Agricultural Reform Route Map

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Introduction

To deliver the ambitions set out in the Scottish Government's Vision for Agriculture, published in March 2022, Scotland will have a support framework that delivers high quality food production, climate mitigation and adaptation, and nature restoration.

High quality, nutritious food locally and sustainably produced is key to our wellbeing – in economic, environmental, social and health terms. We will support and work with farmers and crofters to meet more of our own food needs sustainably and to farm and croft with nature.

We remain committed to ensuring that tenant farmers, smallholders, crofters, new entrants and land managers are given equality of opportunity to allow them to play a key role in making our Vision for Agriculture a reality.

We will work with the agriculture industry both through the Agriculture Reform Implementation Oversight Board (ARIOB) and other industry stakeholder groups to meet our shared objectives, building on the excellent work completed by our successful Farmer-Led Groups (FLGs) initiative.

This route map sets out the timescales for information and interaction with the agricultural industry. As we continue to make progress with the Agriculture Reform Programme there will be further opportunities to share key information with farmers, crofters and landowners to help them plan and prepare for the changes the programme will deliver from 2025.

Through this publication I hope to give greater clarity and confidence to the agriculture industry on key dates, the various measures being proposed, and the Scottish Government support that will be available to prepare the agriculture industry for implementing these changes.

Whilst the Route Map does not yet answer all the questions about the new support framework or provide the detail of how measures will be applied and what applicants will be paid, it does provide a clear set of programme dates to explain when current schemes will transition or end, and when more guidance, support and information will become available.

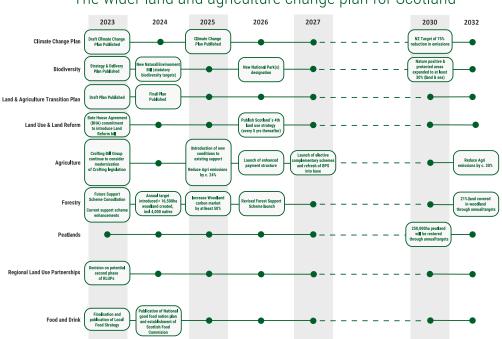
The Route Map will be regularly updated to ensure that the most up to date information is available. If things change you will be told clearly and quickly

Mairi Gougeon

Cabinet Secretary for Rural Affairs and Islands

Wider land management and change plan for Scotland

Land management in Scotland will change as we tackle the twin biodiversity and climate crises. The image below shows the landscape of commitments, targets and policy ambitions for agriculture, land use, environment and forestry in Scotland. This presents challenges and opportunities for farmers and crofters, building on their traditional leadership role in land management and stewardship at an individual and a landscape scale.



The wider land and agriculture change plan for Scotland

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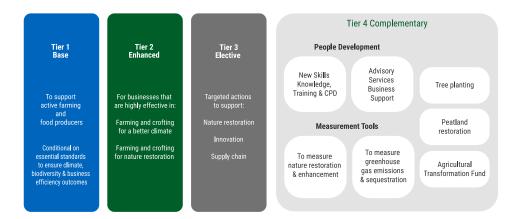
What will future support look like?

Our Programme for Government sets out the legislative reforms that will allow Scottish Government to change the way we allocate agricultural funding. In the future at least half of all funding for farming and crofting will be targeted towards outcomes for biodiversity gain and a drive towards low carbon approaches to improve the resilience, efficiency and profitability of the sector.

The Framework diagrams were first published as part of the Agriculture Bill Consultation '*Delivering our* vision for Scottish agriculture – proposals for a new Agriculture Bill' on 29 August 2022.

We will continue to develop and refine our policy as we analyse the information from the consultation and work with stakeholders. This page will be updated regularly as new information becomes available.

Agriculture Support Package Beyond 2025



Download image as a pdf (PDF, Size: 523.0 kB)

To deliver the Vision for Agriculture, this future tiered model will provide support to farmers, crofters and land managers that will help to achieve:

- high quality food production and sustainable production chains
- reduced Green House Gas emissions from the agriculture sector
- a substantial regeneration in biodiversity, ecosystem and soil health
- just transition creating thriving rural and island communities

This chapter outlines our proposed agricultural support framework from 2025 onwards. More detail will be added as it becomes available to help the agriculture industry prepare for change.

