



OFFICIAL REPORT  
AITHISG OIFIGEIL

DRAFT

# Rural Affairs and Islands Committee

Wednesday 19 February 2025

Session 6



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**Wednesday 19 February 2025**

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**RURAL AFFAIRS AND ISLANDS COMMITTEE**

**6<sup>th</sup> Meeting 2025, Session 6**

**CONVENER**

\*Finlay Carson (Galloway and West Dumfries) (Con)

**DEPUTY CONVENER**

\*Beatrice Wishart (Shetland Islands) (LD)

**COMMITTEE MEMBERS**

\*Ariane Burgess (Highlands and Islands) (Green)

\*Tim Eagle (Highlands and Islands) (Con)

\*Rhoda Grant (Highlands and Islands) (Lab)

\*Emma Harper (South Scotland) (SNP)

\*Emma Roddick (Highlands and Islands) (SNP)

\*Evelyn Tweed (Stirling) (SNP)

\*Elena Whitham (Carrick, Cumnock and Doon Valley) (SNP)

\*attended

**THE FOLLOWING ALSO PARTICIPATED:**

Amanda Callaghan (Scottish Government)

Iain Carmichael (Scottish Government)

Jim Fairlie (Minister for Agriculture and Connectivity)

James Muldoon (Scottish Government)

**CLERK TO THE COMMITTEE**

Emma Johnston

**LOCATION**

The Mary Fairfax Somerville Room (CR2)



**Scottish Parliament**  
**Rural Affairs and Islands**  
**Committee**

*Wednesday 19 February 2025*

*[The Convener opened the meeting at 09:00]*

**Interests**

**The Convener (Finlay Carson):** Good morning, and welcome to the sixth meeting of the Rural Affairs and Islands Committee in 2025. I ask members to ensure that all electronic devices are switched to silent.

Agenda item 1 is to invite Evelyn Tweed, who is our newest committee member, to declare any relevant interests.

**Evelyn Tweed (Stirling) (SNP):** I have nothing to declare.

**The Convener:** In welcoming Evelyn, we also say thank you to Colin Beattie, whom she is replacing, for his contribution to the committee's work since joining in June last year.

**Decision on Taking Business in**  
**Private**

09:00

**The Convener:** Our next item is consideration of whether to take item 7 in private. Do we agree to take that item in private?

**Members** *indicated agreement.*

## Future Agriculture Policy

09:01

**The Convener:** The third item of business is an evidence session with the Scottish Government on future agriculture policy. I welcome Jim Fairlie, the Minister for Agriculture and Connectivity. Supporting the minister from the Scottish Government are: James Muldoon, head of the agriculture policy development unit; Amanda Callaghan, deputy director for agriculture and land transition; Andrew Crawley, solicitor; and Iain Carmichael, head of agricultural development. I do not need to remind witnesses that they do not need to operate the microphones, which will be operated for them. I invite the minister to make a short opening statement.

**The Minister for Agriculture and Connectivity (Jim Fairlie):** Good morning, convener, and thank you for giving me the opportunity to discuss the future of agriculture policy with the committee.

As we know, Scotland's agricultural businesses are at the heart of our rural communities, and we want to ensure that farmers and crofters continue to thrive while we look to tackle the twin threats of climate change and biodiversity loss. That is why we are changing the support that we offer to farmers and crofters. We will continue to support active farming and sustainable food production through essential support and direct payments, but we are asking farmers and crofters to do more for climate and nature in return.

We want our support to deliver five outcomes: high-quality food production, thriving agricultural businesses, climate change mitigation and adaptation, nature restoration and support for a just transition. The systems that we use to support farmers and crofters were built to deliver the common agricultural policy, and they did that successfully. However, it is now clear that those systems are limiting what we can do to deliver the vision for agriculture, and more fundamental reform is needed to give farmers and crofters the support that they deserve in order to deliver on those outcomes.

The way in which Scotland delivers its public services is changing, and we plan to modernise the way in which we work while improving efficiency and user experience. We need to give farmers and crofters a modern, easy-to-use service that meets their needs while enabling them to farm in a way that protects our environment. Delivering all of that will require a comprehensive organisational redesign. In the immediate term, we will continue to work towards our vision for agriculture as far as we can with the tools that we already have at our disposal, and that includes the

changes that we will discuss today, such as the whole farm plan.

At the same time, we are working closely with stakeholders on our future operating model and the transition plan. It is complex and will take time, but it will deliver the investment in the sector that is needed to deliver against our ambitious outcomes in partnership with those who are most impacted. I am happy to take questions from the committee.

**The Convener:** It is quite some time since the United Kingdom decided to leave the European Union. In turn, that meant that the United Kingdom and Scotland would leave the common agricultural policy. When will the Agriculture and Rural Communities (Scotland) Act 2024 be commenced? Given the timescales, why are we still relying on the Agriculture (Retained EU Law and Data) (Scotland) Act 2020 to create some of the regulations?

**Jim Fairlie:** To answer the first question, the 2024 act will be implemented this year. We will use both acts as we introduce new legislation. If it is a legacy matter, the 2020 act will be used; if we introduce new provisions, the 2024 act will be used. That will be the process.

Everybody recognises that coming out of the EU was a fundamental shift for all of us, because we had worked with the common agricultural policy for the period of our membership and we are now working with a completely new system. That shift has had to be made in conjunction with the industry, the sectors that are affected and the Government to allow everyone to get into the position that we are now in. We are now in a fairly positive place in that we are delivering on the objectives of the policies that the Government has set and on the farming industry's requirements. The issue is how we will work as a community to deliver the outcomes. I hope that that answers your question.

**The Convener:** When it comes to any other nation in the UK, we are way behind the curve. Legislation has been in place there for quite some time. You talked about legacy schemes, with the earlier act and the new act coming together. Will you outline exactly what they are?

**Jim Fairlie:** Are you talking about the provisions in our current work to transition from the legacy to the current position?

**The Convener:** Yes. In your previous comment, you talked about legacy schemes. What are they exactly?

**Jim Fairlie:** The basic payment is part of the legacy scheme. We will add to the legacy schemes to take us through the transition to where we are going. The fact that we have committed to

ensuring direct payments from the outset was part of the legacy.

You talked about other countries in the UK having done things differently. That is fine—what they do is entirely up to them. I am not entirely convinced that some of the provisions in the bills that have been introduced elsewhere have been as successful as those who are implementing them would have liked them to be. We have used what we had in the past; we have adapted, are adapting and will continue to adapt things and I hope that we will get to where we want to be.

We have talked about a just transition from day 1—from the day that I sat on the committee as a member until today. We have always been talking about a just transition. I hope that it is clear to the committee that we are delivering that. We have taken things from the CAP system and we will integrate new parts until we get to the point where the CAP system is no longer there and the 2024 act is what we are working on.

**The Convener:** The committee has been unclear on when the secondary legislation will come forward. Right from the start, it has not been clear whether that will be in the first half or the second half of 2025. When will that legislation come forward? It is important that the committee is aware of the timetable so that we can ensure appropriate scrutiny.

**Jim Fairlie:** The route map has set stuff out from the start.

I have just had a quick check with James Muldoon—we are talking about probably starting to implement stuff properly in the autumn of this year.

**The Convener:** That is helpful. That takes us on to our next question, which is from Tim Eagle.

**Tim Eagle (Highlands and Islands) (Con):** Minister, you said a second ago that you hope that things are clear to the committee. I want things to be clear to the committee, but one of the fundamental problems that we discussed during the legislative process for the 2024 act was the rural support plan, which will provide the real detail about what the future strategy for agriculture looks like. Here you are telling me that the Scottish statutory instruments will come in the autumn but that the rural support plan will not come until the winter, which could be only a couple of months before the new sections of the agri act kick in in 2026 and only a year before most of the major elements of your strategy come in in 2027. Why is it so late? Surely we should already have that plan and we should be discussing it now.

**Jim Fairlie:** We are already discussing it. We are talking about the whole farm plan this morning. We are introducing secondary legislation in

stages; the discussions to put the whole farm plan through the SSI—which we will get on to later—have already started. We have already started to bring in things such as the good agricultural and environmental conditions requirements and the Scottish suckler beef support scheme requirements. Things are already starting to change.

That goes back to the point that I made at the start about a just transition. There has been a demand from industry to move more quickly but, at the same time, when we bring things forward, it is almost as though everybody is surprised.

I would like to get to a position in which we are having constructive conversations and people know what is coming. I think that we have set out clearly in the route map when people can expect changes to happen. I gave the commitment that I would come back to the committee and talk to you, hear what the concerns are, take them away and work on them, and we have been doing that.

I do not think that anything is happening that is not what the industry would have expected. We have been discussing it as we have been going along, and there are things that we have put in place. We are here today to discuss the whole farm plan and get the SSI through. I do not know that the characterisation that you put to me is fair.

**Tim Eagle:** I declare my interest as a small farmer. I should have said that earlier.

I might not be explaining myself right. Under the 2024 act, you have to deliver a rural support plan. That is law and that is right. It has not been delivered. A draft came out, but it was nothing more than a template. The rural support plan will give us the entire strategy for moving forward.

Are you saying that the route map is the rural support plan? Is that the level of detail that we are talking about and is it the only thing that we will get? Is that what will be in the rural support plan? That seems to be what is being suggested.

**Jim Fairlie:** The rural support plan is for the next five years and we will lay the SSI for it in the autumn. The changes in 2025 relate to the legacy systems that I just spoke about with the convener. We will develop the plans from there.

I think that you are asking what detail will be in the rural support plan. That will be developed as we go along. Just now, we are dealing with the legacy stuff and getting through that piece by piece.

**Tim Eagle:** I am still not clear. We are moving to a four-tier system, which will, in effect, start next year with tier 1, which still involves direct payments. You have talked about a 70:30 split, and you have announced your support of £14 million and your £20 million over 20 years.

However, the rural support plan will give us the entire strategy for five years from 2027. We are 10 months from 2026 and we do not have a clear picture of what 2027 to 2032 looks like.

I would have thought that that was quite an important document to set out for our parliamentary scrutiny and more widely for the industry. I get the point that there may be no great surprises in it, but the rural support plan is about setting everything out in one cohesive message, as required by law. Is that not correct?

**James Muldoon (Scottish Government):** Yes, and I am happy to clarify that point. The SSIs that the minister talked about, which are coming this autumn, are for the changes that will happen in 2026. That work is looking at tier 2 and using greening as the proxy for tier 2 in 2026. That is what we have been discussing with the industry, and that is what the SSIs that are coming in the autumn are for. They use the legacy systems. As the minister said, the 2020 act will be used to amend the legacy systems, which involve the present model of payment.

From the commencement of the 2024 act this year, our duty and our responsibility to create the rural support plan will kick in. The plan will be a culmination of all the engagement, the co-development and the impact assessments that will be undertaken, which are housed under the agricultural reform programme.

The minister's letter, which was sent on 7 February, showed the extensive engagement and co-development that are going on. As ministers have said, the intention is to lay before Parliament the rural support plan, which will set our direction for the next five years, this coming December.

As we noted during the passage of the 2024 act, the rural support plan has to be iterative during the transition period. It will reflect the route map as at present. As far as possible, it will offer further details on the type of, eligibility for and expectations for support for the years ahead, while noting—as we have done on a number of occasions—the budgetary realities of not having a longer-term spending review period from the UK Government or a discussion on the Bew review of how collective agricultural funding works across the Governments in the UK.

The rural support plan is a requirement of the 2024 act, which will be commenced this year, and the plan will be laid before Parliament in December.

**Tim Eagle:** I have to be honest that I am still not very clear, but maybe I am not picking this up right. Your route map goes up to 2027, which is two years away. You are right that the hope is that there will be no surprises in that, but I am still not clear.

Will you tell me again what will be in the rural support plan? It will be laid in winter 2025 and will start in 2027. It sets the direction, but we already know the direction. It will be about tiers 1 to 4; tier 1 is about direct payments, with a greening something in tier 2 that we are not clear about yet, and tiers 3 and 4 will come later, plus the less favoured area support scheme and the Scottish beef calf scheme. All of that will be in the plan. You said that it will be a collection of all the evidence and discussions that have happened. Tell me more about that.

09:15

**James Muldoon:** I do not want to prejudge the final document, but a version of the rural support plan was shared with the committee towards the end of stage 2 of the Agriculture and Rural Communities (Scotland) Bill, which gave an outline of what the plan would look like.

The plan will say what is in place for the tiers of support. We have noted that, during the transition period, the basic payment scheme will be acting as a proxy for tier 1 until organisational redevelopment takes place and we have the potential for different delivery. Greening will act as the proxy for tier 2. The plan will note, as far as it can, how things will change over that period. As far as possible, it will note the budget expectations that are aligned to the tiers over the period.

