

Implementation of Health Check: Consultation Questions 9-20

Response from North East Scotland Agriculture Advisory Group (NESAAG)

North East Scotland Agriculture Advisory Group (NESAAG) is a cross-sectoral partnership drawn from the public and private sectors comprising three local authorities, Scottish Enterprise and HIE Moray, agriculture, forestry, food safety and environment agencies, private and industry bodies including academic and research institutions and industry and farming sector representatives.

Q9: What are your views on any future use of a National Reserve in Scotland? Do you support its use in Scotland to help new entrants, the priority area identified in the new legislation? What level of "top-slicing" (deduction from existing SFPs) for a National Reserve would you support?

A9. NESAAG supports the principle of creating a National Reserve in Scotland for the purpose of supporting genuine new entrants to farming. However the definition of what constitutes a genuine new entrant requires to be more clearly defined to ensure scarce funds are properly directed to eligible cases. NESAAG considers that it is unfair that genuine new entrants to the industry are unable to gain access to SFP support which is available to long-established businesses.

Q10: In principle, do you support Scotland introducing a siphon on future sales and to use this funding to supplement the National Reserve? Please give reasons for your decision.

A10. Yes, a siphon on future sales should be introduced. However, given the recent decline in the level of entitlement transactions, the best opportunity to raise funds for the National Reserve may have been missed.

Q11: GAEC measures relating to water issues are compulsory under the Health Check legislation. The two new measures suggested above (Options A and B) are based on existing legislation. Do you have any comments on these two measures? The legislation requires us to implement GAEC measures relating to "buffer strips along water courses" between 1 January 2010 and 1 January 2012. When should these measures be introduced in Scotland and why?

A11. NESAAG considers that neither Option A nor B will present particular difficulties in Scotland. An introduction date of January 2011 will allow sufficient time to circulate advice and prepare for implementation.

Q12: Which of the proposed changes to GAEC measures relating to soils issues do you think should be implemented in Scotland and why?

A12. Concerns have been expressed by some environmental organisations about the absence of a clear policy rationale within Pillar 1 since decoupling, noting that it constitutes the largest source of agricultural support for Scotland. SFPs are based upon historic information which is increasingly out-of-date when compared to current production. Given the need for the industry to maintain public support, and the lack of EU funds for Pillar 2 measures, a willingness to accept the incorporation of a number of the optional GAEC measures would be widely welcomed.

Implementing Option C – to site livestock feeders at least 10m from water courses – is already standard practice and can be adopted easily. Option E – clarification of permissible field drainage system work should also be adopted.

Q13: Which of the proposed changes to GAEC measures relating to activity issues do you think should be implemented in Scotland and why?

A13. Option F addresses the issue of undergrazing which is directly linked to lack of agricultural activity and is supported by NESAAG. The proposals on both undergrazing and overgrazing (Option G) are only breaches of cross-compliance if the land cannot be returned to agricultural production during the following growing season. As such, overgrazing is unlikely to be a cause for concern and could be adopted. Option H deals with the encroachment of unwanted vegetation and is supported by NESAAG in order to maintain the productive potential of Scotland's land resource.

Q14: Which of the proposed changes to GAEC measures relating to land management issues do you think should be implemented in Scotland and why?

A14. NESAAG considers that the part of Option J which prohibits intentional or reckless damage to Sites of Scientific Interest (SSSI) should be adopted, but the term 'maintaining SSSIs in satisfactory order' lacks clarity and should be replaced with 'maintaining SSSIs in favourable condition', providing that the relevant criteria are under the control of the farmer. The term 'favourable condition' has been defined by Scottish Natural Heritage (SNH).

Under Option K, the felling of a tree covered by a Tree Preservation Order would be a breach of cross compliance. There are many grounds under which such an action might be justifiable (health and safety, for example) and so the option as it stands, which makes no reference to extenuating factors, is not supported by NESAAG.

Option L is a proposed amendment to existing conditions and aims to protect undesignated historic features which have been independently verified as having historic value. This is welcomed by NESAAG. SG support for work being undertaken by local authority archaeologists to improve the electronic availability of such information will facilitate this measure.

Options M and N involve simplification of existing measures which protect permanent pasture and landscape features respectively and are supported by NESAAG.

Option O is a possible new measure requiring buffer strips along field margins to compensate for the ending of set-aside. However the outcomes from the proposed option would be very different to set-aside benefits and may only deliver minor environmental improvements relative to the loss in agricultural output in NE Scotland which is, for the most part, intensively farmed. NESAG does not therefore support Option O.

Q15: Do you have any other comments about options to modify GAEC as it is set out in the new regulation?

A15. The primary vehicle for the delivery of environmental benefits should continue to be Pillar 2 measures but it is reasonable to incorporate the above suggestions into SFP for the reasons outlined in A12 above.

Q16: Should Scotland take special steps to mitigate the loss of environmental benefits that have accrued under set-aside? How might this be best done? Please give your reasons?

A16. Set-aside was developed to limit agricultural production and delivered collateral environmental benefits. There is no evidence-based reference in the consultation document to what those benefits actually were. Now that set-aside has ended, it will be difficult to recreate large field-scale benefits under Pillar 1 measures.

Q17: What criteria could Scotland use to make sure that SFPs in Scotland go only to businesses which are actively farming?

A17. Any proposal to improve the targeting of agricultural support measures is to be welcomed, and therefore steps to preclude land-holding businesses whose enterprise is not primarily farming-based from claiming entitlement to SFP is supported by NESAG. Assessment criteria could involve comparing turnover from non-agricultural activity to agriculture-related income. In recent years, many farm businesses have diversified their enterprises in response to government initiatives; they should not be penalised under this measure.

Q18: Which minimum threshold do you think should be introduced in Scotland and why?

A18. NESAG supports applying the 3 hectare minimum threshold which applies to the Less Favoured Area Support Scheme (LFASS). This would facilitate future streamlining of SFP and LFASS systems and would exclude only 268 farm businesses from SFP out of a total of 20,000 across Scotland. Administrative savings will be small but the principle of good husbandry of scarce resources is the correct one.

Q19: When do you think Scotland should decouple the Protein Crop Premium scheme? What year do you think should be chosen for the reference period? Please give reasons for your answers.

A19. Steps to decouple support should proceed at the earliest opportunity. Data from the most recent reference period available should be utilised to calculate the additional SFP.

Q20: Do you have any other general comments or views on the CAP Health Check or on how the changes should be implemented in Scotland?

A20. Many of the contentious elements of the SFP system stem from its historic nature and the sectoral shares upon which entitlements were calculated. Whilst this basis brought relative stability to an industry facing considerable uncertainty, it has tended to favour the status quo.