Tier 1 Base Payment - This tier will provide an element of financial certainty farmers and crofters engaged in food production and actively managing the land. Receiving this support will require meeting what will be called *essential standards* in agricultural activity; climate response; biodiversity gain; business efficiency outcomes; safeguarding animal health and welfare and worker rights. Greening, Cross Compliance requirements (Good Agricultural and Environmental Conditions (GAECs) and Statutory Management Requirements (SMRs)) and the completion of a Whole Farm Plan are currently being considered as part of *essential standards* but no decisions have been taken on what will be included.

Whole Farm Plans – Whole Farm Plans were put forward as an idea by the Farmer-led Groups. They are currently being considered as a tool to support businesses to think about if their activities are sustainable, efficient and resilient. No decisions have been taken on what a Whole Farm Plan will include or how it can best be used to deliver the Vision for Agriculture. The approach to whole farms will be co-developed with industry to ensure it is of benefit to Farmers and Crofters and further detail is expected to be communicated later this year.

Tier 2 Enhanced - We will support businesses while they do their part to deliver Scotland's climate and biodiversity targets, building on the standards established in Tier 1. The enhanced tier goes a step further than Tier 1 and will focus on measures that will reduce greenhouse gas emissions and restore and improve nature. These measures will support producers and incentivise sustainable and regenerative farming practices. Eligibility is dependent upon successfully undertaking Tier 1 and demonstrating contribution towards the Tier 2 requirements. Find out more in the Guidance on the List of Measures being proposed for inclusion for future agriculture support in Scotland.

Tier 3 Elective - We will support individuals, co-operatives, or groups to increasingly manage land more sustainably. This tier of support will focus on funding targeted actions for climate change or nature restoration. This could be specific to a particular species or habitat, support conversion to alternative forms of agriculture such as organic production, encourage innovation and provide supply chain support.

Tier 4 Complementary - We will complement the funding we are providing elsewhere with access to continuous professional development (CPD). This tier will focus on providing applicants with the skills and advice required to uptake the suite of management options, new practices and innovation under Tiers 1-3.

We will work with the sector to adapt and improve this framework over time to maximise the benefit we can achieve. We will incorporate what we learn into future versions of the framework, such as new best practice, improvements in technology, evidence on climate impacts and how well the industry is performing against targets so Scotland's farmers, crofters and land managers continue to be supported.

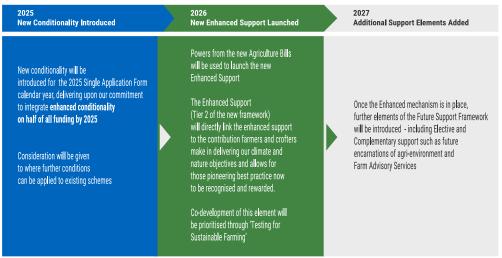
We will support those parts of the agricultural industry when there are exceptional or unforeseen conditions affecting agriculture production or distribution, which could include crisis payments.

Does everything change in 2025?

In November 2022 the **Pathway to Reform – a Phased Transition for Implementation of Reformed Rural Support** was announced in a statement to Parliament by the Cabinet Secretary MairiGougeon.

This phased transition approach set out the intention to introduce new conditionality on the present Basic Payment Scheme (BPS) from 2025 and maintain the present three region model at the outset of reform process.

The Tier 2 Enhanced Support will launch in 2026 followed by Tier 3 Elective and Tier 4 Complementary from 2027. This will allow BPS to evolve to the future Tier 1 Base Payment from 2027. The existing framework of support will continue in 2023 and 2024 to provide stability to Farmers and Crofters.



Future Support Framework: a phased approach

The present payment regions will be kept as they are in the early part of the transition. The current three region model will be reviewed to ensure the Tier One 'Base' payment is fit for purpose for the future.