The intention is that the rural support plan will develop from the route map, as well as the work of the agricultural reform programme, which does not stand by itself. The agri reform programme is a collective endeavour by the Government, industry and the wider stakeholder base to co-develop the future on the basis of the outcomes of the vision for agriculture.

**Tim Eagle:** I assumed that we would have known pretty much all of that by now. For absolute clarity, you are saying that the purpose of the rural support plan is about the future. The SSIs that we will consider in the autumn are about the transition from the legacy schemes into the new schemes. The rural support plan will give us the information, knowledge, strategy, direction and everything else that will take us, post that, through the next five years.

**James Muldoon:** In effect, yes.

**Rhoda Grant (Highlands and Islands) (Lab):** It feels like you are putting the cart before the horse. We had understood that the rural support plan was going to be the foundation of everything—that it was the strategy for how agriculture was going to be supported. It now feels like it will be a jigsaw puzzle of some things that are already in place and some things that are not. It does not feel very straightforward. Will the rural



support plan be a meaningful document, or will it be a load of other pre-decided policies put together? Will there be a rural support plan in the way that we understood?

**Jim Fairlie:** The rural support plan was always going to come from the route map. That was stated from the start. The rural support plan will be the final point, once we have dealt with the transition and everything else that we will go through from the legacy schemes.

I am possibly wrong in framing it in that way. The rural support plan will be what used to be the CAP. We had the CAP and we are getting to the point where we are coming out of it. We are trying not to create cliff edges; we are trying to give certainty to the farming community that it will continue to get support. We have consulted widely across the industry and with this committee. The end product of that will be the rural support plan.

As things develop, the rural support plan will likely change, in the same way that the CAP did when we were in the EU. It is not putting the cart before the horse; rather, it is ensuring that the cart is filled with all the things that need to be in it in the first place, because the cart will be the programme by which agricultural support is delivered. Does that make sense?

**Rhoda Grant:** It feels like the wrong way round. I think that we all understood—

**Jim Fairlie:** I understand your point. It feels like the wrong way round. A lot of work has been done on this, and, as I said to Tim Eagle, we have come out of a hugely complicated CAP process, and we are trying to develop a farming policy that works for the people of Scotland and the farming community in Scotland. I accept that it has taken a long time, but I would prefer it to take a long time and for us to get it as right as possible, rather than for us to get what we have seen in other parts of the UK.

The alternative was for the Government to go ahead and make the decision, saying, "That is now your policy," only to come back two years later, saying, "Well, it's not going to work, so we're going to have to try again." That was the purpose of having the route map and the consultations, setting up the agriculture reform implementation oversight board—ARIOB—and doing all these things that have frustrated people. I understand that the approach has frustrated people, but it has got us to a position where I think everybody is fairly settled that we understand not only what agriculture is going to be given but what it is expected to deliver on the back of the public funds that it gets.

**Rhoda Grant:** I do not agree that that is the case—I feel that we do not have a handle on the Government's vision and direction for agriculture.

In a way, that is what the plan was supposed to set out. It just seems that we have a piecemeal approach, and I think the farming community, certainly, was really—

**Jim Fairlie:** I do not accept that there is no vision, Ms Grant. I am sorry—I am not quite sure how we address each other in these formal sessions. I do not accept that there is no vision; there is an absolute vision. The vision from day 1 was to put Scotland at the forefront of developing agricultural policy that allowed us to deliver food production but that made sure that we were world leaders in sustainable and regenerative agriculture. The vision is there; how we get it and how we build consensus with the industry, the Parliament and, indeed, the public—who ultimately pay for all of this—is a journey worth going on, and I think that it is the one that we have been on.

As I have said, I understand the frustrations about it all not being in place, with people asking, "Well, what do we do now?" However, we could not answer that without consulting with the industry, getting all the views and changing things. We have had to change things as we have gone along. It is all about working together and making sure that we get a policy that is fit for purpose and fulfils the policy objectives but that does not cut off the farming community from the support that it needs.

**The Convener:** Minister, this is just a boorach, as they say. One of the committee's big concerns has been that, in the autumn, we will potentially have a very large number of SSIs and policy detail to deal with, and we have been looking for a timetable for that secondary legislation. We are not going to get the rural support plan until we get some of the mechanisms for delivering what I would suggest should be in the plan, and they are not going to be delivered until a later date.

The plan is supposed to indicate the total amount of support that is expected over a period and describe the way in which that support is to be structured. However, we know that already, because it has already been announced—it is a 70:30 split. So, we are just getting information in dribs and drabs—the very thing that the committee was assured would not happen. We are getting SSIs that deliver some of the aspects of the rural support plan, but they are coming in dribs and drabs. Therefore, the committee's ability to scrutinise the overall package is limited.

There have been announcements about the split and the total amount of support expected, but nothing else. We have not got the measures that are intended to benefit small producers, tenant farmers, crofters and whoever; we have been told that those will be developed for publication in December. It is all a bit of a mess, and it feels like the interim measures—that is, the legacy schemes

that, from what you are saying, will form the bulk of the SSIs that we will see in October—just kick things down the road. The date by which the Government's intentions should be laid out in the rural support plan is getting further and further away. We had a commitment that the plan would be published in summer 2024, and all we got was a framework. There was no plan—it was a framework.

We feel that we are not any further ahead. We are still operating in a vacuum, in terms of both information and the SSIs, and I am struggling to see how the committee can effectively scrutinise what is coming forward.

**Jim Fairlie:** Okay—you will not be surprised to know that I disagree with you. I do not think that this is a boorach. I definitely think that it has been complicated for all of us to try to work our way through this, and I do not dispute that, but it is not a boorach.

The rural support plan is, as I have just outlined, what we will have at the other end of this. We are going through the just transition, and we are working with the farming community to ensure that what we are bringing forward fits with its expectations but also aligns with the policy objectives that the Scottish Government has set and that are expected by the public for the money that we are putting into the sector.

We will all see what the whole picture looks like. I do not know all the answers at this stage, because we have not had the full conversations about all the bits that will be added to the support plan at the other end of the process. I can guarantee that, if I did have all the answers, every one of you sitting round this committee table would be asking if I had thought about this or that. That is the whole point about the method that we are using. Martin Kennedy said that we need to take the industry with us. This is us effectively trying to take the industry with us in order to deliver what is expected.

We are bringing the SSIs to you to approve or not—that is the prerogative of the committee—and we will have these conversations, but I do not accept that this is a boorach. I accept that the situation is complicated, and I accept that there are things on which we would have liked to be clearer from the outset, but they were never going to clear from the start, because this is a complicated matter.

**The Convener:** When you were a member of the committee, did you expect that, when the timetable was set out, we were going to have the rural support plan and we would then have the Scottish statutory instruments—the secondary legislation that would put the meat on the bones of the 2024 act? Did you expect us only to be

considering SSIs that would continue policies that had been set out in the 2020 act, rather than considering statutory instruments to deliver a new future for agricultural support payments?

**Jim Fairlie:** The changes are not legacy—the whole-farm plan is not legacy. There will be a mix of measures under the 2020 and 2024 acts.

**The Convener:** When you sat in this very room, discussing the bill that became the 2024 act, did you expect that, a year later, we would be discussing bringing in secondary legislation to enact legacy policies, rather than delivering SSIs that would deliver the rural support plan that we expected to be published in 2024?

**Jim Fairlie:** I expected that we would be considering SSIs that would fill in the final document that would be the rural support plan. As for how that was going to be done, I was always confused about it when I sat on the committee, so I understand committee members' concerns. This is complicated; it is not a simple thing to do. There are areas of legacy policy that we are trying to keep in place in order to ensure the stability that the farming community wanted us to give them and to ensure that they had payments coming to them. That must then be woven into what comes next.

This was always going to be messy—that is probably the easiest way to put it. That is fine; I do not mind it being messy so long as we get it right. That is the important bit. So far, we have had in-depth conversations and we have had disagreements, but I think that we are getting to a place where the policy is working for the farming community. It has been thoroughly scrutinised by the committee and the Parliament, and it allows the Government to work towards the objectives that we are trying to reach, which include maintaining a thriving food-producing agricultural sector in this country. It allows us to tackle our climate and biodiversity challenges and to keep on delivering food from this country.

Nobody in this room wants anything different from that. As for how we get there, I get that it is messy, but I think that we are on the right road and we are doing a pretty good job of it.

**Tim Eagle:** I am sorry to have to come back in, but this is an important point. I am glad that you said that the arrangements are messy; I think that they are a bit messy, too.

Tiers 1 to 4 are the future. When we talk about legacy schemes, we are talking about the basic payment scheme, but we are actually transitioning that to the future, which tiers 1 to 4 model. I am assuming that tiers 1 to 4 are not just there until 2028 but that that is the model that we will run forward with until 2032. The SSIs that will be

considered in the autumn are actually about the future.

I want to return to why the matter is crucially important. Let us take a practical example. You are bringing out a £20 million scheme this year using the Bew moneys, which you have replaced. John Swinney seemed to suggest that that would be about sustainable and regenerative farming, but you have not produced anything that tells us what farmers might think is the right thing to apply for under that scheme.

09:30

The Agriculture and Rural Communities (Scotland) Act 2024 says that the rural support plan must set out

“any measures that are intended to benefit small producers, tenant farmers and crofters”.

However, I have organisations telling me that they do not really know how the Scottish suckler beef support scheme fits them as small producers or how the whole-farm plan is going to work for a smaller-than-usual producer.

What about capping and front loading? Those questions came up during discussion of the agriculture legislation, but we still have not answered them. ARIOB is a group that you are quite proud of, but I worry about ARIOB because I do not want it to be a clique; I want it to be an expansive group that really works for the whole industry rather than for the few people who are on that group. ARIOB has been in place since 2021, so I could ask what it has been doing for almost four years. We should surely have the detail by now so that we are clear, and so that farmers across the industry are clear, about what comes next.

Finally, you suggested that you think that farmers, crofters and smallholders are clear. I think that some feel that they are clear, but the impression that I get when I go out is that that is certainly not what is thought across the industry.

It was surely your original vision that the rural support plan would have come out by now, in order for us to have all of these things ready before we start talking about the proper transition from 2026.

**Jim Fairlie:** There were a number of questions in there.

**Tim Eagle:** That is because it is messy.

**Jim Fairlie:** Indeed.

You spoke about the First Minister’s announcements. Those policies are being developed. James Muldoon will be better at giving the detail on where we are with that at the moment, but my understanding is that it is about

ensuring that the farming community has the opportunity to apply for funding that will allow farmers either to drive efficiencies or to support biodiversity and other climate mitigations.

**Tim Eagle:** Perhaps I have not explained myself well. My point is about the rural support plan, not about the detail. I thought that the idea behind the rural support plan was that it would underpin all the new grant schemes and that it would be a document that showed the Scottish Government’s outcomes so that farmers could apply for support that fits the outcomes that you are looking for. Without that document, it feels as if we cannot do that, because your route map does not give that level of detail.

**Jim Fairlie:** I take your point, but I go back to a point that I made. If we just gave you the rural support plan and told you to get on with it, and then said, “By the way, you have to do all these things,” you would say, “But those things do not tie in together,” because we would not have gone through the process that we are going through.

You say that I am proud of ARIOB. What matters is not that I am proud of it but that it works. I assure you that there are some very robust discussions happening there. It has very good representation of farmers of all sorts—from arable, pork and crofting to upland and other livestock farming. They are all in there, along with others, including the RSPB. Everyone is represented there. However, as soon as you bring such a diverse group of people into one room, things will take time, because they are not all going to agree. We were never all going to agree on everything that we are trying to get out of this.

The rural support plan is the completion of all those things. Rhoda Grant made a point about putting the cart before the horse, but I do not think that that is the case. I think we need to build what we want and then, once we have all that together, that becomes the rural support plan that will allow us to go forward into the future. It will be what it is, and if changes are required, we will be able to make them as we develop. Things will change—we have seen that. The war in Ukraine shows us that things can change very quickly—we know that.

We had to have flexibility but we also had to work with the industry. This is about more than just ARIOB. You will all be aware that I have had a letter from Donna Smith. She has come back to us—very late in the day—to say that she has a whole list of questions for us. I have written to her to say that we will answer those questions but also to ask her to come in and speak to me. I want us to sit down and have a conversation about her concerns so that we can try to find the solutions that will allow us to make progress, because the crofting community is as big a part of the

conversation as anyone else. For example, I think that Donald MacKinnon has been a member of ARIOB from day 1. He has taken part in the policy development process.

I am trying to make the point that, although you talked about ARIOB being a clique, I promise you that it is not. It consists of a broad range of people with a wide range of views, who are all pitching in with ideas, advice and arguments about how to proceed. The rural support plan will be the document that comes out of all that scrutinising and all those discussions. We hope to have one of the best support plans available, which, as well as allowing us to achieve our objectives, will allow the farming community to continue to produce food.

