the 2023 Rural Land Market Insights Report, stating that the cost of land is rising due to wealthy investors pricing out others.
18 Apr: The Bill was part of the recent Policy Prospectus and the Bute House Agreement committed to introducing the Bill by the end of 2023.

Background

The Bute House Agreement and Policy Prospectus set out our commitment to the introduction of a further land reform Bill.

- This new Bill will build on our land reform measures to date and will complement existing community right to buy mechanisms.
- The public consultation on the Bill, "Land Reform in a Net Zero Nation", was open from 4 July until the 30 October 2022, and received approximately 540 responses which are available online.
- We published an independent analysis of the responses on 2 June.
- This showed a majority of respondents agreed with many of our ambitious proposals for land reform - including the introduction of a public interest test for transfers of large-scale landholdings.

We are committed to introducing Land Reform legislation to further improve transparency of land ownership, help ensure large scale land holdings deliver in the public interest, and empower communities by providing more opportunities to own land and have more say in how land in their area is used.

- We are proposing that the Bill should include three key measures that will apply to large-scale landholdings:
    - The strengthening of obligations on owners to comply with the Land Rights and Responsibilities Statement (LRRS);
    - The introduction of compulsory land management plans;
    - New measures to regulate the market in large-scale landholdings, including the introduction of a Public Interest Test, and requirements for community bodies to receive prior notification of impending sales or transfers.

MINISTER FOR ENERGY AND THE ENVIRONMENT
BRIEFING FOR MEMBERS BUSINESS DEBATE ON DECONCENTRATING LAND OWNERSHIP

Land reform is a vital part of this Government's aspirations for a fairer, more equal and socially just Scotland

- Since devolution land reform has been central to achieving a number of outcomes around fairness, equality, and social justice for the people of Scotland.
- Our bill will be a significant step forward in ensuring our land is owned and used in the public interest and to the benefit of the people of Scotland
- We believe that those with the broadest shoulders should bear the greatest burden in relation to the actions needed to achieve our goals of net zero, nature restoration, and a just transition.
- The Bill supports the existing work to pass more power to people and local communities, encourage and support responsible and diverse landownership and communities having a say in how land in their area is used.

Land reform is a journey and has been an ongoing and important process since devolution in Scotland. We have made great progress but more remains to be done.

- Both the SNP and Green manifestos for the 2021 Scottish Election contained land reform commitments, and the Bute House Agreement commits us to the introduction of a Land Reform Bill by the end of 2023.
- This Bill is based on a substantial body of work carried out by the Scottish Land Commission, including a major review of the Scale and Concentration of Land Ownership.
- The proposals for the Bill are based on the SLC's recommendations for legislation to tackle problematic scale and concentration.

We have consulted on the definition of 'large-scale' landholdings, proposing a threshold of 3000 hectares.

- The Land Register of Scotland is the modern map-based replacement for the Sasines Register. As of May 2022, the Land Register contained title information on 48.9% of Scotland's total land mass.
- As of May 2022, Registers of Scotland data estimates that 386 of the 1.86 million titles in the Land Register of Scotland had a total land area of over 3,000 hectares, covering 1.62 million hectares of land, approx. 20% of Scotland's total land mass
- These figures are not solely based on the ownership of land and include, e.g. rights of access and shared ownership. It is therefore possible that the figures are slightly overestimated however they do not include land still in the Register of Sasines.

A high threshold is needed to avoid disproportionate duties on small-scale landholdings or family farms.

- We do not wish to place an undue administrative burden on small businesses which would disadvantage them relative to larger landholdings with more staff and capacity.
- We are considering responses to our recent consultation on the criteria.
- We do consider that the threshold proposed for Ms Villalba's proposals would likely impact a great deal more landholdings, including many small business and family farms.

MINISTER FOR ENERGY AND THE ENVIRONMENT
BRIEFING FOR MEMBERS BUSINESS DEBATE ON DECONCENTRATING LAND OWNERSHIP

Q&A

Q. Is the Scottish Government still committed to introducing a new Land Reform Bill by the end of 2023 (as per the Bute House Agreement)?

- We remain committed to the introduction of a further land reform Bill by the end of 2023 as set out in the Bute House Agreement and Policy Prospectus.
- Detail on future legislative programmes will be published in the usual manner, through the Programme for Government.

Q. Does the Scottish government intend to bring in an overall cap on landownership as proposed by Mercedes Villalba MSP (Scottish Labour)?