Download image as a pdf (PDF, Size: 225.4 kB)

2025 - While work is underway to develop the Enhanced mechanism, new conditionality will be delivered under existing powers for the 2025 Single Application Form calendar year. This will use our existing agriculture support to introduce new conditionality to agricultural payments. Greening, Cross Compliance requirements (Good Agricultural and Environmental Conditions (GAECs) and Statutory Management Requirements (SMRs)) and the completion of a Whole Farm Plan are currently being considered but no decisions have been taken on what will be included.

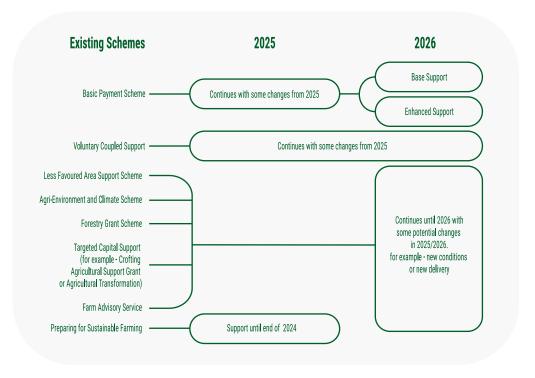
2026 - Powers from the new Agriculture Bill will be used to launch the new Enhanced Payment. The Enhanced Payment is considered to be the key mechanism to incentivise farmers and crofters to undertake actions to deliver positive outcomes for climate and for nature. It directly links the Enhanced Payment to the contribution farmers and crofters make in delivering our climate and nature objectives and it allows for those pioneering best practice now to be recognised and rewarded. For these reasons the decision has been made to prioritise development of the Enhanced tier which will play a key role in supporting a just transition for the industry.

2027 - Once we have established the Enhanced tier, we will seek to deliver further elements of the Future Support Framework, including Elective and Complementary support. These may build on current schemes and services like the Agri-environment and Climate Scheme and Farm Advisory Service.

When will my current schemes end and new ones begin?

The **Pathway to Reform** – a phased transition for implementation of reformed rural support that was announced in a statement to Parliament by the Cabinet Secretary Mairi Gougeon in November set out at a high level the incremental approach to reform from 2025 to 2027. Here, we set out what that means for the current schemes you are participating in and when they will change or end.

Policy development is still underway and so there may be changes to the phased approach that impacts decisions on particular schemes. This will be updated in the event of any changes and we set out in the next chapter key dates when you can expect to know more detail about what will be required to access support in 2025 and beyond.



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Basic Payment Scheme

The current Region Model is planned to remain in place in the early stages of the transition. However, it will be reviewed to ensure that Tier One Base is fit for purpose for the future.

New conditions will be introduced to the Basic Payment Scheme in 2025 making this support conditional on meeting clearly defined essential standards that ensure activity, climate, biodiversity and business efficiency outcomes are achieved as well as safeguarding animal health and welfare and worker rights.

In 2026 Basic Payment Scheme will end and Base and Enhanced Support will be introduced.

In 2027 the region model will have been reviewed and any changes made will be to support the transition to a more economic and environmentally sustainable model for the industry.

Voluntary Coupled Support

New conditions will be introduced to Voluntary Coupled Support in 2025 making this support conditional on meeting clearly defined essential standards. The scheme is expected to continue in 2026 but may be delivered differently. Consideration is still being given to how this type of support will be delivered from 2027.

Less Favoured Area Support Scheme

This scheme is expected to continue to 2026, however, we are working with the agriculture industry to consider how best to deliver this type of support under the new framework. Changes may be introduced from 2025 to support the transition towards a more economic and sustainable model for the sector. Consideration is still being given to how this type of support will be delivered from 2027.

Agri Environment and Climate Scheme

This scheme is expected to continue to 2026 to deliver elements of Tier 3 and 4 until new Elective and Complementary Support is implemented from 2027. Some of the options available under this scheme are being considered for inclusion in Tier 2 and changes to the scoring, budgets or options available may be made to support the transition towards a more economic and sustainable model for the sector.