**Tim Eagle:** I—

**The Convener:** Unless you have a specific question, Mr Eagle, we will have to move on.

**Tim Eagle:** I beg your pardon.

**Emma Harper (South Scotland) (SNP):** Good morning. I am thinking about the language that has been used and, in particular, the word “messy”. I think that the situation is complicated rather than messy.

The rural payments and services section of the Scottish Government’s website includes the whole-farm plan guidance that was published in October 2024. There are different steps that farmers can go through. There is a link to one page that lists the milestones that need to be reached by 15 May 2025. The guidance is about helping farmers—whether they are involved in small farms, crofts, dairy farming, beef production, sheep farming or whatever—to transition in such a way that there are no cliff edges. That is what we talked about when we considered the Agriculture and Rural Communities (Scotland) Bill.

The fundamental reform that you have talked about relates to how we support food production and food security. You mentioned the war in Ukraine. I do not think that the Government is sitting around not doing anything. People need to hear such assurances. All the work that is going on in the background with ARIOB and so on is part of the process of helping to support food production and food security in Scotland and beyond.

**Jim Fairlie:** I think that you are right. On day 1, we set out the vision, which is that we want to continue to be able to produce, in this country, the food that the country needs, and we want to support our farmers in the best way that we can.

A lot of the stuff that we are trying to deliver now came from the farmer-led groups. You will remember the five farmer-led groups; off the top of my head, I cannot remember what they were called. They looked at their sectors and asked how

they could reduce the emissions from their practices while continuing to be sustainable. We are trying to bring all those things together. For months, the members of those groups discussed how they would deliver stuff.

One of my frustrations in talking about farming is to do with the fact that farming is vast. An upland farmer will have nothing in common with an arable farmer, a dairy farmer or a pig farmer. It is a vast area. We are trying to bring all those things together and ask, “How do we produce food?” That is the question at its simplest. How do we produce food in such a way that we can feed the country but also meet the objectives of the policy?

I see that the convener is indicating to me that I should wind up. Clearly, I am talking too much. I am passionate, convener.

**The Convener:** I am conscious of the time. We have one final question on the rural support plan. What outcomes do you expect to be delivered as a result of consulting rural communities on their key priorities? How will that feed into the rural support plan?

**Jim Fairlie:** We have consulted widely, and all those considerations will be fed into how we deliver our rural support plan. However, I think that you have something more specific in mind, but I am not sure what it is.

**The Convener:** This week, the Government has launched a consultation on delivering for rural Scotland. Communities have a month in which to respond. In addition, the committee wrote to the First Minister about rural proofing the national outcomes and the need for a specific set of indicators on the delivery of outcomes for rural areas. How does all of that tie in with future agriculture policy?

You have talked about the situation being complicated and a mess, but—

**Jim Fairlie:** I did not say that it was a mess; I said that it was messy. Let us be clear about that.

**The Convener:** We have another consultation that is feeding into another piece of legislation, and we need to look at how many documents there are in consultations and how it all ties in. What are you trying to achieve with the latest delivering for rural Scotland consultation?

**Jim Fairlie:** I think that where you are going with that question is how the rural support plan will tie in to policy affecting rural communities. The Agriculture and Rural Communities (Scotland) Act 2024 is not just about agriculture in Scotland; it is about the entire rural community. If you need more information on that, I will write to the committee with a fuller explanation, if it would help.

**The Convener:** Yes, it would. We are a year down the road from the 2024 act and it just feels like yet another consultation on a potential rural support plan that is yet to be seen. It feels as though it is a rolling consultation. I look forward to you giving us an idea of how it will feed into all the different threads.

We will move on to our next theme, which is the new payment mechanisms and packages of SSIs. Evelyn Tweed has a question.

**Evelyn Tweed:** How did the Government arrive at its decision of a 70:30 split? When the issue was being looked at, a lot of people were asking for a 50:50 split.

**Jim Fairlie:** I am trying to think of the right way to phrase this. The 70:30 split is kind of where we are already. The 30 per cent is the greening element and the 70 per cent is the base payment. The decision was taken to keep within those spheres at this stage. That does not mean that they will stay that way, but that is where the split is to allow us to transition.

**Evelyn Tweed:** If you started with the 70:30 split and there was to be any sort of review, would you know about the timescales for that?

**Jim Fairlie:** We will review the split annually. When the single application form information comes in at the end of the year, we will review it again. It will develop as time goes on. I cannot give you a timescale that says that we will review it in, say, 2027 and then it will change to something else. It could change on the basis of what the desired outcomes are at any given time.

**Evelyn Tweed:** How will the 70:30 split meet the objectives of the bill?

**Jim Fairlie:** The 70:30 split allows us to guarantee direct payments while asking for more from the farming community through the greening requirement, so that we have the promise that we will deliver direct support and demand more. The 70:30 split allows us to say to those in the farming community that we will continue to support them but that we need them to work with us to deliver more for those public funds. That is kind of where we are. I hope that that answers your question.

**The Convener:** During our evidence taking for the bill, we heard from some of the biggest and most entrepreneurial farms and some of the smaller producers that they did not think that the base payment could continue forever and that it was a bit of a blunt instrument, although there was an appreciation that we have it to avoid a cliff edge. In your opinion, do we need to transition away from a basic payment on such a scale—the current 70 per cent—to a more targeted payment system? What are your views on how that might

change? Would it be set out in the rural support plan, given that it will cover a five-year period?

**Jim Fairlie:** The basic payment has been an essential base for the farming community, because they knew that it was coming. Is it a blunt instrument? Yes. Is it likely to change? Probably. Do I think that it was the right way to go from the traditional CAP? Probably not, because it did not achieve the objectives that it set out to achieve.

What we have here is an opportunity to work with the industry in order to get everyone in. I absolutely understand that people do not like changes—everybody is running at 100mph, and they are very busy—and I do know that the basic payment is a blunt instrument. However, it is an essential blunt instrument that allows us to give certainty to the farming community that we are going to continue to support them while, at the same time, saying, “We need more for that blunt instrument.”

09:45

**The Convener:** Do you believe that, whether or not the rural support plan comes forward, we need to transition away from the vast majority of support being of the single-farm payment type? Do you have any plans to engage with the industry as you transition away from the basic payment approach?

**Jim Fairlie:** I have absolutely every intention of continuing to talk to the industry about what we need to do next. Whether that means that we move away from the basic payment or do something else with it remains to be seen, because we need to see how this beds in, develops and grows and whether it is fulfilling its objectives for the Government and for industry.

However, we do not know that yet. We are putting this in place and we are going to try to make it function in the best way possible. The best way of doing that is to get this done and allow it to happen, and then we will see what happens as we develop it into the rural support plan. As I have said, the rural support plan will not necessarily stay as it is; it will form the basis of where we are. However, just as the CAP used to change—indeed, as it still changes—the rural support plan might change as we develop policies.

**The Convener:** But will the support plan that you are bringing forward give any indication of whether you are looking to transition away from the basic payment?

**Jim Fairlie:** At this stage, I am going to say no. We are bringing in the policy that we currently have, but I am not ruling out the potential for changes once we start to see how it functions.

**Emma Roddick (Highlands and Islands) (SNP):** I want to pick up on some of the comments

about what happens next and the Government's preferences. Minister, I appreciate that you want to see how things work out, but surely the Government has a preferred option or something that it has faith in and that it is confident will end up becoming the way forward.

**Jim Fairlie:** What I have is an absolute determination to make sure that farming continues to function in Scotland, producing food and delivering the outcomes that the Government wants. That is my primary focus. Do I have a plan for it? Yes, we have a plan for it. Do we have a vision for it? Absolutely. However, there is no way that I can sit here today and say, "This is the plan, this is how it is going to work, this is what it will deliver and it is all going to work sweetly." As we have been reiterating throughout this committee session, there are a number of different voices with different objectives and different perspectives on how this will work for them. Therefore, we have to put in the basis—what we have at the moment, which I think is a pretty good system—and then let it develop. That will help us to deliver the final rural support plan.

**Emma Roddick:** Which of those voices is going to decide the way forward?

**Jim Fairlie:** The Government will decide the way forward, but it will be based on all the information, advice and help that we are given by the industry, by non-governmental organisations and by everybody else who is part of that conversation.

**Tim Eagle:** Minister, I was going to say at the end of our last discussion that I have no doubt that I, you and everybody in this room want the best for the agriculture industry; the thing is how we get there.

I just want to pick up on the convener's point. This is a five-year plan that will run from 2027 to 2032—or, effectively, into 2031. As a result, tiers 1 to 4 will be in place until then, because that is what the law sets out, is it not? It sets out a five-year plan, as the CAP used to do. Of course, the CAP was set for seven years initially—was it not?—although I think that the last one was set for five years.

Are you saying that there will be no plans in that period to take away or change tiers 1 and 2, and that there will be direct and enhanced payments that whole time? Is what we are talking about a potential future direction, which would come in post-2031?

**Jim Fairlie:** Yes.

**Tim Eagle:** Okay. I just wanted to make sure.

**Ariane Burgess (Highlands and Islands) (Green):** I am interested in getting some detail on tier 2. In a letter, you wrote that

"the research shows that direct payments do not automatically benefit farmers and crofters when those direct payments are not targeted, and those payments may even have unintended negative impacts on innovation, productivity and environmental benefits."

You went on to say:

"With this in mind, Tiers 1 and 2 of the new framework will reflect the lessons learned to deliver on our commitment to a just transition for our farmers and crofters."

I would like to get a sense of what the tier 2 measures currently look like and what lessons have been learned about how to design tier 2. Will the measures be similar to or different from the draft measures that were published in 2023? Can you also unpack that a little? I know that tier 2 is broken down by sector, but the word "measures" is ambiguous, so it would be helpful to know how many measures there are. Also, to go back to the discussion we have had today, colour coding might be helpful in differentiating between what is CAP stuff and what will happen in the future. I love your route maps, but they are confusing because they do not show what is old and what is the future.

**Jim Fairlie:** Some of that is fairly technical, so we might write to you with that technical detail. An early list of measures was shared with key stakeholders, including ARIOB, and we are looking at delivering a number of different elements. As we move forward, there will be greater reach in what we will require people to do.

One of the great pleasures of my current job is that I was able to visit Amy Geddes's arable farm near Arbroath. She has fully embraced the EFA-type stuff that is available at the moment. Her work is really inspiring.

**Ariane Burgess:** Minister, please unpack the acronyms, not only for me but for other members and for our wonderful and adoring audience.

**Jim Fairlie:** EFA is the ecological—sorry, but I have lost the term myself.

**Ariane Burgess:** Exactly.

**Jim Fairlie:** EFA means ecological focus area. There are particular plants that encourage pollinators, and there are beetle banks, hedgerows and buffer zones. Amy Geddes is working on her soil by looking at what it is currently doing and what more it could do. It is brilliant stuff. Some fantastic work is already happening, like the work that Tom Bowser is doing at Argaty.

Those things that people are already doing are the kind of things that we want other people to think about as they consider whether they could adopt a similar approach and what the outcomes would be for them. The people who are in the lead and already doing that work could probably

indicate what that might mean for others, but every farm is going to be different and every farmer has to take their own personal view on what will work for them. We have had conversations here before about how each farm is different because Scotland is a diverse place, and farms are also diverse within areas.

The measures will not be prescriptive. People will be able to look at what is available and decide how it will work for them and help them to achieve what we are asking them to do.

**Ariane Burgess:** You have identified farmers with amazing good practice who are doing what is in the draft list of measures, and you have just said that you want other farmers to adopt those processes, but how will that happen?

**Jim Fairlie:** That is what we are working on right now with the development of the whole-farm plan. I know that it is difficult because everyone is busy, but we are asking people to take a wee step back and think about what that looks like for them and how they can make it work in their operation.

I fully understand that people might not want to do that because they feel that they are doing too much already and because they have always had the single farm payment, but we have made it clear from the outset that that will not be the case and that it will not be business as usual. We are going to ask people to do more.

The process that we are in now and all the discussions that we have had today are part of that process, and we are relaying those conversations to the industry so that people absolutely get the direction of travel and know that we will be asking them to start thinking about doing those things in the longer term and working out what that looks like for them.

**Ariane Burgess:** How will those tier 2 measures deliver the objectives set out in the 2024 act in a way that meets the Government's targets more fully than can be done by using the current greening payments?

**Jim Fairlie:** The measures will tie into the sustainable and regenerative practices that we are trying to encourage everyone to look at in order to work out what works for them. It is part of the package of measures that we have put in place and part of the conversations that we have been having. We are in a pretty good place. Tim Eagle might not agree with me entirely, and some people out there will say, "No, I don't want this," but it is going to happen. It is a case of getting everybody on board as much as we possibly can.

**Ariane Burgess:** We understand, from the First Minister's announcement a few weeks ago, the split that we have been discussing this morning between tier 1 and tier 2, but there are two other

tiers, tier 3 and tier 4. Will you outline briefly where we are with those? What are they and where are you at in that process?

