

Amendment to the Agriculture and Rural Communities (Bill) Scotland

What amendment do we want to see?

We want an additional ‘overarching objective’ of agriculture policy added to Section 1 of the Bill. The wording we want for this objective is “**improve the value of agriculture in the supply chain.**”

Why do we want to see this?

In Scotland, farmers and crofters receive a small proportion of the value they are part of creating within a supply chain. There is a need to improve farmers’ and crofters’ positions by encouraging forms of cooperation that involves and benefits them, as well as by promoting short supply chains and improving market transparency. We believe adding this objective is essential to ensure that vital cooperative and supply chain policy is part of the Rural Support Plan.

The overarching objective we want added is based on the EU CAP’s outcome “to improve the position of farmers in the food chain”¹. The policy brief² for this outcome recognises the challenges farmers and crofters face within the supply chain, and the need for policy to address this.

In real terms, the financial value of policy support (BPS and the various other schemes) has reduced significantly. Supporting Scottish farmers to receive more value from the supply chain is important to support business resilience against this backdrop of funding decline, especially when public finances are under pressure.

What difference will this make to agriculture policy?

An “improve the value of agriculture in the supply chain” objective is necessary to put in place secondary legislation and detail within the Rural Support Plan that will then deliver the objective. Without this objective, there will not be an ‘intervention logic’ for policymakers. Absence of the objective will result in a loss of focus on this essential issue, with consequential negative impacts on farming and crofting business resilience, and by extension, rural community resilience.

How can this be realised in the Rural Support Plan?

There are a range of schemes and support that could be put in place through elective payments in Tier 3 and complementary support in Tier 4. This includes improving and extending existing measures such as the Food Processing Marketing and Co-operation grant scheme, Fruit and Vegetables Aid Scheme, and Knowledge Transfer and Innovation Fund. New measures such as co-operation support programmes and capital investment support for agri-technology could also potentially be put in place. A co-operative approach to building natural capital and delivering ecosystem services to tackle our nature and climate emergencies should also be taken.

¹ [Key policy objectives of the CAP 2023-27 - European Commission \(europa.eu\)](https://ec.europa.eu/economic-affairs/press/docs/key_policy_objectives_of_the_cap_2023-27_-_european_commission_en.pdf)

² [cap-specific-objectives-brief-3-farmer-position-in-value-chains_en_0.pdf \(europa.eu\)](https://ec.europa.eu/economic-affairs/press/docs/cap-specific-objectives-brief-3-farmer-position-in-value-chains_en_0.pdf)