- We are not proposing a cap on landownership.
- The Scottish Government is not persuaded that a proposal to cap ownership is supported by adequate evidence and a cap is unlikely to be compatible with the ECHR.
- Instead, our proposals seek to empower communities by providing more opportunities to own land by receiving prior notification of impending sales or transfers and have more say in how land in their area is used.
- Ms Villalba's draft Members Bill was launched on 6 June and we will consider the detail of these proposals.

Q. Why do you consider it proportionate to place these requirements on large-scale landholdings?

- Our approach is based on the principle that those with the broadest shoulders should bear the greatest burden, in terms of contributing to our goals for net zero, biodiversity and community benefit.
- While key measures in the Bill would apply to certain large-scale landholdings, scale is not in itself problematic. Rather, with rights come responsibilities.

Q. Why will the measures in the Bill only apply to landholdings over 3000 hectares? Won't this leave out many large landholdings?

- We have consulted on the definition of 'large scale landholdings' for the Bill, proposing a threshold of 3000 hectares.
- A threshold is needed to avoid disproportionate duties on small scale landholdings or family farms. We do not wish to place an undue administrative burden on small businesses which would disadvantage them relative to larger landholdings with more staff and capacity.
- We are considering responses to our recent consultation on the criteria.

MINISTER FOR ENERGY AND THE ENVIRONMENT
BRIEFING FOR MEMBERS BUSINESS DEBATE ON DECONCENTRATING LAND OWNERSHIP

Q: What is the Scottish Government doing about the concentration of private land ownership?

- It is imperative that we balance the land rights and responsibilities of landowners, communities and the wider public.
- We have a longstanding commitment to ensuring an increased diversity of land ownership - and that is why we are putting more funding into Community Land Ownership via the Scottish Land Fund.
- So far, since the latest fund opened in 2021, the committee has awarded a total of £12.8m to over 70 community groups.
- Existing community right to buy measures give communities a right to register an interest in any type of land – urban or rural. If the land comes up for sale they have first choice to buy the land.
- The proposals for inclusion in the Land Reform Bill, such as requirements for community bodies to receive prior notification of impending sales or transfers, will empower communities by providing more opportunities to own land and have more say in how land in their area is used.

Q. Why are you not doing more to help communities to buy land, particularly with the rising land prices?

- Communities already have the right, under the 2015 Community Empowerment Act, to register an interest in any type of land – urban or rural. If the land comes up for sale they have first choice to buy the land.
- The Scottish Land Fund currently provides £10m per year to support communities, rising to £11m per year from April.
- So far, since the latest fund opened in 2021, the committee has awarded a total of £12.8m to over 70 community groups.
- Since 2016 the Scottish Land Fund has approved 300 awards of funding for the acquisition of land and land assets, totalling over £50m, bringing over 10,000 hectares into community ownership.
- Over 1 million people across Scotland now live in communities where assets have been acquired with funding from the Scottish Land Fund.

Q. What is the government doing to tackle the rising land prices?

- We know that responsible private investment in Scotland's natural capital is essential to tackle the twin biodiversity and climate crises.
- Scottish Government published a set of Interim Principles for Responsible Investment in Natural Capital on 31 March 2022
- The Interim Principles set out our ambitions and expectations for a values-led, high-integrity market for responsible private investment in natural capital to communities, investors, land managers, land owners, public bodies and other market stakeholders.
- They make clear that investments should create benefits that are shared between public, private and community interests.
- We are also considering the recent Scottish Land Commission's Rural Land Markets Insights report.

MINISTER FOR ENERGY AND THE ENVIRONMENT
BRIEFING FOR MEMBERS BUSINESS DEBATE ON DECONCENTRATING LAND OWNERSHIP

Q. Why do the property rights of landowners trump the rights of communities?

- It is simply not the case that private rights trump those of communities, however it is imperative that we balance the land rights and responsibilities of landowners, communities and the wider public.
- The European Convention on Human Rights is fundamental to our legal framework in Scotland.
- Our land reform measures will be fully comply with human rights legislation.
- Land reform is driven by a desire for modernisation of the rights and responsibilities in relation to land.
- The Scottish Government represents and respects all people in Scotland and aims to balance the rights of all those who live, work and depend on land, while ensuring all members of society have access to the resources required to meet their needs.

Q. If these measures reduce the scale of landholdings then will this have a negative impact on climate change goals?

- Our land reform objectives for greater diversity of ownership are not incompatible with our net zero and environment ambitions.
- All landowners - public, private, community and charitable - are capable of working together at a landscape scale in order to realise net zero ambitions, irrespective of the scale of individual holdings.

