

Introduction to Scottish Environment LINK

Scottish Environment LINK is the forum for Scotland's voluntary environment community, with over 40 member bodies representing a broad spectrum of environmental interests with the common goal of contributing to a more environmentally sustainable society.

Its member bodies represent a wide community of environmental interest, sharing the common goal of contributing to a more sustainable society. LINK provides a forum for these organisations, enabling informed debate, assisting co-operation within the voluntary sector, and acting as a strong voice for the environment. Acting at local, national and international levels, LINK aims to ensure that the environmental community participates in the development of policy and legislation affecting Scotland.

LINK works mainly through groups of members working together on topics of mutual interest, exploring the issues and developing advocacy to promote sustainable development, respecting environmental limits.

The Rural Affairs and Islands Committee has opened a call for views as part of its pre-budget scrutiny of the Scottish Government's 2025 to 2026 budget. The Committee will look at the following areas as part of its pre-budget scrutiny.

1. We would like to know your views on the extent to which last year's budget allocations contributed to meeting these national outcomes.

Rural budget allocations have a direct impact on the 'environment' national outcome through the impact on agriculture, land use, forestry, and marine. The national indicators for the environment include biodiversity, condition of protected sites, the marine environment, and sustainability of fish stocks.

The Scottish Government has accepted that we face a crisis of biodiversity loss, and the scale of the challenge is outlined in the State of Nature report, which shows a long-term decline in biodiversity with 1 in 9 species today threatened with extinction in Scotland. The collapse in biodiversity is closely linked with the climate crisis. Restoring nature in Scotland is essential for meeting both Scotland and the UK's Net Zero targets.

The latest Scottish emissions figures, from 2022, indicate that LULUCF (Land Use, Land Use Change and Forestry) is a net source of emissions, emitting 0.2MtCO₂e in the year. The presentation of LULUCF emissions is complicated, as the net figure can obscure that land is both a significant carbon sink and a significant source of emissions. Actual emissions from the LULUCF category, rather than the net score,

are the single largest source in Scotland at almost 15MtCO₂e. Peatland, in particular, is a huge source of emissions, with its emissions being higher than that of the entire industry sector. Agriculture, measured separately from LULUCF, is the second largest source of net emissions, though the two sectors are inherently linked.

Reaching net zero requires LULUCF to be a net sink of emissions and those from agriculture to be dramatically lower and, as was highlighted in the Climate Change Committee's most recent report to Parliament¹, tree planting and peatland restoration will need to more than double across the UK. Currently, we are far off track from reaching this objective. Reducing emissions from peatland, cropland, and agriculture should be a point of priority for the Scottish Government in order to meet our climate and environmental obligations. Secure, long term public funding is needed to fund nature restoration and biodiversity enhancement, and ultimately contribute to our emissions reductions targets.

The Scottish Government has set ambitious targets to reduce emissions, and the Vision for Agriculture aspires to an agricultural support system that delivers "high quality food production, climate mitigation and adaptation, and nature restoration". However, achieving these outcomes will rely on a more transformative approach to agricultural funding than the government has so far committed to.

2. We would like to know your views on whether next year's budget allocations need to change to address these national outcomes more effectively.

There must be sufficient funding for forestry, peatland restoration, the Nature Restoration Fund, agri-environment schemes, and relevant agencies. More of the Scottish Government's agriculture budget needs to support farmers to deliver on climate and nature outcomes. However, this should not just be through agri environment schemes but via enhanced conditionality. The government has committed to significant progress across a range of environmental outcomes and this will not be achieved through continued budgetary squeeze. For example, the condition of protected nature sites is one of the environment indicators, but the 30x30 commitment to expand protected sites implies greater resources for monitoring and management.

3. If you think the budget allocations do need to change, please explain in what ways they need to change.

Scottish Government should clearly communicate, now, that the current budget for Pillar 1 BPS payments (or any future iteration of those under the agricultural reform programme) will be reduced and the money moved to higher tiers (2, 3 and 4) over time. It is important that this direction of travel is set and communicated now, even if there are not going to be changes in 2025/26.