Forestry Grant Scheme

This scheme is expected to continue to 2026 to deliver elements of Tier 3 and 4 until new Elective and Complementary Support is implemented from 2027. Some of the options available under this scheme are being considered for inclusion in Tier 2 and changes to the scoring, budgets or options available may be made to support the transition towards a more economic and sustainable model for the sector.

Targeted Capital Support – Agricultural Transformation Fund, Crofting Agricultural Grant Scheme, Knowledge Transfer and Innovation Fund, and Food Processing, Marketing and Cooperation

These schemes will continue until 2026 and can deliver Tier 3 and 4 of the Future Support Framework until new Elective and Complementary Support is implemented from 2027. We may make changes to the scoring, budgets or options available under these schemes so that they support the transition towards a more economic and sustainable model for the sector.

Farm Advisory Service

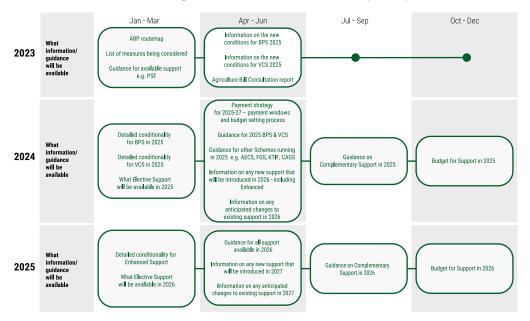
The Farm Advisory Service will continue to deliver information and resources aimed at increasing the profitability and sustainability of farms and crofts. This will deliver elements of tier 4 of the Future Support Framework and will adapt to deliver the new Complementary Support mechanisms introduced from 2027.

Preparing Actions for Sustainable Farming

As transitional support aimed at supporting you to prepare for the Future Support Framework this support is expected to end by March 2025.

When will I get more information to help me plan?

The diagram below is designed to help farmers and crofters plan for future changes to the agricultural support framework. It outlines key dates when further information and guidance will be available from 2023 until the end of 2025.



When will I get more information to help me plan?

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What will I be asked to do?

From 2025 support will be conditional on meeting **essential standards** to ensure appropriate activity, climate, biodiversity and business efficiency outcomes are achieved as well as safeguarding animal health and welfare and worker rights.

Farmers and crofters will also be asked to undertake specific actions that support their businesses to be more efficient and improve their resilience while doing their part in meeting the climate and biodiversity targets. Future support is intended to allow businesses to draw support from across all 4 tiers in a way that delivers the maximum biodiversity and climate potential and aids making a long term shift to sustainable and regenerative farming at scale.

In February 2023, Scottish Government released a list of the measures being considered and appraisals for inclusion for future agriculture support in Scotland. This document, called Guidance on the List of Measures contains information on the broad types of actions government will expect from farmers and crofters who wish to receive agricultural support payments in future. It is not a final list of measures but is designed to be indicative and to help the agriculture sector to plan for future changes.

Scottish Government is yet to establish how these and other measures will be applied within the future framework of support. This includes evaluation on optimal application within the four tiers (base, enhanced elective and complementary) which were set out in Delivering our vision for Scottish agriculture - proposals for a new Agriculture Bill: consultation.

Scottish Government recognise that these measures are broad and have a greater emphasis on certain sectors. Subsequent stages of policy development will ensure that all sectors of Scottish agriculture and other land based sectors will have opportunity to contribute towards nature and climate targets. There will

be a wider range of measures that may be supported and this work continues to develop. The following examples provide an indication of the type of activities you might be asked to do in the future. **They are illustrative only and will be subject to change as more information becomes available.** For the detailed description of actions that go with these measures please refer to the Guidance on the List of Measures being considered for inclusion for future agriculture support in Scotland document.

More detailed information on the conditions for support and guidance will be published over the next two years and key dates are set out in the When will I get more information to help me plan? section .

Illustrative example A - arable

Must meet "*essential standards*" like Greening, Cross Compliance requirements (Good Agricultural and Environmental Conditions (GAECs) and Statutory Management Requirements (SMRs)) and possibly complete a Whole Farm Plan.