Contact: [REDACTED]

MINISTER FOR ENERGY AND THE ENVIRONMENT
BRIEFING FOR MEMBERS BUSINESS DEBATE ON DECONCENTRATING LAND OWNERSHIP
ANNEX C
Regulating Carbon Markets

Issue:
16 June 2023: The Scottish Land Commission (SLC) published its 'Natural Capital and Land Reform – Next steps for a just transition' report. It outlines how it believes Scotland can achieve its ambitious climate and nature objectives in ways that also deliver on land reform and strengthening communities. The report highlights the existing pattern of concentrated land ownership and the relatively unregulated land market as significant challenges, meaning that action beyond just carbon and nature market regulation is required. Without coordinated regulation and policy measures, market activity alone will not achieve the desired just transition.
22 June 2023: The SLC may publish a further report on community benefits from natural capital (TBC).

Scottish Land Rights and Responsibilities Statement

- Our Land Rights and Responsibilities Statement articulates our vision for the ownership, use and management of land, setting out how we see the balance between the rights of landowners, managers, local communities and society at large. When it was first published in 2017 it was the first of its kind anywhere in the world.
- The Scottish Government published a revised Land Rights and Responsibilities Statement in September 2022. The revised Statement contains new references to just transition to net zero and natural capital. This reflects the changing landscape since 2017, recognising the Scottish Government's legal commitment to ensuring a just transition to net zero carbon emissions.
- It also reflects the Scottish Government's commitment to ensuring responsible investment in our natural capital, so that local communities and wider society share in the benefits.

Private finance for natural capital

- We know that both public and responsible private investment in natural capital will be essential to deliver on our climate change targets and wider land use objectives.
- The Green Finance Institute has estimated a £20bn gap in funding for nature in Scotland over the 10 years to 2032.
- We are committed to taking action to ensure that the increasing levels of natural capital investment in Scotland deliver benefits for local communities, and wider society, in line with Just Transition principles and our land reform objectives.
- In Scotland we want to see the development of a values-led, high integrity market for natural capital, as committed to in the NSET and underpinned by the Interim Principles for Responsible Investment in Natural capital.
- This commitment fits with the 2022 UKCCC advice to Governments to take action to improve the integrity and transparency of voluntary carbon markets.

MINISTER FOR ENERGY AND THE ENVIRONMENT
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Scottish Government supports the use of the UK's two existing carbon codes

- Landowners and managers in Scotland have access to two existing UK carbon codes that provide a quality assurance standard for the generation of independently verified carbon credits: (i) the Woodland Carbon Code; and (ii) the Peatland Code.
- The Climate Change Plan update includes a commitment to increasing the woodland carbon market by 50% by 2025.
- 43% of the current UK projects registered to the Woodland Carbon Code are located in Scotland, covering around 83% of the total area of projects (see table below).
- 79% of current UK projects registered to the Peatland Code are located in Scotland, covering around 80% of the total area of projects (see table below).
- Both the Woodland Carbon Code and the Peatland Code have seen a doubling of project numbers (registrations) in the last year.

UK Government Green Finance Strategy

- UKG commitment in the Green Finance Strategy (GFS) to "*consult later this year on specific steps and interventions needed to mobilise additional finance through high-integrity voluntary markets and protect against the risk of greenwashing*".
- SG has asked to be engaged as the consultation document is developed.
- UKG sees the potential of the VCM to transition to net zero as small but important, and providing an important revenue stream
- UKG said VCMs have been subject to some controversy, in particular around the standards and how credits are used
- Consultation will also respond to the net zero (Skidmore) review in particular (through its proposals) – this is on DESNZ's list to look at.
- Consultation will be jointly owned by DESNZ, DEFRA and HMT – consultation will be voluntary carbon and nature markets. In developing proposals will also be looking at how to meet DEFRA objectives, following on from their Nature Markets Framework publication.

ANNEX D
Agriculture Bill

Issue: A new Agriculture Bill will be brought forward in 2023 to enable the delivery of the Scottish Government's Vision for Agriculture (published in March 2022).

A new Agriculture Bill will be brought forward in 2023 to enable the delivery of the Scottish Government's Vision for Agriculture (published in March 2022).

- The new Agriculture Bill will aim to provide Scotland with a framework to support and work with farmers and crofters to meet more of our food needs sustainably and to farm and croft with nature.
- Scotland's farmers, crofters and land managers are vital to our ambition to make our nation fairer and greener, and to enable us to produce more of our own food more sustainably.
- To ensure that Scotland's people are able to live and work sustainably on our land, this framework will deliver high quality food production, climate mitigation and adaptation, nature protection and restoration, and wider rural development.
- It will also look to modernise agricultural holdings whilst seeking to compliment the forthcoming Bills relating to land and the environment.

A public consultation on proposals for a new Bill, "Delivering our Vision for Scottish Agriculture. Proposals for a new Agriculture Bill" was launched on 29 August and closed on 5 December 2022.