**Jim Fairlie:** They are under construction—I will put it that way. James Muldoon or Amanda Callaghan may have more information on where we are with that process.

**Amanda Callaghan (Scottish Government):** I can set out a bit about the programme phases. This is the point about the new versus the old—we have had a very complicated 30 years of scheme on scheme, so it is quite a Jenga puzzle at times.

We have broken the programme into phases. The first phase is about doing all that we can with what we have got in order to make immediate progress. Tiers 3 and 4 cover that. Various schemes and things exist at the moment, but how do we improve them and get more out of them? The next phase is about a new target operating model that is user focused. One of the problems is that the users have quite a complicated experience and spend a lot of time doing paperwork. How do we make that much better?

The next phase will be about how we transition from what we have got and making that as good as it can be. We are somewhere between those phases at the moment. Tiers 3 and 4 focus on immediate improvements that can be made and what that future design looks like. It is important that people have the right skills, but what do they need and what do you need to make compulsory? What about continuous professional development? What can farmers learn from each other to get that kind of support? How do you encourage innovation across the whole operating model? For example, bees do not stay in one bit of land—they travel between bits of land—so how do we get farms to work together?

Those are quite big, innovative things, but we also need a target operating model that allows for that kind of support to be provided.

**Ariane Burgess:** That is very helpful. That is one of the issues that I have been trying to understand. Tier 4 is coming down the line, and it is all about the training piece, but, in the meantime, how do we help farmers to understand the transitions that they need to start making so that we can meet the objectives that are set out in the bill?

**Jim Fairlie:** I agree that we need to make sure that that information is available. The monitor farms are a great tool. I heard a phrase in a completely different environment to this, which was that men learn shoulder to shoulder and women talk face to face. Those monitor farms give farmers the opportunity to have those conversations and pick things up and think, "Well, I could do that," without having it being given to

them or rammed down their throat. Once they start to see things happening, they think, “I could implement that at home.” From my experience, that is definitely always the best way. I have certainly learned things by meeting and speaking to other farmers and saying, “That’s a good idea—I want to try that.”

**The Convener:** Tim Eagle has a brief supplementary question.

**Tim Eagle:** I do not want to come off as negative this morning, minister—I agree with you on some of this stuff, but I want to press you on the clarity and detail of the vision. The list of measures under tier 2 is expansive, and one of the arguments against the current greening model is that it is restrictive. In my head, I have the old land managers options scheme, whereby people could pick and choose what worked for them, exactly as you said. Do you have an idea of how those measures will be delivered in the new model?

**Jim Fairlie:** I will ask the officials to talk about how that will be done technically, and we can expand on that in writing if that would be helpful.

**Amanda Callaghan:** We might need to come back on that, because I am definitely not the person to talk about the technical operational aspects.

**Tim Eagle:** That is fine.

10:00

**The Convener:** That leads on nicely to a question from Rhoda Grant.

**Rhoda Grant:** My question is about the information technology system. The cabinet secretary said that it was not really designed for a four-tier support system. Can it now deliver a four-tier support system? Is that being worked on?

**Jim Fairlie:** I have a full page of words that I can read out to you right now but, if it would be better, again, we can write to you on what the IT system can deliver. It is entirely up to you, depending on what you prefer.

**Rhoda Grant:** It would be useful to have it in writing, of course, but the bottom line is, is it working for the four-tier support system now?

**Jim Fairlie:** It is, yes. We are getting the payments out—the payments are being delivered. We are adapting that as we go along. We do not want to get into a position where it cannot deliver, so the system is being developed as we go along. It has gone through a real technical upgrade.

I will quickly read you the first paragraph of my notes, if that is helpful. Between 2022 and 2024, there was the largest technical upgrade to the payment service platform since its inception in

2014, and that was done via the middleware project. Upgrading the middleware, a layer of software that enables interaction and transmission of information between applications and services, has significantly enhanced the efficiency and security of the digital services.

It is technical stuff, but we know that it is working at the moment and it is allowing us to get payments out on time, which is what we will continue to do.

**Rhoda Grant:** Will it work for a four-tier system?

**Jim Fairlie:** We are working towards making sure that that delivery will happen.

**Rhoda Grant:** Can it not do that just now?

**Jim Fairlie:** Again, I will need to come back on that, because I do not know the technical spec of the software that is in place at the minute.

**Rhoda Grant:** How will that impact the other tiers, if the system cannot deliver?

**Jim Fairlie:** I am not saying that the system cannot deliver the four tiers; I am saying that I will write to you to clarify.

**Rhoda Grant:** Okay.

**The Convener:** The simple question is: how serious are the problems with or the limitations of the current IT system? On a scale of 1 to 10, how serious are the conditions?

**Jim Fairlie:** I am not going to put it on a scale of 1 to 10, and I am not saying that there are problems. I am saying that there are things that will need to be developed. I will write to the committee with a better understanding.

**The Convener:** We do not need the exact detail; we just need to understand whether there are significant issues with the current IT system, and whether that will be a barrier to your delivering what you want in tiers 3 and 4. From what we understand, there are serious issues. All we want to know is whether you acknowledge that there are serious issues and how they might limit the Government’s ability to deliver its aspirations for tiers 3 and 4.

**Jim Fairlie:** I do not accept that there are serious issues, as you have characterised them, but I will ask Amanda to come in.

**Amanda Callaghan:** The system is currently designed to deliver CAP. It delivers CAP well, but it is built with multiple schemes on schemes. It is a complicated picture.

There are also opportunities with future technology that we do not currently make use of. We are developing a digital and data strategy to consider what bits of technology would help us to create that modern target operating model, and



how we can simplify where we are with the build-up of schemes over time.

It is important to say that there will be a transition, so we will need to build new things and decommission other things. The current legacy programme is doing that. To be fair, that would be true of any system going forward, and it will also be how we operate forever—every year, there will need to be modernisation and maintenance. This is now a big shift from one form to another.

On the four-tier model and the system's ability to deliver it, we have a form of the four-tier model with the current schemes, through the base and enhanced payments and tiers 3 and 4. They need to be simplified; there needs to be a better mechanism for doing all that. It is about transitioning from what we have to where we will be, which is why we are doing as much as possible with what we have while that strategic position is designed.

**Rhoda Grant:** What impact has that had on the design of the other tiers that the system cannot deal with at the moment? How restrictive is that when it comes to designing the tiers? That is what we are trying to get to.

**Amanda Callaghan:** It is not the tail wagging the dog; that is not how we are approaching it. We want to be clear on exactly how we want to deliver and then look at the technology that supports that delivery, rather than saying that this is what we have and therefore we are stuck with it. However, there needs to be a transition from what we have and, although the process has some restrictions, we are not restricted in changing the system. That is the process that we are going through.

We are also modernising and supporting our current legacy systems while getting that vision and design for the future that also considers things such as new technologies that could really change how we deliver and how effective and efficient we are.

**The Convener:** I guess that that will always be the case, but I have a question for the minister. Are you confident that the IT system will deliver the Government's aspirations, or will it in fact limit what the Government can deliver?

**Jim Fairlie:** I am confident that the people who are doing the work that we require them to do will deliver it for us. We have an exceptional team of people—an awful lot of them—working behind the scenes, who are highly skilled, so I am confident that they will deliver the scheme that we require them to deliver.

**The Convener:** Okay, so it will not restrict the Government's ability to deliver plans—

**Jim Fairlie:** To achieve the aspirations—no.

**Ariane Burgess:** It piqued my interest when Ms Callaghan talked about bits of technology—I am paraphrasing there. I would be interested to understand the system more. It is a digital system, but does it connect, with technology, to things that farmers are doing on the ground? You talked about innovations. What are we looking at?

**Amanda Callaghan:** Those are some of the things that we are looking at. For example, we are considering what to digitise or automate—that is all part of that broad future target operating model. There are limitations to that under the current systems, but we will change those systems to be able to deliver that vision. We are exploring all those things so that we can ratchet up not only what we can do but the experience for the users, which is not ideal at the moment. As I said, that would be true for any system that needs that work.

**Ariane Burgess:** Do you have any specific examples, to illustrate a bit?

**Amanda Callaghan:** I cannot think of examples off the top of my head. I work very closely with such people, but I am not a technical or digital person. [*Interruption.*]

Oh, yes—of course. My colleague has just reminded me that there is the work on LIDAR—light detection and ranging—which was recently announced. We are also doing a pilot on the area monitoring service, which is about using low-lying satellites to monitor and see things. It is about how much we can automate verification—this is getting quite technical. LIDAR is also about our being able to have a baseline position on things such as biodiversity. It is quite exciting.

**Ariane Burgess:** I do not think that any of the committee members is afraid of technical matters. Sometimes, a bit of detail colours our understanding. We get out to meet farmers, so it is helpful to get a bit of an illustration of what you are working on.

**Tim Eagle:** I have a quick question on the cost of that work. Minister, what do you estimate the potential cost of any changes to the IT system will be? For clarity, is that money already in the budget? Do you know where the money would come from for any changes?

**Jim Fairlie:** I am afraid that I will have to refer to Amanda for a cost on that.

**Amanda Callaghan:** We do not currently have a cost, because we have not entirely identified exactly what that system will look like. However, we expect that the operating cost of a more modernised digital-based platform should be lower than the current operating cost. I do not want to promise anything—that work has not been done or completed—but we would assume that modernising and taking a digital-first approach

would lead to longer-term reductions in costs. The long term and the implementation will need to be balanced against each other, but I do not have those figures yet.

**Tim Eagle:** I do not dispute that that is the overall aim and, potentially, one of the benefits of technology, but history tells us that these things can cost a huge amount of money. I am looking for a commitment that that will not be taken out of the existing agricultural budgets and that, if money is needed for technology, it will be provided separately—or that that will be a separate budget discussion.

**Amanda Callaghan:** I do not think that I could answer that question until we have a better idea of the costings. With regard to the programme, the plan is to provide ministers with information on what the future target operating model should look like, what it will deliver, how much it will cost to run and how much the transition will cost. Decisions will need to be made about value for money, and those will all be ministerial decisions. However, the aim is to have both of those plans in place.

**Emma Roddick:** On the divergence between Scotland and the rest of the UK, do you anticipate any issues in relation to the United Kingdom Internal Market Act 2020?

**Jim Fairlie:** Divergence will always be part of a devolved policy, and divergence is expected as a result of devolution, because each nation will seek to address its needs in the way that best suits it. The common frameworks were created as a policy-neutral way to manage divergence across the UK by agreement and collaboration between equals—I think that that was the approximate framing of that approach. Those frameworks are still provisional, but they are fully operational intergovernmental arrangements that are used by all the Governments across the UK to manage policy divergence. The agricultural support framework provides a non-legislative mechanism by which all four nations can collaborate, co-ordinate and co-operate regarding what the future policy will look like across the whole of the UK, now that we have left the EU.

However, the UK Government included agricultural support in the scope of the Subsidy Control Act 2022, which risks undermining the agricultural support framework. The act and the internal market principle in particular risk making the common frameworks process redundant. We would like that not to be the case, because it puts legislative restrictions on policy divergence within the UK, rather than managing it through mutual co-operation via the framework. We will all remember Jonnie Hall's interpretation, which was that the internal market act

“drives a coach and horses through the principles of common frameworks”.—[*Official Report, Constitution, Europe, External Affairs and Culture Committee*, 16 December 2021; c 4.]

I hope that there will not be issues. We have a much better working relationship with the UK Government right now, so I hope that we have an approach that respects the decisions that the devolved Parliaments make on behalf of their people.

**Emma Roddick:** Has there been any indication from the UK Government as to why it has not been keen to look again at a piece of legislation that its own party opposed when that legislation was brought in?

**Jim Fairlie:** No, there has not been anything so far. As I say, our relationship with the UK Government at the moment is better than it has been, and we will continue to look to have a better working relationship. We are all wrestling with issues at the moment, which I hope will be better resolved through good dialogue rather than by going head to head. I hope that we continue to have a working relationship with the UK Government.

**Emma Roddick:** There is divergence currently, in that basic payments are still being made available here. How does that compare to the likes of the environmental land management scheme and the sustainable farming incentive scheme?

**Jim Fairlie:** The NFU stated that, if we took an ELMS approach in Scotland and phased out direct support and things such as less-favoured area support for more disadvantaged areas, that would almost be the death knell for Scottish agriculture. What other countries are doing in their policy is entirely up to them. However, as I have just said, I hope that there is respect for the devolved settlement to allow us to continue to do what we know is right for our farmers.

10:15

**The Convener:** I recall that, when we discussed the Agriculture and Rural Communities (Scotland) Bill, John Kerr and George Burgess suggested that the whole thing had been framed to ensure that it would sit comfortably with other support schemes in Scotland. There is no suggestion that future agriculture policy would change that position, is there?