¹ [Progress in reducing emissions 2024 Report to Parliament - Climate Change Committee \(theccc.org.uk\)](https://theccc.org.uk/progress-in-reducing-emissions-2024-report-to-parliament)

1. The Committee would welcome your views on the extent to which changes to the budget lines in last year's budget have impacted on service delivery and implementation.

The sudden cut to the Forestry Grant Scheme (FGS) budget had a dramatic effect on land managers' confidence and practical ability to progress woodland creation projects on the ground. Woodland expansion through natural regeneration and planting is central to what has to be done to restore nature, allow biodiversity to adapt to climate change and rebuild a carbon cycle to provide a more resilient climate in the medium and long term. Securing long term public funding to provide the key means of financing this is vital.

There are now opportunities to make more effective use of public funding for woodland expansion by explicitly focusing financial support on a Just Transition in deer management and forestry. Scotland is capable of supporting a much higher proportion of woodland expansion through natural regeneration if browsing pressure, particularly from deer and sheep, can be reduced sufficiently. The outcomes from this regeneration will be of much higher value in restoring nature, more resilient to growing threats related to climate change and more capable of long term carbon storage in woodland vegetation and soils. Natural regeneration could also bring multiple benefits as part of a **planned transition** in commercial forestry, including reduced planting and ground preparation costs and scope to introduce more diverse and higher value timber species to our productive forests. These practices are commonplace in Europe and a Forestry Grant Scheme aligned around providing public support for the greatest public benefits could have a significant positive impact if the changes are implemented in a planned, collaborative way.

Excluding sheep and culling deer would allow for landscape level natural regeneration with lower costs. There should be a presumption against grant funding commercial conifer plantations, especially in the south of Scotland where this still dominates. We need to pivot Forestry Grant Schemes and not just tweak it. Scottish Government and its forestry agencies should also proactively enter into long term tradeable leases with farmers and crofters to plant and manage well-designed woodland rather than expect people to go through multiple FGS loops. Scottish Government need to invest proactively in agroforestry which is only 1% of FGS, and move the budget into tier 3.

2. The Committee would welcome your views on how the specific objectives of these schemes should be funded in next year's budget.

1. The Committee would welcome your view on the Scottish Government's proposals so far to fund the different tiers of the new agricultural support scheme and the extent to which these would contribute to the national outcomes set out above.

Scottish Environment LINK believes that agricultural funding should support farmers and crofters to transition to a more sustainable and regenerative agricultural system. This echoes the recommendation

from the Climate Change Committee for the Scottish Government to set out how future farms support systems will “integrate and address the objectives for food, nature, and climate”². The current split of funding, by the Scottish Government’s own analysis³, does not deliver the intended benefits. Climate and Biodiversity collapse is already negatively impacting food growers who are suffering extremes of weather, soil erosion, floods, and yield reductions and these will only get worse so the first step is resuscitating ecosystems.

The Scottish Government announced last February⁴ that 70% of funds will go to Tiers 1 and 2, which are direct payments, and that 30% will go towards 3 and 4, which represent more targeted schemes to deliver for nature and climate. In order to sufficiently support farmers to deliver for nature and climate, a higher proportion of funding should be spent of the latter two tiers. This could be done through an incremental transfer of funds from the lower two tiers to the higher two tiers, with clear timelines consulted on and laid out clearly so farmers, crofters and land managers’ can adequately plan their business activities in advance of new requirements. Notwithstanding current issues behind the scenes with Greening and the RPID IT system, Tier 2 as envisaged by Scottish Government should be paying farmers to adopt management practices and take actions that reduce emissions and improve biodiversity.

Tier 3 can fund farmers and crofters to make the transition to sustainable and regenerative farming at a whole farm level - organic conversion, agroforestry set up costs, moving to maximum sustainable output. It can also fund specific actions to conserve species. Tier 4 as well as a better funded advisory service and peer to peer learning also needs to support co-operation, innovation, generational renewal, local food markets, community led local development. These must not be seen as 'residual' budgets, with what's left over after direct payments.

