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It is hard to believe that we are already over a quarter of the way through 2024. Over the past few months, AIC Scotland has been engaged in a wide range of issues of importance to Members.

In this issue you will find key updates on policy areas, including Precision Breeding and the latest developments in the Agriculture and Rural Communities Bill which continues its progress through Parliament.

This year has already seen a marked improvement in government engagement with industry on the detailed development and co-design of support schemes. While this is welcome, the big test will be whether the Scottish Government listens and acts on the concerns raised on behalf of Members. Thank you to all Members who responded to AIC's survey last year - the key statistics from this are invaluable in highlighting to government the value of the agri-supply industry to the UK economy.

With a General Election on the horizon, AIC Scotland has produced a manifesto which has been circulated to our key stakeholders and political contacts. Go to [AIC's website](https://www.aic.org.uk) for full details and to download the manifesto or simply scan the QR code.



Digital Passport for Combinable Crops latest

The Digital Passport consultation closed on 2 February with Members providing a wide range of views on the Business Case.

In January, AIC Scotland held an extraordinary meeting to enable Members to discuss the proposals and have a question-and-answer session. This was a well-attended and productive meeting.

Given the wide range of responses from across the agricultural industry, it is likely that the Digital Passport Leadership Group will make changes to the Business Case to reflect this. Any revisions made to the Business Case will then need to be examined by the cross-industry data and development groups.

Once this phase is complete, the Leadership Group would need to consider whether to present a revised Business Case to the AHDB Cereals & Oilseeds Sector Council for a funding decision or hold a further industry-wide consultation on the proposed changes.



Agricultural support update

The Agriculture & Rural Communities (Scotland) Bill, which will provide the framework and powers for a new agricultural support regime, is nearing the end of its initial scrutiny stage in the Scottish Parliament.

AIC Scotland has provided written evidence to the Rural Affairs Committee during this early phase, cautiously welcoming aspects of the Bill including the requirement to publish a five-year Rural Support Plan.

This Plan requires the Scottish Government to set out support and spending priorities. This longer-term approach should provide some stability which may be of benefit to the agri-supply sector. Early stages include:



STAGE

1

Initial examination of the Bill, which ended on 27 March. A report will now be produced which will give an indication of possible amendments that may be made.



STAGE

2

This stage will focus on parliamentary debate and amendments by MSPs. The ability to deliver a meaningful support policy will be dependent upon the budgetary settlement reached with an incoming UK Government. Alongside this, AIC has been engaging in detailed consultations on aspects of the proposed tiered support framework. Given the developments we have witnessed with farmer-led protests in Wales and parts of England, it is vital that AIC Scotland works to ensure we have a policy which works for productive agriculture.

AIC Scotland has met with Scottish Government officials and submitted evidence on proposals for Tier 1 (whole farm plan) and Tier 4 (support for advice provision). The key focus has been on ensuring the Government understands the valuable role that AIC Members play in these areas and to ensure that role is recognised and rewarded.

For Tier 4, AIC Scotland has specifically suggested that an approved provider system should be developed to allow farmers to access specialist advice from Members in areas such as livestock nutrition and crop agronomy, thereby enabling farmers to reduce farm emissions while improving productivity.



Precision Breeding progress

AIC Scotland met with Food Standards Scotland (FSS) officials in early March for an update on Precision Breeding. This follows the AIC Precision Breeding briefing paper which was circulated to key stakeholders and MSPs.

Given the positive policy and legislative developments both in England and the European Union, the FSS is developing advice and an options paper on Precision Breeding which will be brought before the FSS Board in June 2024.

The FSS recognises Member concerns over policy divergence on this matter, and the major practical implications this has for trade. Also recognised is the fact that enforcement would be extremely difficult, if not impossible. At this stage it is unlikely that there will be firm recommendations in the June options paper. Importantly, the FSS recognises that the current regulatory regime has not kept pace with new science and technological developments.

The work to develop policy options will include AIC Scotland and other industry stakeholders from across the supply chain. The Board paper states that Scottish ministers have not reached any conclusions or made any decisions in relation to Precision Breeding. AIC looks forward to working with the FSS and Scottish ministers in this key area.