**Jim Fairlie:** As far as I understand it, at this point, there is not.

**The Convener:** Tim Eagle wants to ask a supplementary.

**Tim Eagle:** I almost want to talk about this issue very quietly, because I do not want other countries to pick up on it. In Europe, there has been a big

discussion and quite a few press releases about the changes to the common agricultural policy and what is happening in England and Wales. I have read some of the stuff that has come out of Europe in the past few days.

Of course, it is up to individual countries to choose what they want to do, and you are absolutely right to say that we want to get it right for Scotland, but I would like some clarity on that. I am slightly worried, because we sell into that market. It is a very important market for us with regard to the export of sheep, cattle, grain, pigs—I could go on for ever.

Have you had discussions about that? Have you been down to London or Wales or even across to Europe to have such discussions to make sure that you have the comfort of knowing that anything that we do here will not be detrimental to future trade?

**Jim Fairlie:** We have regular interministerial group meetings, which are chaired by the relevant minister, depending on which of the four nations is hosting. I think that the next one is supposed to be in Belfast. Unfortunately, I cannot attend it. I think that it might now be held online. We regularly have such conversations. Of course there will be differences of opinion on what is happening but, as long as that does not impinge on our ability to do what we need to do here, in Scotland, that is fine.

There has been no indication that there would be any issues with regard to trade or that any barriers would be put in place in relation to anything that we are doing. I do not anticipate that that would happen. If we got word that that was to happen, that would be disappointing, to put it diplomatically.

**Emma Harper:** A few weeks ago, we had a round-table discussion with forestry folks. One of the issues that came up was the difficulty that farmers and crofters experience in accessing funding for agroforestry. I have had a look at the Government's website, and I can see that there is support available for broadleaf planting, improving biodiversity and so on. However, I would be interested to hear whether the Government is working to make it easier for farmers to access grants for agroforestry.

**Jim Fairlie:** As I am sure you are aware, the Government is very supportive of integrating trees on farms. We know about the benefits that trees provide, which include shelter and shade. They also help us to tackle the climate change issues that we have talked about. The integrating trees network supports farmers and crofters across Scotland to develop their knowledge and understanding of planting and managing trees on their land. In recognition of those efforts, the

network received the Chartered Institute of Ecology and Environmental Management's 2024 best practice knowledge sharing award.

There is a lot of information out there to help farmers to integrate trees on their land. I regularly tweet about programmes on farms that are designed to look at what people are doing. That goes back to the point that I made earlier: farmers talking to one another peer to peer is probably the best way of disseminating information. I regularly see such initiatives by the integrating trees network, and I will put information about them on social media to let people know that they are happening.

We would absolutely encourage farmers to take up agroforestry, and there is help there for those who want to do so.

**Emma Harper:** There are various platforms on social media in addition to Elon Musk's X. Is the Government proactively looking at which social media platforms or other methods of communication can be used to promote such programmes?

**Jim Fairlie:** The Scottish Government puts out regular social media posts on various platforms.

If members are on social media and see them, I ask them to please get the posts out there, because farmers will be following your accounts and that helps us to get the information out to people as and when events are happening. It is useful for people to know about them, and we want to encourage people in relation to them.

**The Convener:** Our final theme is the code of practice for sustainable and regenerative agriculture.

**Elena Whitham (Carrick, Cumnock and Doon Valley) (SNP):** Good morning. We cannot overemphasise how critically important a code of practice will be, especially during this transition period. Any big legislative change that we make always requires robust and comprehensive guidance to ensure that the aims are being met. In this instance, if we also think about the likelihood of wider support being contingent on the aims of sustainable and regenerative agriculture being met, it becomes critical that there is speedy delivery of the code of practice. Will the minister let us know when it is likely that the code will be published, especially given that support is contingent on our producers adhering to what is in it?

**Jim Fairlie:** Let me get this right. We are preparing and reviewing the code. The co-development of the code with a lot of stakeholders is on-going. A draft code was produced in 2024 and it has been user-tested with farmers and crofters; that work was also undertaken in 2024.

The feedback received from that consultation and from research and scientific and academic information is being taken on board to develop the code.

It will be the best practice guide for farmers and crofters for all farm types and topographies. It intends to provide guidance and practical examples of types of activities and the way in which those activities can be carried out.

We do not have an exact date right now for when the code will be ready, but it is in development. It was road-tested in 2024 and we will continue to build on it.

**Elena Whitham:** One of my colleagues will ask questions about the co-design.

Before we get to that, however, do you believe that our producers, at this point in time, are able to decide what they will do with regard to regenerative practices? As you set out in your letter to us, a code of practice will not be law and will not be a legal requirement, but what payments producers are able to receive will be contingent on them adopting such practices.

Producers will be deciding how to invest and what to do between now and the code of practice coming out. Do they have enough information at the minute to be making the best decisions for the future of their farm or croft?

**Jim Fairlie:** They are already doing that and we are already having those conversations. The code will be there as a document at a later point, but right now we are having conversations about what we are looking to do. We are talking about sustainable and regenerative agriculture. We just talked about the peer-to-peer conversations that are being had. That is all in development.

I would like people to remember that we are at the very early stages of this transition. Some people are miles ahead and others are just coming to it. It is not a final piece of work. We are continuing to develop it as we go along. It will depend on where people are picking up the process and where they find themselves at this moment in time.

**Elena Whitham:** My last question is, do we have the assurance that the process will be iterative and that there will be periods of review as we go along, so that any code or guidance can be updated in terms of emerging practices and understanding of how regenerative agriculture actually works?

**Jim Fairlie:** You put it far better than I could have put it myself. Yes—that is exactly what it will be. It is about working with, and developing processes for, the sector so that it knows exactly what will allow it to get into that sustainable and

regenerative agriculture that we are all trying to get to.

**Elena Whitham:** Finally, do you believe that that will help to ensure that there is a just transition and that we take the sector with us? Will it ensure that the sector will not come to a cliff edge in relation to accessing future payments?

**Jim Fairlie:** Yes, I do. I believe that the committee's evidence session and our on-going and regular conversations with the sector are all geared towards there being a just transition. I know that that is an overused phrase, but it is really important. I hope that people understand that we are trying to make it as simple and informative as possible for them to get to the position that we need them to be in.

**The Convener:** You are unclear on when the code will be published. Will it be published at the same time as section 9 of the 2024 act comes into force?

**Jim Fairlie:** I am sorry—I missed the last part of your question.

**The Convener:** Will the code of practice be published or enacted when section 9 is enacted?

**Jim Fairlie:** I am not going to put an exact date on it, but we will look to have the code of practice out long before the end of the year.

**The Convener:** One of the committee's concerns at stage 1 was whether compliance with the code would be mandatory in order for stakeholders to receive support. At the time, it was suggested that that would not be the case as the code was in place to guide future policies.

Another concern is the Rural Support (Improvement) (Miscellaneous Amendment) (Scotland) Regulations 2024 that changed calving intervals. It was passed by the Parliament after some discussion.

I am sure that the next question will be about whether co-design works. Will the code of practice be delivered as one piece of legislation or will it be done in dribs and drabs? Will compliance with it be mandatory and will it have an impact on support? Obviously, the calving interval has had an impact, because farmers are penalised if they do not abide by it. That could well have been part of the code.

**Jim Fairlie:** The code is not legislation that has to be complied with. It provides guidance and it will help the farming community to understand what we are trying to deliver. Farmers will not be penalised for not following the code to the exact letter, but whether they have looked at the code will be taken into consideration. People will get things wrong because they have made a mistake, but other people may just say, "Pfft, I am not going to bother." When farmers decide that they are

going to get on board with the programme, whatever stage they are at, the code will be guidance to allow them to get as much information as they can, but it will not result in a penalty.

**The Convener:** Compliance with the code will not be a mandatory requirement for support and it will not exclude people from certain support packages.

**Jim Fairlie:** No. The SSIs that we will bring forward will set out what people will be required to do, but the code is purely an aid and a guide to help people to understand what this kind of farming is and how they can implement it on their own farms.

**The Convener:** Finally, we have heard for quite some time that some of the code might be about reducing inputs, such as reducing the use of nitrogen on grassland, or of herbicides, or whatever. There will be an almost inevitable reduction in output: if farmers put less fertiliser on their crops, they will get fewer tonnes of silage off their fields. Will a support scheme be considered to bridge the gap during the transition period from current agricultural practices to a system that is seen to be more sustainable and regenerative, as there will be an almost inevitable short-term reduction in outputs?

**Jim Fairlie:** No, I have not considered that at this stage, if I am absolutely honest. I have not thought about what that will do. Plenty of farmers would not agree with what you have just said. I take your point on board, but I cannot give any guarantees on what you have asked.

**Ariane Burgess:** Before I ask my question about co-design, I will pick up on some of what the convener has asked. What is the plan to ensure that farmers and crofters learn, engage with and understand the code?

**Jim Fairlie:** It is in their best interests to work with us to go on this transition. As I said in my answers to the convener, the code is not mandatory, but farmers want to get on board with it and be part of the process.

**Ariane Burgess:** It is going to exist, but it could be consigned to digital dust or whatever. It could be stuck on a website with no one engaging with it. What is your plan to get people to engage with it, think about it and understand it? Otherwise, it is just a code for the sake of having a code, which does not really do anything.

10:30

**Jim Fairlie:** The code will give people the template to work to on what they are being asked to do—

**Ariane Burgess:** But how are they going to engage with it?

**Jim Fairlie:** Let me finish. Tier 4, where we look at how people develop and their continuous professional development, will be included in the process. I am confident that people will engage with it, because there is a definite realisation that things will change and that they will look for the aids and the supports in the best way that they can.

**Ariane Burgess:** It will emerge through CPD and that type of thing.

**Jim Fairlie:** Yes, it will.

**Ariane Burgess:** Coming back to the development of the code, which was a co-design process, I am interested to understand how that has worked. Can you give some specific examples of issues that came up during that co-design process and concerns that were raised? It would be interesting to hear one or two of those.

**Jim Fairlie:** There has been extensive engagement. We have already talked about ARIOB. Although it is not set in stone in ARIOB, we have a work plan and we will have another meeting on 28 June, when we will come together to discuss all those things.

Engagement is continuous. As I said, I have invited Donna Smith to come and speak to me. I met the Scottish Tenant Farmers Association two or three weeks ago. A round table is lined up for me and the cabinet secretary to meet the Scottish Association of Young Farmers Clubs. We are in regular dialogue with NFU Scotland. We are in contact with the food and agriculture stakeholders task force, which covers myriad people who are involved in the agricultural sector.

The co-design has been extensive. It might not be up in everybody's face, but it has been extensive. I have engaged directly with the Scottish Beef Association and the National Sheep Association. Yesterday, I attended the red meat resilience group meeting, which was organised by Quality Meat Scotland. Extensive conversations are taking place regularly.

Every time I meet someone, there is an official with me who is taking notes and feeding that into the conversation that we are having to allow us to design the programme that we are trying to deliver.

**Ariane Burgess:** Okay, but I am asking specifically about the code of practice for sustainable and regenerative agriculture and the co-design work on that. When you meet the red meat resilience group, FAST or the NFUS, what issues and concerns are coming up? We have legislated for a shift to regenerative agriculture. It would be interesting for us to understand what is

coming up that is helping you to shape the code and to understand that you need to create more spaces for understanding for farmers, more peer-to-peer knowledge transfer and that kind of thing. I see James Muldoon nodding his head a lot.

**James Muldoon:** Yes, I nodded on that one. I have some specific examples to put out there. Working with Scottish Environment LINK, we helped to clarify how the code was going to work with tier 4. We made sure that the CPD elements are there and that the learning gets out there. My colleagues led on that work with the Scottish Crofting Federation to sense-check, get back to basics and make sure that the measures that we are talking about—sustainable regenerative practices—can be applicable as and where appropriate in crofting.

The NFUS was helpful in hammering down with us some of the terminology that is used and turning it from civil service-ese into real-world language that is more effective for farmers. We also got some push from an ARIOB member about legal terminology and simplifying matters.

The co-development that my colleagues have led has been extraordinarily helpful. The current draft of the document is still many thousands of words long, and it is a case of continuing what is called real user testing to make sure that what is in that document is usable and useful.

We have some very knowledgeable colleagues who know agriculture inside out and could write great theses on the best way to do it. However, unless we make sure that the code is applicable for those on the ground, it is not much use. That is what the co-development process has assisted with.

**Ariane Burgess:** That is helpful. In the work that you have been doing, have small-scale producers raised issues? The committee has seen various SSIs for schemes in which small-scale producers have felt that they are not fully considered, because they do not have animals or arable land on the right scale. Has that issue come up in the context of the shift towards regenerative agriculture?

**James Muldoon:** I know that colleagues who lead on work with small producers are linked in with that issue. I can find out some more detail for you about that, because, as you know, it is an area that we have made sure is referenced in the rural support plan, to show our commitment to getting the right sort of support for small producers as small producers.

