

Environment, Climate Change and Land Reform Committee

Scottish Government's Revised National Outcomes for Scotland

Written Submission from National Farmers Union Scotland

The below submission is a broad commentary on the National Performance Framework (NPF). Whilst not addressing each Outcome in turn, it identifies key areas where NFU Scotland (NFUS) wishes to work with Scottish Government to develop policy for the agriculture, food and drinks industry that supports the National Indicators and adaption of the Sustainable Development Goals.

Scottish farmers and crofters are the bedrock of Scotland's £14.4 billion food and drink industry, which is a key sector of the Scottish economy and a current area of focus for Scottish Government. With a new target to grow the food and drink industry to £30 billion by 2030, it is more important than ever that food producers are given the confidence and the right environment in which to improve their productivity and competitiveness, particularly outside of the EU.

Irrespective of the decision to leave the EU, Scottish agriculture is already subject to change drivers that require immediate and continuing responses: competition and concentration in supply chains, commodity price volatility, climate change, new agri-technologies and skills needs, capital requirements and cashflow pressures. These 'external' drivers have different effects for different sectors and businesses, and can be in turn influenced by policy.

NFUS is the largest body representing Scotland's farmers and crofters and works to promote policies to governments on their behalf. NFUS considers that a number of the National Outcomes cut across key policy areas that are being focussed on by NFUS, including post-Brexit agricultural policy, trade and internationalisation, the food and drink supply chain, innovation, education and skills, and the environment.

National Outcomes Commentary

NFUS was not invited to partake in the consultation exercise around the new National Outcomes, however considers the sum of the Outcomes to be largely positive and well-fitting to the general direction of any government policy.

A general criticism which NFUS has made of Scottish Government policy in the past is its tendency to establish a range of strategic working groups or reporters to examine and discuss particular issues, with NFUS sometimes observing little linkage between these groups, their outcomes or the issues they are examining in the eventual policy outcome.

Whilst NFUS welcomes the linkage that has been made with pre-existing National Indicators and wider UN goals in the development of the Outcomes, all of these areas are extremely broad which makes it difficult to comment specifically on how they might impact NFUS members in the day-to-day running of their businesses.

Whilst not relevant for NFUS to comment on all of the new National Outcomes, NFUS offers the below comments on those which are most relevant to the agricultural sector:

- **We have a globally competitive, entrepreneurial, inclusive and sustainable economy**
- **We have thriving and innovative businesses, with quality jobs and fair work for everyone**

In terms of the content of the Outcomes, NFUS is very much in agreement that such goals should be prioritised and NFUS sees much potential in the agriculture, food and drinks sector to contribute towards these Outcomes.

NFUS also considers that there is significant cross-over between these Outcomes. It is notable that in the revised Outcomes, there is a focus on a “global” outlook, whereas in the previous Outcomes, emphasis was placed more heavily on Europe.

Clearly, in the Brexit context, it is important that business and enterprise becomes more globally focused and international in outlook. In order to do this, productivity will be key – with innovation and resilience taking on a renewed importance. NFUS strongly considers that a new agricultural policy for Scotland after EU exit should have a strong focus on symbiotic productivity and environmental benefits, helping to improve efficiency, and incentivising food producers to take pragmatic steps to essentially increase their business resilience.

NFUS considers that a more competitive and productive agricultural industry in Scotland will result in better profit across the board and therefore better investment within the industry – stimulating wider economic activity.

NFUS considers these priorities to be entirely in-fitting with the National Outcomes outlined above.

- **We are well educated, skilled and able to contribute to society**

NFUS considers it vital that Scottish agriculture continues to upskill its workforce and attracts new entrants into the industry, and investing in skills is a key vehicle to deliver this.

There is a significant amount of work underway between NFUS, education providers, training bodies and Skills Development Scotland to develop agricultural apprenticeships and practical qualifications that will support young people to pursue a career in the industry. The support of Scottish Government and its enterprise bodies has been highly useful for this work, which is ongoing.

NFUS does note however that the new set of Outcomes do not make reference to Scotland’s capacity for research and innovation. Scotland boasts world-leading research capacity; an invaluable asset in pioneering new agricultural innovations and tackling plant and animal disease. In the face of Brexit, it is vital that we retain and nurture this capacity to allow knowledge transfer that will enable Scottish farm

businesses to address productivity and efficiency issues. NFUS would support the re-inclusion of this world-leading capacity within the National Outcomes.

- **We are healthy and active**

The vast majority of Scottish food and drink is sustainable, healthy and nutritious – the social benefit of a healthy, well-fed nation with a thriving food and drink industry cannot be understated.

All too often, it is reported that our children have a lack of understanding about where fresh produce comes from. This disengagement with the food production system from a young age can lead to unhealthy choices being made in adulthood. NFUS believes that Scottish policy should deliver consistent food education across Scotland, from the inner cities to the countryside, and NFUS has highlighted this priority via the work on education and skills that has been highlighted above.

In this vein, it is very welcome that a National Outcome promoting health and activity has been included.

NFUS also notes that a National Indicator on mental wellbeing has been included under this Outcome. Poor mental health and wellbeing is an issue that continues to be tackled in many of Scotland's rural areas, and in particular within the agricultural community. NFUS very much welcomes any move to include this indicator within national policy priorities.

- **We value, enjoy, protect and enhance our environment**

Scotland's farmers and crofters play a vital role in delivering a wide range of environmental benefits and public goods. With over 70 per cent of Scotland's land mass under agricultural management, farmers and crofters are responsible for the stewardship of many aspects of Scotland's renowned environment.

It is hoped that, post-Brexit, a new Scottish agricultural policy can ensure that farmers and crofters continue to deliver for Scotland's environment and enhance it further. Active agriculture is best placed to manage land for environmental benefit. Viable agricultural businesses and food production need not run contrary to achieving positive environmental outcomes and public goods.

It is therefore disappointing that the National Outcome does not include food production nor the economic benefits derived from these activities within the National Indicators; however, NFUS welcomes that the Outcome does include the Sustainable Development Goals of decent work and economic growth; industry, innovation and infrastructure; and responsible consumption and production.

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