To access further support you may be asked to undertake specific actions aimed at addressing climate mitigation and nature restoration actions. For example you may be asked to choose from actions like:

(a) In Field Cultivated Soils

- Continuous soil cover (package)
 - Winter cover (measure)
 - Minimum / no tillage (measure)
- Efficient / Reduced use of synthetic inputs (package)
 - Efficient / Reduced use of inorganic fertilisers and lime (measure)
 - Efficient / Reduced use of synthetic pesticides (measure)
 - Use of N fixing crops (measure)
 - Crop diversity arable (package)
 - Diversify crop rotation and break crop rotation period (measure)

(b) In Field Margin and Uncultivated Features

- Retain and Enhance Field Margins and Permanent Habitat Margins (package)
 - Arable and Silage/Hay Crop Margins (measure)
 - Retain and Enhance In Field Biodiversity Cropping and Features (measure)
 - Enhance existing hedgerows (measure)

You may also be eligible for funding for targeted actions to support specific species or habitats, encourage innovation and provide supply chain support.

There will be opportunities to access the development and advice required to meet the new requirements and undertake new activities

Illustrative example B - mixed arable and livestock

Must meet "essential standards" like Greening, Cross Compliance requirements (Good Agricultural and Environmental Conditions (GAECs) and Statutory Management Requirements (SMRs)) and possibly complete a Whole Farm Plan.

To access further support you may be asked to undertake specific actions aimed at addressing climate mitigation and nature restoration actions. For example you may be asked to choose from actions like:

(a) In Field Cultivated Soils

- Continuous soil cover (package)
 - Winter cover (measure)
 - Minimum / no tillage (measure)
 - Efficient / Reduced use of synthetic inputs (package)
 - Efficient / Reduced use of inorganic fertilisers and lime (measure)
 - Efficient / Reduced use of synthetic pesticides (measure)
 - Use of N fixing crops (measure)
- Crop diversity arable (package)
 - Diversify crop rotation and break crop rotation period (measure)
- Crop diversity grassland (package)
 - Diverse sward species content (legumes-herb-grass mixtures) and use of herbal leys (measure)

- Regenerative grazing (mob, strip, adaptive multi-paddock grazing) on permanent improved grassland (measure)
- Bird friendly Crop Operations (measure)
- (b) Livestock
 - Improving beef cattle nutrition (package)
 - Supporting and incentivising improved beef cattle nutrition (measure)
 - Improving beef cattle breeding (package)
 - Supporting and incentivising genetic improvement of beef cattle (measure)
 - Improving beef cattle health (package)
 - Support maintaining and improving beef cattle health (measure)
 - Methane reduction (package)
 - Supporting appropriate uptake of feed products which reduce enteric methane emissions in beef cattle (measure)
 - Nutrient management (package)
 - Efficient nutrient management (measure)

You may also be eligible for funding for targeted actions to support specific species or habitats, encourage innovation and provide supply chain support.

There will be opportunities to access the development and advice required to meet the new requirements and undertake new activities

Illustrative example C - livestock

Must meet "essential standards" like Greening, Cross Compliance requirements (Good Agricultural and Environmental Conditions (GAECs) and Statutory Management Requirements (SMRs)) and possibly complete a Whole Farm Plan.

To access further support you may be asked to undertake specific actions aimed at addressing climate mitigation and nature restoration actions. For example you may be asked to choose from actions like:

(a) In Field Cultivated Soils

- Efficient / Reduced use of synthetic inputs (package)
 - Efficient / Reduced use of inorganic fertilisers and lime (measure)
 - Crop diversity grassland (package)
 - Diverse sward species content (legumes-herb-grass mixtures) and use of herbal leys (measure)
 - Regenerative grazing (mob, strip, adaptive multi-paddock grazing) on permanent improved grassland (measure)
- Continuous soil cover (package)
 - Minimum / no tillage (measure)
- (b) Uncultivated Permanent Habitats
 - Restore and Manage Existing Nature Rich Habitats (package)
 - Manage grazed habitats (measure)
 - Summer hill cattle grazing (measure)
- (c) Livestock
 - Improving beef cattle nutrition (package)
 - Supporting and incentivising improved beef cattle nutrition (measure)
 - Improving beef cattle breeding (package)
 - Supporting and incentivising genetic improvement of beef cattle (measure)
 - Improving beef cattle health (package)
 - Support maintaining and improving beef cattle health (measure)
 - Improving sheep nutrition (package)
 - Supporting and incentivising improved sheep nutrition (measure)
 - Improving sheep breeding (package)
 - Supporting and incentivising genetic improvement of sheep (measure)
 - Improving sheep health (package)
 - Support maintaining and improving sheep health (measure)
 - Methane reduction (package)

- Supporting appropriate uptake of feed products which reduce enteric methane emissions in beef cattle (measure)
- Supporting appropriate uptake of feed products with reduce enteric methane emissions in sheep (measure)
- Nutrient management (package)
 - Efficient nutrient management (measure)

You may also be eligible for funding for targeted actions to support specific species or habitats, encourage innovation and provide supply chain support.

There will be opportunities to access the development and advice required to meet the new requirements and undertake new activities.

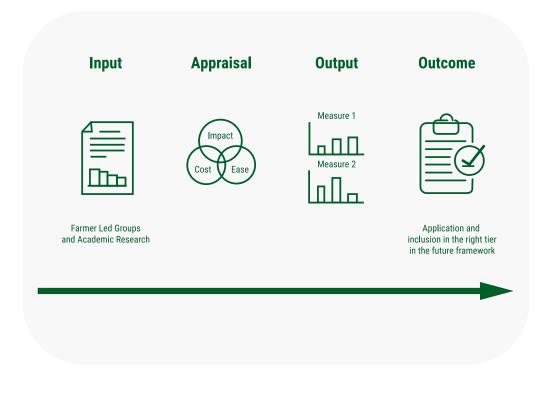
How will the Scottish Government decide what to include?

It is vital that conditions and activities included in any future support framework have been co-designed with the agriculture sector. In February 2023, Scottish Government released a list of the measures being considered and evaluated for inclusion for future agriculture support in Scotland. This document, called Guidance on the List of Measures is intended to provide some more information on the types of activities you will be expected to do in future. Sharing them in this format is intended to show where Scottish Government is in policy development and together with this document, will help farmers and crofters start to plan for the future of their businesses.

The draft measures demonstrate the Scottish Government's considerations as we design the future support framework, they are not a final product and are not an established scheme or agreed legislative activity.

We know that some of the measures are simple to adopt and deliver benefit to the business undertaking them as well as the wider public benefit of reduced emissions, improved outcomes for nature. Others are more costly to adopt and implement and some would incur additional costs to businesses.

We also know that we need flexibility, some farmers, crofters and land managers are already undertaking some of these measures and it is important that actions that are already being done are recognised, alongside providing an opportunity for everyone to do more towards the outcomes. For these reasons government is considering how the measures may be scaled or weighted.



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More detailed information on the conditions for support and guidance will be published over the next two years and key dates are set out in the **When will I get more information to help me plan?** section.

What support will I get to help me prepare?

Preparing for Sustainable Farming#(PSF)

Preparing for Sustainable Farming#(PSF) is already helping businesses prepare for these changes with support for conducting carbon audits and soil sampling, support for animal health and welfare activities and access to herd data for Suckler beef producers through MyHerdStats.

Carbon audits and soil sampling

The first part of the programme launched in 2022 is designed to help businesses understand Carbon emissions and sequestration; and potentially lower emissions and increase efficiencies. This is done through carbon audits and soil sampling and analysis.