**Ariane Burgess:** Are there aspects of the code that are suitable for them as well?

**James Muldoon:** I would hope so, yes.

**Jim Fairlie:** The Scottish Crofting Federation has given feedback to sense-check all the measures for crofting systems. Colleagues are working on that as we speak.

**Ariane Burgess:** That is good to know.

**Jim Fairlie:** All those things are being taken into consideration. I was just trying to find a list of all the work, but James Muldoon has covered most of it. We have had feedback from the NFUS and ARIOB. A whole host of things are happening in that space.

**Tim Eagle:** I want to pick up on a couple of points about the code. You say that there has been feedback from all those people. Is that feedback publicly available, or is it feedback that comes to you but that we cannot see, read or hear about?

**James Muldoon:** At this stage, it is co-development work between officials and external partners to create a document. Under the 2024 act, we will lay that document before the Parliament.

**Tim Eagle:** You said that the document is currently thousands of words long, so you hope to condense it for it to be useful—otherwise it will be a nice bedtime read, will it not? That is important. The letter that the minister sent says of the code that

“it will be fundamental to the activity required to access support”,

so it is an important document. The 2024 act says that the law can require

“regard to be had by particular persons to the guidance”,

that is, the code of practice for sustainable farming. So, the code is an important document because future payments could hinge on it. To go back to your argument about carrot and stick, do you envisage that as a carrot approach that incentivises the use of the document, rather than saying, “Do the document or a penalty will come”? You said that there would be no penalties through the code.

**Jim Fairlie:** I have been trying to make sure that that is the kind of relationship that we have built up over the course of this session. We want to do this with people, not to them. That is part of the process. The code has an important role to play in helping people to understand what they will be required to do. I hope that it is not taken as “Here is a stick—you must do this.” It is part of how we develop that relationship.

As I have said before, I think that the Scottish Government has done a very good job of building that relationship so that it is co-operative. I am sure that it would have been easier to have said, “There is the policy—get on with it.” The tens of

thousands of words that James Muldoon was talking about are our opportunity to get a full understanding of how people feel about things—because how they feel about them is as important as the reality—and then to think about how we deliver a piece of work that they can buy in to. The whole point is to get people to buy in to it.

**Tim Eagle:** I get that and I am very sympathetic to it; it is a much better way of doing things. It is good to get clarity that that is the vision.

This is a technical point: we have had NVZs—nitrate vulnerable zones—for years and we have had to work out calculations about them. That was based on the fact that, in the old days, fertiliser was cheap, huge amounts of fertilising went on and there was pollution of water courses. That is not so true now. Is the code of practice likely to supersede the NVZ system? I imagine that the code of practice will say something about nutrient management. Is that system outdated now, or are you likely to continue NVZs in the future?

**Jim Fairlie:** We are looking at nutrient management plans. I do not want to get into the technical aspects of each individual area at this stage. We will develop it: as I have said, the code of practice will be developed and laid before the Parliament long before the end of this year.

**Tim Eagle:** Long before the end of this year. Okay.

**Beatrice Wishart (Shetland Islands) (LD):** I will return to the beginning of the conversation, and to something that James Muldoon said about all the work that has to be done. You mentioned impact assessments, Mr Muldoon. Could you expand a wee bit on what you would be looking to assess? Will that include island impact assessments?

**James Muldoon:** The simple answer is yes. We do a suite of impact assessments on any SSIs that we bring to committee. The Scottish Government is required to undertake them. Where it is appropriate—as I imagine it is in most cases here—impact assessments will be undertaken. That is certainly the plan for the changes that we are looking for in 2026.

**Beatrice Wishart:** Will that include specific island impact assessments?

**James Muldoon:** I believe that that is the plan, yes.

**Ariane Burgess:** I have a clarifying question, going back to my colleague Tim Eagle's questions. There is the code of sustainable regenerative practice and there are tier 2 measures. Tim started getting into the weeds of nitrogen; I imagine that that sits with measures, rather than being a matter for the code. I would imagine that the code is for quite high-level things; then, when people are

looking for funding from tier 2 or tier 1, that means going into more detail, with specific measures.

**James Muldoon:** Again, being careful not to prejudge the final outlook of what a future tier 2 might be—and recognising, with the colour coding that you suggested, that at present it is greening as a legacy that is being used as a proxy for that—the code itself will be on sustainable, regenerative agricultural practices. It is one of the core outcomes of the 2024 act. The tier 2 measures published in the past are sustainable and regenerative agricultural practices, which are what we want to see the uptake of. Again, being careful not to say what any final state of a future tier 2 might be, we can create a great publication of the code with the best practices for different farming types in different sectors across Scotland and see a clear link to tier 2.

**Ariane Burgess:** Thank you. I am looking forward to seeing it all.

**The Convener:** That brings us to the end of the evidence session, I think.

**Tim Eagle:** Can I ask one more quick question?

**The Convener:** One quick question.

**Tim Eagle:** I represent the Highlands and Islands, as a few of us here do, and although I would say that every bit of farming is important—I absolutely want that to be on the record—I think that small farms and crofters form the social fabric of rural Scotland. That is really important. Just for clarity, have you considered having a sort of simplified income support for them? Rather than their having to go through the process that a larger farmer might go through, is consideration being given to a simplified system of access to support for crofters and small farmers?

**Jim Fairlie:** No. At the moment, the consideration has been that small producers and crofters have been feeding into the system. Donald MacKinnon sat on ARIOB, and he is part of the on-going conversations.

As I said, however, I recently received a letter from Donna Smith that outlined her concerns, and I have asked her to come and speak to me. We will work our way through all the concerns that she included in her letter, and I hope that I will be able to give her some comfort. I am just surprised that it has taken until this stage to get that letter. I would much rather have had it sooner, so that I could have had a fuller conversation before this committee meeting. However, I will endeavour to ensure that we have that conversation to allay some of the fears that she has laid out in her letter to me.

**Tim Eagle:** Would you mind updating us with your thoughts after you have had that conversation?

**Jim Fairlie:** Yes. I will have no problem writing to the committee with a summary of the meeting.

**Tim Eagle:** Thank you.

**The Convener:** Thank you very much, minister. I remind you—if you need reminded—

**Jim Fairlie:** I probably do.

**The Convener:** We are aware that we will probably have an intense period of activity relating to the SSIs in the autumn and winter, so I remind you that we have suggested that it would be helpful if you could keep us updated, as early as possible, on the number or volume of instruments, the policy detail and the timetable for the secondary legislation. That would be most helpful.

**Jim Fairlie:** Okay.

**The Convener:** I thank you and your officials for joining us. I suspend the meeting for a comfort break and a changeover of witnesses. We will resume at approximately 10.50.

10:44

*Meeting suspended.*

10:53

*On resuming—*

## Subordinate Legislation

### Rural Support (Improvement) (Miscellaneous Amendment) (Scotland) Regulations 2025 [Draft]

**The Convener:** Our next item is consideration of an affirmative instrument. I welcome back to the meeting Jim Fairlie, the Minister for Agriculture and Connectivity, and his officials.

I invite the minister to make a brief opening statement.

**Jim Fairlie:** Thank you for making time to consider these draft regulations today. The regulations were laid using the powers that are conferred by the Agriculture (Retained EU Law and Data) (Scotland) Act 2020, which enable us to improve the operation of the assimilated EU law that applies to our common agricultural policy legacy schemes. They will do so by introducing the foundations of the whole-farm plan as a condition of the basic payment scheme. The whole-farm plan approach was co-developed with the industry and will support our farmers and crofters to take a holistic view of their farm or croft so that they will be clear about what they are doing and the impacts of that. They will have the information that they need to be more productive and profitable while reducing the impacts on climate and nature.

In 2025, businesses are being asked to undertake two plans and audits from a list comprising an animal health and welfare plan, a habitats report, a carbon report an integrated pest management plan, and a soil report. They are free to make their selection based on their business practices. I intend that, over time, businesses will undertake all the plans that are relevant to their activities, and I will work with them to that end.

The whole-farm plan provisions contribute towards the Scottish Government's green conditionality objective for 2025 for essential conditions to ensure climate, biodiversity and efficiency conditions for payments, as set out in the vision for agriculture.

The regulations have been drafted to come into force on 5 March 2025, so that farmers and crofters can set out in a single application form which two plans they will prepare for this year. The single application form window opens on 15 March and is expected to close on 15 May.

This marks a significant point in our progress towards becoming a world leader in sustainable and regenerative agriculture. Failing to bring the regulations into force would undermine our



progress and the efforts and work of many of our farmers and crofters who are already committed to making those improvements.

I am happy to take any questions that the committee might have.

**The Convener:** Thank you very much, minister.

**Ariane Burgess:** You said that farmers need to select two plans from a list that includes a carbon plan and a habitats report. Is there enough support in place for them to undertake those plans? Will you describe that support?

**Jim Fairlie:** Yes. A lot of support is available via the farm advisory service, the rural payments and inspections division area offices and the route map. Farmers can look to a number of areas.

We have already provided financial support for carbon audits and soil sampling. A lot of information is available to farmers as they work out what they want to do in relation to their farms.

**Ariane Burgess:** I want to ask about soil reports. I understand that not all farmers take soil samples. A while ago, the committee discussed that aspect of the national test programme. Has uptake increased? We are transitioning to regenerative agriculture, of which soil is a critical part. I want to make sure that enough support is in place that farmers understand how to engage with that programme, that there is uptake and that we are moving towards analysing soil biology, not just chemical testing.

**Jim Fairlie:** The numbers that I have in front of me show that 3,255 farmers and crofters have carried out soil testing and 2,718 have carried out carbon auditing as part of the programme.

Bear in mind that there are farmers who already do those things as part of their normal practices and the process is about bringing everybody into the system. Amy Geddes—I spoke about her earlier—has, like a number of people, been doing it for years.

I reiterate that this is the start of the process of bringing everybody into the system, which will allow us to have a much better understanding of what we are doing.

**Ariane Burgess:** I just wanted to be reassured that there is enough support for farmers who are going to move from, primarily, chemical testing towards analysing soil biology, as is set out in the 2024 act.

**Jim Fairlie:** Yes, support is in place. As people move into the system, they will develop what is suitable for their farms.

**Emma Roddick:** Is the minister aware of the significant concern among crofting communities about the SSI? They say that, financially, they are

disproportionately affected and are not clear of the upside and what will balance out the negative impact on crofting. Do you accept that the SSI has issues with regard to crofting?

11:00

**Jim Fairlie:** No, I do not, because the crofting community has been a part of the conversation since day 1. Donald MacKinnon was part of the steering group that helped to develop the legislation. It has been discussed at ARIOB. However, I go back to my earlier point: Donna Smith has written to me and I will ask her to come in and outline what those concerns are.

We are trying to give people as much help as we can in order to fulfil our aims. There are thousands of crofters, and they have to be a part of the process. We will do as much as we can to bring them with us, and we will provide as much help and support as we can. I feel that we have done the work with them, through consultation, but I am more than happy to continue that conversation in order to get us to a place where they feel that they are part of the system.

**Emma Roddick:** Might all the support that you are willing to provide include making available extra payments to offset the extra costs that crofters will have to bear?

**Jim Fairlie:** They can do free of charge a lot of the things that we are asking. They do not necessarily have to pay out money. They can do things themselves. Recently, I spoke to a crofter who had been to his local RPID office and had asked, "This is what's coming. How do I go about it?" He was given help and support by that office. There are lots of things that crofters can do independently; they do not have to do the financial bits that will cost them a lot of money. However, we want them to be a part of the process.

**Emma Roddick:** The Scottish Crofting Federation has put a number of questions to you. Have those been answered?

**Jim Fairlie:** Yes. I have given some written responses but, as I said, I am more than happy to sit down with Donna Smith to go through them.

An article in *The Crofter* magazine went through all the things that we are asking people to do and what those mean for the crofting community. A very positive response came back from that, because most of the things that we are asking crofters to do are—I am trying to think of the right words—simple, relatively easy and not cost burdensome.

The crofting community has the information. However, if Donna Smith wants to talk to me about it, we will have that conversation about how we make it as simple as possible.

**Emma Roddick:** Is it not too late for that conversation if the SSI is passed today?

**Jim Fairlie:** No, it is not. The SSI will allow us to get the whole-farm system to move forward. The crofting community is part of that conversation. It is certainly not too late.

**Emma Roddick:** One important question that was asked in the federation's correspondence was whether a business and regulatory impact assessment had been carried out. What was the answer to that?

**Jim Fairlie:** Off the top of my head, I cannot remember. I think that you have been sent a copy of the letter. However, I think that a BRIA was done. I am pretty sure that that is correct.

**Emma Roddick:** A lot of the concerns that the federation is raising are based on research that Scotland's Rural College carried out last year. Was the Government aware of that research and what it said about the impact on crofters?

**Jim Fairlie:** Yes. As I said, Donald MacKinnon was part of the group that helped us to develop the legislation in the first place.