- We received a good response to the consultation, from a range of stakeholders and from members of the public across Scotland, including wide-ranging attendance at the 14 public consultation events held.
- We are giving careful consideration to the diverse range of views received.
- The Scottish Government aims to publish a report on the findings of the Agriculture Bill consultation shortly (NOTE:- this may be published on Thursday 22 June).

Co-development and co-design with rural partners will be the foundational approach to the development of future support structures and delivery.

- The new Agriculture Bill will be brought forward as a co-developed framework and seeks to enable producers to realise their essential contribution, as part of our shared ambition outlined in the Vision for Agriculture.
- The Agricultural Reform Implementation Oversight Board (ARIOB) have supported and informed the development of the consultation and the proposals for a new Agriculture Bill to replace the current CAP framework for agriculture and land use support.
- As we move forward, co-development and co-design with our stakeholders will be key in assisting Scottish Agriculture's transition to Net Zero, as part of our co-design commitment.

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Some have criticised our approach in bringing forward proposals for enabling legislation.

- But it is right that the Bill is an enabling one; the sector needs flexibility now and in the future to respond to the pressures and challenges that we will face.
- It is also right that we take the time necessary develop the detail of our policy with the people directly affected by it.
- The proposals for the new Agriculture Bill aim to provide an adaptive framework to respond to future social, economic, and environmental changes, challenges and opportunities.
- It enables tailored provisions and support to be implemented through secondary legislation and potentially adapted on a regular basis as required.
- This enables specific targeted support to be adaptable to the future challenges and uncertainties, including climate impacts and market changes, whilst reinforcing our commitment to support the agricultural industry.
- Scottish Ministers remain clear in their commitment to support farmers and crofters to produce our food more sustainably while continuing to acknowledge the need for change and to make sure that agriculture continues to play its part in cutting emissions, mitigating climate change and restoring and enhancing nature and biodiversity.

Q&A

Q. Why over six years since the Brexit vote are we now consulting on a Bill to replace the CAP?

- In 2020 we brought forward legislation to ensure that EU CAP payments and schemes would continue for a period of stability and simplicity after EU Exit.
- The last Scottish Parliament unanimously passed the Agriculture (Retained EU Law and Data) (Scotland) Act 2020 to enable the continuation of CAP schemes and payments from 2021, while future agriculture policy is being co-developed.
- The 2020 Act requires Scottish Ministers to lay a report before the Scottish Parliament on progress towards establishing a new Scottish agricultural policy no later than 31 December 2024. A new Agriculture Bill will be bought forward in 2023.
- We made a commitment to provide farmers, crofters and land managers with certainty that their direct payments would continue after EU Exit. Our support for the agricultural sector throughout this period of stability and simplicity continued in the face of Brexit, the unprecedented pandemic disruption, and now the cost of living crisis.

Q. Why do these proposal contain no substantive detail? Why is this an enabling Bill?

- The consultation sets out our vision for a new, post-EU CAP support system from 2025-26 and proposals on the modernisation of agricultural tenancies, and will inform a new Agriculture Bill, to be introduced in 2023.
- Recent years have seen a series of global shocks that have, and continue to have, an impact on global food security. These include EU Exit impacts, the COVID-19 pandemic and the illegal invasion of Ukraine which is having an undeniable impact on global agriculture and upon all aspects of our domestic food and drink supply chain.

- This has highlighted the requirement for the new Agriculture Bill to be adaptive in supporting farmers, crofters and land managers in the near, medium and long term future and the proposals outlined reflect this.
- Some have criticised our approach in bringing forward proposals for enabling legislation. But it is right that the Bill is an enabling one; the sector needs flexibility now and in the future to respond to the pressures and challenges that we will face.
- It is also right that we take the time necessary develop the detail of our policy with the people directly affected by it.

Q. What is the timeline to introduce this new Bill, what powers is the Scottish Government planning to introduce in this bill, and what timeframe will these powers cover?

- As per the Bute House agreement, the Bill is to be introduced to Parliament in 2023.
- In keeping with the Ministerial code, Ministers are unable to provide a specific date for the bill's introduction at this time or provide further detail of the draft bill, beyond that which have been consulted on, prior to Parliamentary scrutiny.

Q: When will the Scottish Government publish its findings from the recent consultation on the Bill?

- We aim to publish a report on the findings of the Agriculture Bill consultation shortly, and the Scottish Government aims to provide an update on this shortly. A new Agriculture Bill will be brought forward in 2023 to enable the delivery of the Scottish Government's Vision for Agriculture (published in March 2022).