# The business of sustainability

blending profitable farming with valued species and habitats



# Mind the gap(s)

77% of Scots want farming to deliver for our environment and climate, poll suggests

3 May 2018

Survation



Agri-Environment payments (2016) (DEFRA 2017 & Scottish Government statistics)	% of all direct payments
England: £324 million	16.0
Scotland: £ 50 million	8.0



# Could do better?



Scottish Government

### Monitoring & Evaluation of Agrienvironment Schemes

Final Report May 2009



Prepared for





# Could do better? Emerging issues

- Non-participants financial, time, bureaucracy and interference
- Non-participants wished to manage environmentally without enforcement
- Small size of farm lower chance of application success
- Competitive applications selected farms rich in biodiversity
- No increasing biodiversity trend on RSS farms



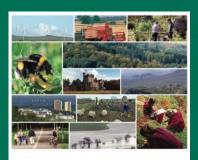
# Could do better?(pt 2) Emerging issues

Ex-Post Evaluation of the SRDP 2007-2013 – Final Report: The Scottish Government (Dec 2016)

- Complexity of approach appeared to hinder applications
- Needed to be better targeted and more actively facilitated
- Quality of monitoring data sets, target setting challenging
- Difficult to assess Programme's effectiveness in achieving outputs and results



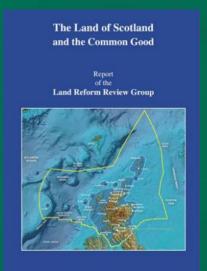
### Strategies and consultations...



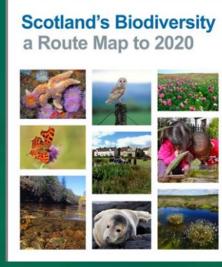
Getting the best from our land

A land use strategy for Scotland

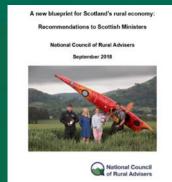




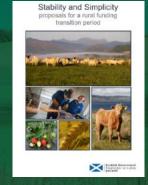






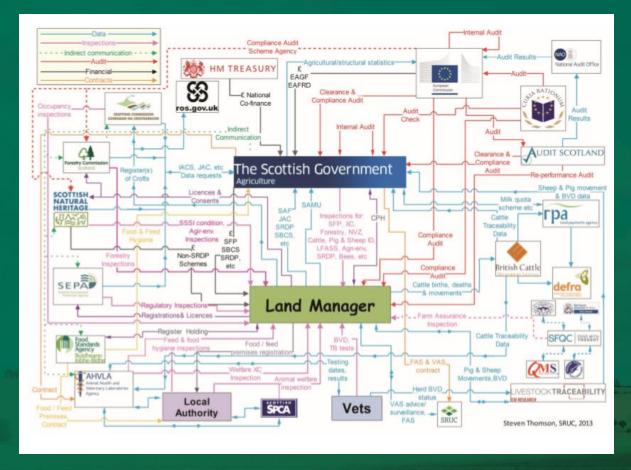


An Interim Discussion
Document from the Scottish
Government's Agriculture
Champions





# Regulations and compliance



Progress is man's ability to complicate simplicity.

Thor Heyerdahl



# Political backdrop in Scotland

- Strong support for productivity, efficiency, rural economy
- Land rights & responsibilities, protection
- Competing budgets
- Devolved responsibilities / Brexit
- Emphasis on public benefits within CAP objectives



# The story so far...

- Land Managers complexity, fear of infraction, income foregone, husbandry
- Critical review Better facilitation, improved monitoring of results, outcomes
- Complex overlay of strategies and regulation
- Complex overlay of politics

Prospects?



# **Emerging themes**

- The wish to manage environmentally
- Collaboration efficiency, productivity, extend to environment
- Facilitation
- Simplification
- Outcomes



# Learning from demonstration farms

Allerton, Leicestershire and Auchnerran, Aberdeenshire



318 ha
Combination of commercial farming, research,
demonstration and community engagement.



417 ha
Hill edge. Mixed arable, grass and wooded
farmland. 1200 sheep



- Collaboration to deliver greater benefits for soil, water and wildlife
- Bottom-up, farmer level, under a lead farmer
- Own conservation plans, helped by chosen advisors
- May be supplemented by existing agri-environment schemes
- Some clusters privately funded. Majority have applied for NE Facilitation Fund





#### Scotland

- No formal clusters like those in England
- GWDSF Demonstration Farm Howe of Cromar
- No facilitation fund as yet
- Facilitation and advice needs to be built up to fit with clusters



#### Scotland

- Novel routes to farmers monitor farms, co-ops, groups
- Facilitation, advice, links to future agri-environment schemes
- Project management habitats, woodland grants, monitoring

# The right stuff?

- The wish to manage environmentally
- Collaboration productivity, clusters
- Facilitation
- Rewarding outcomes

### The right stuff?

#### Tier 1 – Foundation Scheme

Available to all land managers Current cross-compliance applies

#### **Tier 2 - Voluntary enhanced**

Support public goods
Short & longer term commitments

#### Tier 3 – Farmer Cluster

Landscape-scale benefits

Long term commitments - 20yrs







- Increasing level of financial support with increased commitment
- Yearly reviews/ inspection by single assessor UKAS accredited

# The right stuff?

### **Benchmarking - Natural Capital Protocol**



# **Benchmarking - Natural Capital Protocol**

#### **Challenges**

- How to apply NC at holding, catchment, landscape-scale
- The quantity of NC possible to identify but quality more elusive
- Time Series data to track change over time
- Market v Non-market valuation (e.g. Carbon v Species)

NC Baseline for payments - maintenance of assets, risk reduction



### Components of a public goods reward system

- Focus on collaborative approach
- Facilitated (key information recorded)
- Simplified admin and oversight
- Evidence derived from Natural Capital assessment
- Valued by maintenance or improvement relative to NC baseline

# The business of sustainability

### Thank you





Ross Macleod, Head of Policy (Scotland) rmacleod@gwct.org.uk www.gwct.org.uk www.farmerclusters.com