**Emma Roddick:** What was the response to the research?

**Jim Fairlie:** What do you mean?

**Emma Roddick:** Did anything change as a result, or were any approaches taken—

**Jim Fairlie:** Something will be specifically outlined somewhere in my briefing pack. Any changes that we make will be impact assessed at the same time.

**Rhoda Grant:** There are concerns about the proposals. I do not think that anyone is against what you are trying to achieve. However, if, for instance, a crofter gets a payment of £2,000 but pays out most of that on help and advice to meet the criteria, that will put them out of business. Can you guarantee that the costs will be met either through full cost recovery or through the RPID office completing forms for crofters, bearing in mind that many are in areas in which they cannot get online and they do not have broadband? It needs to be either done for them or paid for.

**Jim Fairlie:** No, I cannot guarantee that that financial cost will be met. I can guarantee that there is help and support to ensure that the crofting community has the tools that it needs. As I have just stated, a lot of that is already free and the crofters can do it themselves.

I grant that this is anecdotal, but, as I have just recited, a crofter I know went to an RPID office. The staff did not fill out the form for that person but told them how to do it—they gave that help and advice. The support is available.

We are not trying to corral people or force them to do things that they do not want to do, but they have to be part of the system. Culturally, economically and community-wise, they are a vital part of what we are trying to do, so they have to be part of the system. That will allow us to ensure that we are recognised as one of the leaders in this area and, at the same time, ensures that those rural communities are supported. We will give that support.

**Rhoda Grant:** It really does not feel that way, given that it follows on from the suckler cow premium. It feels as if there is no understanding of what crofters are about. We were told when the Agriculture and Rural Communities (Scotland) Bill passed that the measures would be proportionate, but we have a one-size-fits-all scheme that does not take account of the age demographic and, if the form is online, whether people have access to IT. That rules out many crofters from doing it themselves. All I am asking is that you put in place the support to ensure that it is affordable for them to apply and that the cost of doing so does not come out of the payments that they receive.

My real fear is that all these things will put people out of business and make them give up. That will impact not only on them but on the environment, because a lot of that land management practice is good for the environment and nature. You need to protect that, because, frankly, if you do not, you will be throwing out the baby with the bath water.

**Jim Fairlie:** I do not dispute in any shape or form the benefits that the crofting community brings to Scotland. I do dispute the idea that we are not taking consideration of the circumstances in which crofters live and work. I have been extremely diligent in talking with my officials and with the crofting community—that is why I have invited Donna Smith to speak to me—so that I have a proper understanding of what is required to make this work for them.

I am not going to give you financial guarantees. I will sit down and have the conversation with Donna Smith and with any other crofter who wants to talk to me about it. I will ask them what their concerns are and how we can make this work for them in a way that allows them to be part of the system.

What I do not want is people opting out. You might be telling me that you are hearing that people will do that, and if that is what Donna Smith tells me, that is fine—I will have that conversation with her. I do not know how much clearer I can be in saying to you that I am taking the issues that have been raised with me very seriously. This is not something that we are trying to beat a community with. It is meant to get them into a position where they can take part in these

schemes and enable us to help them to be part of the schemes.

**Rhoda Grant:** The schemes are designed for people who get tens of thousands of pounds in support rather than those who get minimal support, and the support that the latter people get will be spent on trying to qualify for that support. It is just logical that they would stop.

**Jim Fairlie:** I will ask Iain Carmichael to come in. He has been dealing specifically with this issue.

**Iain Carmichael (Scottish Government):** We have already introduced some concessions for crofters. For example, carbon audits can be produced on a township basis and, similarly, animal health and welfare plans can be produced for a township that has a QMS membership. We now accept those so that townships are able to comply with the whole farm plan without individual crofters having to suffer any additional costs.

On the point about access to IT, we have introduced a non-IT version of the habitats and biodiversity review. That can be either a paper map that is coloured in, with an index, or even just a list of the crofter's field numbers indicating the habitat within them.

We have introduced those additional measures, as well as the free tools that are there to help everybody—not just crofters—to complete the components of the whole farm plan at no additional cost.

**The Convener:** Does that not highlight the fact that co-design is not working? We hear from Mr Carmichael that things are in place, but that is obviously not feeding through if the chief executive of the Scottish Crofting Federation is raising concerns. It appears that co-design is a one-way street.

**Jim Fairlie:** I disagree, convener. As I said, there was a crofter on the whole farm plan steering group and there was a discussion about having exemptions based on size, but that idea was rejected by that group, on which the crofting community was represented. Conversations are being had and I am more than happy to continue having them, but I can assure you that it is definitely not a one-way street. I sit on ARIOB, and points of view are put across.

Rhoda Grant said to me that it is a one-size-fits-all policy, but it is not. The whole point of the plans is that they create an opportunity for people to get involved at any level, and they do not necessarily have to pay to get the points that they need in order to be part of that scheme—I do not mean points as in points 1, 2 and 3; I mean the bits that they are required to do. It is certainly not a one-way street and it is certainly not one size fits all.

**Rhoda Grant:** If there is no cost involved, surely you could give a guarantee that there will be support to allow people to do that. If we take into account demographics, access to equipment and so on, that support would not be a lot. There will be people who are perfectly capable of doing that themselves, but there will be others who are not.

**Iain Carmichael:** There are facilities within each RPID office so that farmers and crofters can come in and use IT equipment and our staff will be around to give people information about what they are required to do.

**Jim Fairlie:** There is physical, IT and community support. Although I said that I am not giving you a financial commitment, that support could be taken as a financial commitment because it costs money to provide it. The support is there and is being discussed, and I am more than happy to continue that conversation.

**Beatrice Wishart:** I endorse what Rhoda Grant has been saying, which is exactly what I have been hearing. If there is going to be a cost, or if it is going to take time, people will opt out rather than engage, and people opting out of the system will mean that we will lose a lot of what we are trying to do for nature and biodiversity.

**Jim Fairlie:** I reiterate to you the point that I made to Rhoda Grant. I will do everything that I can to encourage as many people as possible to get involved, and we will put in place the help that they need to do so. The members of the group were quite clear that they did not want an exemption for crofters.

**The Convener:** Emma Harper has some questions.

**Emma Harper:** Iain Carmichael has basically answered my question about the differences between crofters and bigger beef farmers, and I think that I understand that there are exemptions for conservation grazing or for small herds. I want to clarify that there is no one-size-fits-all policy but that there is engagement with everybody about how they will manage their plans for small crofts.

**Iain Carmichael:** That is correct.

**Tim Eagle:** There have been some excellent questions about small farmers. We had a similar discussion about the Scottish suckler beef support scheme, when I asked you what that meant for small farmers. I cannot remember your exact words, but you said something like, "I hear you." I emphasise again that we have been asked to put SSIs in place before we have a real understanding of what they will mean for smaller farmers and crofters.

The point about price is a wider one. The worry with any requirement, particularly if you cannot always do it yourself, is that the cost then gets

bigger and bigger. There is a big difference between a 500-acre farm and a guy—or a woman, or anybody else—who has 20 acres and five sheep. There is no point in me asking the same questions, but I want to push that.

I want to ask about the story of how we have come to be here. Where did the idea of the whole farm plan start for you? I buy some of what you are saying; a QMS or Scottish Quality Crops farm assurance member will have been doing some of this for years now—although again, a lot of smaller farmers are not in farm assurance schemes. So, as you are talking about co-design, what is the story, from your perspective, of how we have got to the point where you feel that this is the right decision for us?

11:15

**Jim Fairlie:** The process started long before I became a parliamentarian, let alone a minister. It started with farmer-led groups. As I mentioned in the earlier session, they agreed with the Government that they wanted and needed to change the way things were going. They knew that the systems would change. So, those farmer-led groups were established and what we are working on now came from that. I was not involved in all the iterations of the story, but that is how we got to this place.

The baselining that Rhoda Grant touched on is something that will help businesses; it will help their profitability. What we are trying to do is make this better for everyone.

So, the story for me is as follows. We came out of the EU against our will, we are now in a position where we have to develop processes and systems that will allow us to continue to support our agricultural and crofting communities, we are working in co-design—I push back on the suggestion that the conversation is a one-way street, because I do not think that it is; I think that it is very much a two-way street—and we are getting to the point where we will get things done. We are going to start making things happen.

As I said in the earlier session, I understand that people do not want to be doing things that they did not have to do in the past, but huge amounts of public money go into farming and crofting every year, and we have to be able to justify that. One thing that I want from this is to get us to the point where we can answer anyone who asks us, as the Parliament, or the farming industry, why we are justified in paying so much money.

We are already seeing that conversation happening on the inheritance tax that was proposed by the United Kingdom Government. It creates a division. It creates a “them and us” situation, and I am trying to get to a point where

we are not in that position and where the public funding that we put into agriculture and crofting is accepted as doing something and delivering for the people, as well as for the communities, that receive it. That is the purpose behind this, as far as I am concerned.

So, if you ask me what the story is, I say that it started a number of years ago with the farmer-led groups, and it got us to the current position whereby we are trying to do everything that we can to support our farming rural communities with public funding.

**Tim Eagle:** In fairness, I think that Rhoda Grant said at the very beginning of her question that none of us doubts the outcome that we are trying to get—which is incentivising business, helping us to be more sustainable and so on—and that it is just about how it works in practice and making sure that it becomes not a burden to the agriculture industry but, rather, a positive thing. It is important to monitor that all the way through.

**Jim Fairlie:** Yes—absolutely.

**Tim Eagle:** On the technical side, my understanding is that there will be no penalty in 2025 if plans are not in place and that there will just be a warning letter. Just to make sure, is that absolutely right?

**Jim Fairlie:** That is correct.

**Tim Eagle:** I also want to check whether the online map system for the biodiversity audits is up and running so that farmers, crofters and so on can do their own mapping online through the RPID system.

**Jim Fairlie:** I will ask somebody else to answer that one.

**Iain Carmichael:** Yes—the online mapping systems can be used through the RPID land parcel identification system.

**Tim Eagle:** Just for the record—I think that you nodded—will you confirm that there will definitely be no penalty in 2025 and that there would just be a warning letter.

**Jim Fairlie:** Yes.

**Tim Eagle:** Excellent.

**Ariane Burgess:** I want to come back in on the letter from Donna Smith of the Scottish Crofting Federation. It has been mentioned before, but something about trust is coming up for me, because we had the beef suckler scheme calving interval SSI, which was quite a last-minute thing; lots of information came up at the last minute, and then we had to vote in the chamber on it.

Minister, you said that you wished you had heard from the Crofting Federation sooner on the

issues that it is raising. So, for me, there is something about trust and a question about what you can do. I know that you will meet Donna Smith, but it seems that there needs to be something built in for the long term, because it is not the first time that more proactiveness on the part of the Government in reaching out to the Scottish Crofting Federation and the crofting community has been needed. I am sure that you try to reach out until you are blue in the face, and I am sure that you do site visits to crofting communities to see what it is like on the ground and to understand the challenges that we learned about, such as those around bringing a bull in if the ferry does not work, so that you really have that understanding in the co-design phase.

However, for me, it is about trust. I feel that trust has been broken and I want to understand what you think you can do. You will have that first meeting with Donna Smith, we hope, but we need to not be in this position again, being concerned that small producers are being overlooked. That engagement must be on-going.

**Jim Fairlie:** I absolutely agree with you on your first point, that we should not be having such conversations at the last minute. As I said, I am surprised that I got the letter when I did, because my understanding was that everybody understood where this is going. I got a letter with 16 questions and could not understand why it had taken so long. I absolutely agree with you, and I will be doing everything in my power to ensure that, as we take matters forward, we do not get sudden last-minute requests for a load of information that I had understood had all been dealt with and put to bed. I completely take that on board.

I do not necessarily agree that there is a lack of trust or that trust has been broken. It has certainly been stretched, and I will do everything that I can to repair that, because it is important. We will have to work out how we, as the Government, reach out as much as possible to the people who need to be heard.

However, that must be a two-way street—they need to be aware of the changes that are coming. In a previous meeting, I think that I said, “Please take this as notice that things are changing,” but I still got a letter within a week or 10 days of our laying the SSI. That is not a position that I want to be in, and it is not a situation that anybody else here wants to be in. I absolutely understand that Rhoda Grant, Emma Roddick and Beatrice Wishart have concerns around why the letter came at that stage.

I will do everything that I can to ensure that we get engagement far sooner, so that, when I come to committees with SSIs, we have an agreed position and everybody knows what is coming. They might not like it, but they accept that that is

where we are going. That is the position that I would like us to be in. As I said, I am disappointed that we are here now with that letter from Donna Smith, which is why I made a point of reaching out as soon as I could to say, “You need to come in to talk to me—let’s get this sorted.”

**Ariane Burgess:** There is something to be done in the development of SSIs. You heard the convener ask that we get plenty of notice ahead of the work that we will be doing in the autumn and the winter. I imagine that it is hard for small organisations that do not have a lot of resource to track what is coming. It is about letting people come in early on in the process.