Political engagement roundup

With a General Election likely to be held this year, the key focus of political activity will be on influencing political party manifesto commitments and reaching out to prospective parliamentary candidates.

AIC Scotland's manifesto sets out three key asks of the next UK Government, reflecting the priorities of Members raised in an AIC survey conducted last year.

The core asks centre on food security, better trade relations with the EU and between the UK home nations, as well as support with standardising sustainability metrics. If you would like to engage with your local MP or candidates in your area, please speak to AIC Scotland about how the team can assist with this.

At a Scottish level AIC, through its membership of the umbrella organisation the Food and Agriculture Stakeholder Taskforce (FAST), is organising a parliamentary reception at Holyrood. This will be held on 22 May, with invitations to be sent out shortly. The reception will highlight the economic importance of the agri-food supply chain to the Scottish economy and the need to ensure continued support for the sector.

The agri-supply industry alone represents more than £17 billion in turnover to the UK economy with £2.5 billion in exports and supporting an estimated 14,000 FTE jobs. Speakers at the reception will include host Kate Forbes MSP and a range of industry speakers.

In March, AIC Scotland Chair Sarah Bell and AIC Chief Executive Robert Sheasby attended a reception at the Scotland Office in Whitehall hosted by John Lamont MP

Parliamentary Under Secretary of State for Scotland. This provided an excellent opportunity to discuss AIC's manifesto asks with the ministers, officials, and other stakeholders present.

Also in March, AIC appeared before MSPs to give evidence to the Scottish Parliament's Constitution, Europe, External Affairs & Culture Committee. The Committee has been investigating the impacts of the UK-EU Trade & Co-operation Agreement on businesses.



Sarah Bell - AIC Scotland Chair

John Lamont MP - Parliamentary Under Secretary of State for Scotland

Ed Barker - AIC Head of Policy and External Affairs

Head of Policy and External Affairs Ed Barker and a number of Members took part in evidence sessions. This has proved invaluable, helping MSPs to better understand the practical trade impacts on Scottish businesses. Watch the video highlights on [AIC's website](#) by scanning the QR code.



Consultation Overview

The first quarter of 2024 has been busy with a range of Scottish Government consultations to which AIC Scotland has responded. Consultations have included:

- Tier 4 Agricultural Knowledge and innovation, including advice
- Seed consultation on Organic and Heterogenous Material

- Heat in buildings consultation on proposals to ban fossil fuel heating
- Good Food Nation consultation on plans to transform the food system and possible targets
- Environmental authorisations regulations consultation, including ammonia measures

In each case, AIC Scotland has sought to ensure the strategic concerns of Members are represented constructively.

 **Scottish Government**
Riaghaltas na h-Alba



International Barley Hub meeting

A range of AIC Members were welcomed to the International Barley Hub in Dundee in early February. The focus of the meeting was to engage with industry to understand the needs of the entire barley supply chain and therefore orientate research to align with industry requirements.

A key challenge will be how to achieve net zero barley production. It is estimated that by 2027 the global sales value for beer will reach over \$750 billion, highlighting the economic importance of this crop.

Alongside research on net zero, there is also a focus on climate resilience given the more extreme weather we are starting to witness and its impact on yields. The International Barley Hub has a range of research projects underway and wants to engage with AIC Members on a more regular basis to support and prioritise the needs of the supply chain.

The meeting also heard from the AHDB on barley market prospects and Andrew Moir, the former Scottish Quality Crops chair, on the challenges facing barley growers, particularly around the loss of crop protection products and quality issues such as skinning.



Save the Date

AIC Scotland's next meeting is on **24 April** at **McDiarmid Park, Perth**. **Tea and coffee will be available on arrival at 9:30, with the meeting starting at 10:00.**



This year's meeting will include an overview of AIC's sustainability work with our Head of Sustainability, Vicky Robinson.

Book your place online by scanning the QR code or email julia.corr@agindustries.org.uk

Dates for the diary

AIC Scotland Meeting, Perth – 24 April 2024

AIC Fertiliser Dinner, York – 7 November 2024

AIC Dinner & Conference – 12-13 November 2024