Businesses can claim a standard cost of £500 for an eligible Carbon Audit that will:

- enable a business to understand#their energy use and costs
- identify ways to use resources#more efficiently
- to understand their carbon#footprint
- highlight areas to focus on#carbon emission reductions and#opportunities to sequestrate#carbon

Businesses can claim actual costs of up to £600 per 100 Ha of Region 1 land for Soil Sampling that will:

- measure the nutrient content#of the soil
- identify nutrient deficiencies

- reduce unnecessary#maintenance practices and fertiliser#applications
- target application for crop#production
- build a nutrient management plan
- opportunity to save time and money

A standard £250 Development Payment can also be paid with the first Soil Sampling claim to allow farmers and crofters to spend time on things that will widen their understanding of Nutrient Management Planning and the associated activities. For example:

- researching best practice for soil sampling and nutrient management
- referring to technical notes
- taking professional advice
- attending monitor farm updates
- meetings regarding soil structure, nutrient usage and green manures

Support for animal health and welfare

Support is now available to directly support farmers to deliver a list of animal health and welfare measures. If eligible businesses can claim standard costs up to a maximum of £1,250 over two years.

MyHerdStats

Information is also available to cattle keepers through MyHerdStats. This is a an online tool that securely presents herd management information within the ScotEID system utilising your existing login details.

MyHerdStats, developed by ScotEID, is a software tool that uses statutory cattle traceability data to provide cattle keepers with a consistent and accurate insight into their herd performance to help highlight opportunities to improve business and environmental benefits. Cattle keepers can gain access to a selection of herd performance indicators and trends, for example:

- Cows retained percentage,
- Calves registered,
- Cows calved,
- Values of cow and heifer efficiency,
- Cow and calf mortalities,
- Sale date profile for breeding and youngstock.

Over time MyHerdStats will be developed to incorporate additional functionality.

Agri-Environment Climate Scheme

The Agri-Environment Climate Scheme (AECS) promotes land management practices which protect and enhance Scotland's magnificent natural heritage, improve water quality, manage flood risk and mitigate and adapt to climate change.

The 2023 Agri-Environment Climate Scheme (AECS) application round opened for applications on 30 January 2023.

Forestry Grant Scheme

Scotland's woodlands and forests are a vital national resource and play an important role in rural development and sustainable land use.

As well as helping to reduce the impacts of climate change and providing timber for industry, our forests enhance and protect the environment and provide opportunities for public enjoyment.

The Forestry Grant Scheme (FGS) supports:

- the creation of new woodlands contributing towards the Scottish Government target of 18,000 hectares of new woodlands per year from 2024/25
- · the sustainable management of existing woodlands

Peatland Action

Peatland Action supports on-the-ground peatland restoration activities and is open for applications from eligible land managers who have peatlands that would benefit from restoration. There are no geographical restrictions or target areas for Peatland Action funding.

Nature Restoration Fund

The Nature Restoration Fund (NRF) is a competitive fund launched in July 2021, which specifically encourages applicants with projects that restore wildlife and habitats on land and sea and address the twin crises of biodiversity loss and climate change.

Farm Advisory Service

The Farm Advisory Service provides practical information and advice to farmers and crofters across Scotland.

Guidance and information is available through the links below:

Preparing for Sustainable Farming Guidance

How to Get Started with Carbon Audits

Making your soil analysis help you manage fertiliser costs

Agribusiness News July 2022: Sector Focus - Soils

Agri-Environment Climate Scheme

Forestry Scheme Guidance

Peatland Action - How To Apply

Nature Restoration Fund

What next?

Scottish Government will continue to work on the Future Support Framework and engaged with the sector through representative bodies and a cohort of individual farmers.

The existing framework of support will continue in 2023 and 2024 to provide stability to Farmers and Crofters.

A new Scottish Agriculture Bill will be introduced to Parliament in 2023 to provide a replacement framework for the Common Agricultural Policy (CAP).

The new Agriculture Bill will seek to provide an adaptive framework, to replace the current CAP framework, and support farmers, crofters and land managers to overcome the challenges they face.

In 2025 new conditions will be applied to some of the existing schemes that you are applying for and we plan to provide more information on those conditions in June 2023.

More information about the actions you will need to take in 2026 will be announced in June 2024.

This route map will be updated as more information becomes available and if things change we will let you know clearly and quickly.