**Jim Fairlie:** I agree—but the opportunity exists for them to come in early on in the process. I am trying to find my list of what we have coming up. There is a list of opportunities for engagement across all sectors, so I encourage people, if they are watching this meeting, to pay attention, please, to what is happening and what is coming so that they can engage as early as possible and we do not get to the position that we are in currently.

**Ariane Burgess:** Thanks.

**Elena Whitham:** Crofts and small farms might be small, but there is no doubt in the mind of anybody on the committee or in Scotland that they form an integral part of the fabric of our country. It is important that they understand what concessions are being made for them, so communication of that information is important. If there is not already an understanding through looking at information on a township basis or on paper maps, how is the Government effectively communicating that?

It is one thing to say that they need to be aware of what is coming down the line, but the Government should be proactive in communicating what concessions have been developed for them and understanding that people do not want to pay out all the money that they get in payments in order to be able to access payments. How is that effectively communicated to them?

**Jim Fairlie:** Iain Carmichael is the best person to answer on all the work that we will do, because he is very much part of the system that is doing the consultation.

**Iain Carmichael:** Over the winter, I have been working with the SCF, attending its online webinars for crofters and explaining in detail each element of the whole-farm plan to them. The SCF has arranged for the Scottish Government, as well as experts from across the advisory sector, to be there to explain to crofters each part of the whole-farm plan, how they can comply with it and the importance or benefit of each part for them.

At a Government-wide level, we have written to all our farmers and crofters to make them aware of all the changes that are coming in 2025, there have been publications in *The Scottish Farmer* on all the changes that are coming in, and we are working with FAS and other stakeholders to get publicity out there. So far, we have done fairly extensive communications on the changes that are ahead.

**Elena Whitham:** I have a wee follow-on question. My concern is that, on the ground, farmers and crofters might not understand what concessions are available to them. It is about understanding the nature of the very small industry that they preside over. Is there another way for the changes to be communicated effectively? None of us would want any farmer or crofter to decide to give up and not go any further at this early stage, because, as Rhoda Grant narrated, they form an integral part of how our landscapes and our biodiversities work in many parts of Scotland.

**Iain Carmichael:** RPID is quite lucky in that we benefit from our local area offices being in local communities. People in those offices go out and about to speak to farmers and crofters, attend shows and so on, so they get the message out to individuals. Local farmers and crofters see RPID as the first port of call—they can pick up the phone or pop into the local office and they get help and support through our local RPID office network.

**Jim Fairlie:** One thing frustrated me when we started talking about the calf scheme—I think that I reiterated this point when I was last here. When I was farming, if I got a letter from the NFUS, the National Sheep Association or an organisation like that, I put it on the pile to read on a wet day. However, if I got a letter from the Scottish Government, with a Scottish Government heading, I read it that day, because I knew that the Government was trying to tell me something. If we are talking about what we are learning, I insisted that, as a result of that learning, such letters get sent out to inform people that changes are coming. We tell people to please pay attention to the changes and to get help and support through local offices and roadshows in order to find out what is coming. I want to ensure that people have the right information in front of them and are able to get involved in the schemes that we are trying to deliver.

**Beatrice Wishart:** Minister, you have referenced surprise at the correspondence from the Crofting Federation—

**Jim Fairlie:** And from you.

**Beatrice Wishart:** Yes, I was just going to say that I had written to you in November, so issues have been flagged not just in the past 10 days or so. You will recall that I asked whether there would

be a lighter-touch scheme to give small producers the confidence to apply for support.

**Jim Fairlie:** The response that I sent you at the time set out all the things that I am reiterating to you today. The crofting community accepted that it wanted to be part of the scheme because it played a role in it, and we will continue to provide that community with as much help and support as we can so that it can get involved. We will continue to have those conversations with it.

If you are asking me to take the crofting community out of the scheme, I do not think that it wants that or that we want to do that through the SSI. We want to get everybody involved in the system as much as we can.

**Beatrice Wishart:** Just to be clear, I am not asking for that. My point is that it should not come as a surprise that there is concern at this stage.

**Jim Fairlie:** Okay. I will take your point on board.

11:30

**Rhoda Grant:** Beatrice Wishart has been flagging that point since last year. The answers are there; you have said that on the record. All those things have been discussed, agreed and put to bed, so, if there is no issue, why was that information not communicated before this point?

On the calving intervals SSI, the trust issue is that you gave guarantees that you would take into account the issues that island and crofting communities face, but, to date, you have not put on the record what the derogations and supports will be. You can understand why there is a lack of support when you say to people, “Yes, of course we are taking cognisance of this,” but you do not give the information. I feel as though we have dragged information out of you today about the fact that this can be delivered with no cost and will not be detrimental to people. Had that been made clear, I do not think that we would have had this communication. We are all trying to get to the same place, so why is there reluctance to give the guarantees that people need?

**Jim Fairlie:** There is no reluctance at all—I refute the idea that there is any reluctance to give you the information. Iain Carmichael has spent his winter going around crofting communities to speak to people and be part of the conversation.

When we were on the earlier agenda item, I think that I said that some people do not want to do this because, previously, receiving the money did not depend on doing these things. However, that has changed. There will be a requirement to be part of the scheme, and that will require people to do certain things. That has been communicated by the Government. We have sent out letters to

every crofter and farmer in the country—they should have those letters. Iain Carmichael and his team have engaged widely across the communities, and there has always been the opportunity for people to feed back.

I accept that Beatrice Wishart wrote to me previously, but my understanding up to this point was that we were in a comfortable place, that people understood what was coming and that they were on board. We were then not in the right place, but that does not mean that we had not done an enormous amount of work to get us to the point at which we thought that we were in the right place and that people were all on board. Perhaps Iain Carmichael would like to add to that.

**Iain Carmichael:** As the minister said, we worked closely with the working group of stakeholders, which included the Scottish Crofting Federation, on the requirements and the minimum standards of each of the whole-farm plan audits. We worked through those in such a way—taking on board comments from the federation, in particular—to ensure that the minimum standards do not require third-party input to carry them out at cost. All the audits and plans, with the exception of soil analysis, which has to be done by a laboratory, can be done by farmers and crofters, and it is in the guidance that was published in June last year that farmers and crofters can undertake the audits and plans themselves. That has always been the case. We have worked closely with the working group on the minimum standards of each of the whole-farm plan audits, and that is where some of the surprises have come from and where concerns are just now.

**Ariane Burgess:** Minister, you have said a number of times that what is going on is change: farmers and crofters will have to change. You described having to look through the paperwork, and we have heard that you have made adaptations to address the challenges around digital access—for example, there still being paper for people who do not want to use digital.

I am interested in change that can be challenging for people's mental health. We touched on that a little bit in the earlier discussion. People have a routine and a way of doing something, and then suddenly they have to change. This is not directly related to the whole-farm plan, but, overall, are you taking into account mental health and the support that farmers and crofters will need as the changes come into their lives? Sometimes, people do not want to face change, so they do not look at it. Do you recognise that soft-skill support is needed for those people?

**Jim Fairlie:** The only word that I disagree with in what you have said is "suddenly", because we are not suddenly asking people to do this; we have been trying to get people into the mindset that

change is coming. However, I agree 100 per cent with everything else that you said.

We have just announced an extra £75,000 for the Royal Scottish Agricultural Benevolent Institution. I am acutely aware of mental health issues in the farming community. I take the issue seriously, and I am glad that the First Minister has committed to investing that money. This needs to be—to use an oft-used phrase—a just transition. People need to feel that they are taking part in the process, rather than it being done to them.

As the debates and discussions that we have had today have shown, there is an element of disagreement on whether we have done enough. I firmly believe that we have, and we have taken on board the views of the group that was set up to look at the issue in the first place, but I absolutely take the point that I need to find a way to get people to engage with me far sooner, so that I understand what the issues are, long before we get to the stage where I am sitting in front of you with members of the committee telling me that they want to discuss matters that have been raised with them in letters. That is not where we need to be. I want us to be in a much more practical and better place than we currently are with regard to the situation that we are in.

**The Convener:** We have looked at the calf scheme, discussed rebasing and heard about the whole-farm plan, and it is quite clear that co-design is not working in the way that you would like it to work, as you have said that you wish that people had come forward to raise concerns sooner. It is all very well communicating a decision, but co-design is a lot more than that.

The Government is not good at co-design. We see the same issues arising in relation to things such as inshore fisheries and the Clyde cod box. Do you have any plans to review how co-design is currently working and how it can be improved?

**Jim Fairlie:** I would dispute your characterisation, convener.

**The Convener:** You just said that you are going to have to look at ways in which you can operate better. Is that not a review of co-design?

**Jim Fairlie:** No. I am going to look at why people are not coming back to us with their concerns sooner, when they have told us previously that they are content to do something. That concerns me. When an organisation that has said, "We have had the conversation, we have listened to the evidence, we know what you are trying to do and we are comfortable with that" and then sends me a letter, two or three weeks before the start of an initiative, that says, "We are not comfortable with any of that," I want to understand what is going on, and I will pursue that. However, I

absolutely push back on the suggestion that we have not co-designed things.

We have spent an inordinate amount of time—rightly—speaking to all the stakeholders that are involved in trying to get Scotland to be a world leader in regenerative agriculture, which allows us to produce food and do all the things that all of us in this room have agreed that we want to do. I will pursue why the situation that I described is happening at those stages, because that is not where I want to be and it is not conducive to having the right kind of conversations here.

**The Convener:** On future policy, you have stated again that this is just the start of the journey that will lead to the whole-farm plan being a condition of receipt of direct payments. Currently, land managers need to complete only two of the components—for example, soil testing and carbon audits. When do you intend to extend the requirement to the full menu of five components? What is the direction of travel on that?

**Jim Fairlie:** We would be looking for that to be the case by 2028.

**The Convener:** By 2028, all those elements in the whole-farm plan would be mandatory in order to receive support.

**Jim Fairlie:** They would all be relevant, yes.

**The Convener:** Tim Eagle, did you want to come back in?

**Tim Eagle:** I possibly did at one point, but not any more.

**The Convener:** I have received a letter that backs up what other members have been saying. It was sent to me by an agent who normally deals with the integrated administration and control system. It says:

“Many thanks for sending me the IACS 2025 letter, but, as we discussed over the phone, I am confirming that I won’t apply for Farm Payments this year because it wouldn’t be worth it for me to jump through the Audit hoops ... This probably leaves me up the creek without a paddle, but as I don’t have a canoe the lack of a paddle is neither here or there. I have decided that this is the positive way to view the situation. Also, it is something of a relief that RPID will no longer have my arm up my back”.

That is one of four such letters that that agent has received in the past couple of weeks.

Have you done an assessment of the number of people who will opt out of the single farm payment process and not take payments, which will potentially put those businesses at risk? Have you assessed how many businesses might be in that position?

**Jim Fairlie:** You are asking me about a specific letter, but I have no idea of the background. As far as I am aware, no one has told us that they are

not prepared to take part. However, please send the letter to my office and we will have a look at it to work out what is happening. Without understanding the size of the farm in question, what type of farm it is or anything else, I am afraid that I simply cannot comment on what you have just put to me.

**The Convener:** I appreciate that, minister. Has a risk assessment been done on the number of farm holdings, regardless of their size, that might take the decision to opt out of support payments because of the additional requirements that will be placed on them?

**Jim Fairlie:** No specific risk assessment has been carried out in relation to the issue that you asked me about. However, I reiterate that the baselining exercise represents an opportunity for farmers to make better decisions about the profitability of their farms. If people are opting out, I would like to know why. As I said, I do not know the background to the letter that you read out. If that is happening, please let me know and we will have a look at that. As I have stated many times, the purpose is to get the industry up to speed so that it continues to have public support and a reputation as a global leader.

**The Convener:** Thank you. As there are no further questions from members, we will move on to the next agenda item, which is formal consideration of the motion to approve the instrument. I invite the minister to move motion S6M-15912.

*Motion moved,*

That the Rural Affairs and Islands Committee recommends that the Rural Support (Improvement) (Miscellaneous Amendment) (Scotland) Regulations 2025 [draft] be approved.—[*Jim Fairlie*]

*Motion agreed to.*

**The Convener:** Is the committee content to delegate to me the authority to sign off a report on the instrument?

**Members indicated agreement.**

**The Convener:** That completes our consideration of the instrument. I thank the minister and his officials for attending today’s meeting. Rather than suspend the meeting, I will pause for a few moments to allow the minister and his officials to leave.

### **Little Loch Broom Scallops Several Fishery (Variation) Order 2025 (SSI 2025/7)**

**The Convener:** Our next item of business is consideration of a negative instrument. Do members wish to make any comments on the instrument?



Members have no comments to make on the instrument. That concludes our proceedings in public.

11:44

*Meeting continued in private until 12:08.*



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