The split of funding between Tiers 1 and 2 is also important. As part of the Basic Payment Scheme (BPS) payment, farmers are required to implement greening measures, or they will not receive 30% of the BPS. The current 30/70 split between greening measures and basic payments does not place sufficient weight on the importance of greening measures. The costs of transitioning to environmental practices mean that this should begin with at least 50% of the payment being allocated towards greening measures. The Scottish Government should also commit to increasing the proportion of this funding allocated to greening practices, such as an annual 10% increase depending on uptake. It should be clearly communicated to all stakeholders that the current split is temporary.

1. Does the Marine Directorate have enough resources to provide high-quality research necessary to support evidence-based fisheries management?

² [Progress in reducing emissions in Scotland - 2023 Report to Parliament - Climate Change Committee \(theccc.org.uk\)](https://theccc.org.uk)

³ [Agriculture and Rural Communities \(Scotland\) Bill: supporting evidence and analysis - gov.scot](https://gov.scot)

⁴ [NFUS conference 2024: First Minister keynote speech - 5 February 2024 - gov.scot \(www.gov.scot\)](https://www.gov.scot)

The Directorate must be appropriately resourced to expedite long-standing delayed commitments, primarily implementation of fisheries management measures in Marine Protected Areas (MPAs), marine SACs, and marine SPAs that currently do not have them, and for the protection of Priority Marine Features (PMFs) outside MPAs. These measures have been under development for 10 years, which means that the sites where they have not yet been implemented are still subject to activities that have been identified as posing a risk to the conservation objectives.

Improved monitoring should also be resourced (ecological and socio-economic) to inform progress towards conservation objectives, diversification and adaptive management of the MPA network⁵ and how to improve the social benefits of MPAs.

In order to deliver sustainable fisheries management there is a need to understand the impacts of gear and this is currently lacking but could be resolved through the application of REM with cameras. REM with cameras is a cost effective way of underpinning sustainable fisheries providing evidence to guide adaptive management as well as supporting effective monitoring and enforcement.

2. Is the Marine Directorate sufficiently resourced to ensure good working conditions for staff to deliver its core functions?

3. Does the Marine Directorate have sufficient enforcement resources and technological capability to ensure compliance with fisheries regulations?

No - funding should be increased and focus on monitoring and control - in particular the application of REM as this provides the information on where, when and how vessels are fishing as well as provide an understanding of impacts. With REM and cameras a number of other enforcement applications could be deprioritised such as portside inspections. Roll out of REM across the Scottish fishing fleet should be prioritised to ensure transparency and a level playing field. Monitoring and analysis of REM data also requires adequate resourcing.

4. Are existing forums for co-management and collaboration between industry and wider stakeholders (e.g. Fisheries Management and Conservation Group and Regional Inshore Fisheries Groups) sufficiently resourced and funded?

There are many stakeholder forums coordinated by the Marine Directorate for stakeholder input. These are welcome, but we feel these can often be limited in their inclusion if there is not the capacity or the resources to broaden representation of interested parties within the groups. For example, Regional Inshore Fisheries Groups are forums for fishing interests to discuss policy developments that affect them. However, information about the groups and meetings is not readily accessible. As fish are a public good,

⁵<https://www.law.ed.ac.uk/sites/default/files/2024-02/Ensuring%20the%20effectiveness%20of%20the%20Marine%20Protected%20Area%20Network%20in%20Scotland.pdf>

fisheries 'co-management' should be transparent and inclusive of wider public interest. Some of the groups - such as the East Coast IFG - have an enormous geographical remit and limited resources to manage it. Another example is the Scottish Aquaculture Council, to which coastal community representatives have been refused membership. Greater resources should be allocated to enabling the Marine Directorate to facilitate more community and civil society interests to engage on co-management forums. These forums can also be quite disjointed across policy areas - for example, the RIFGs span 6 regions, which are different to the 11 Scottish Marine Regions established for Regional Marine Planning. It would make sense to have better alignment of the spatial remit of these different management forums.

We would like to see improved, integrated local multi-stakeholder forums for marine conservation, more akin to the Inshore Fisheries and Conservation Authorities in England. Regional Marine Planning Partnerships are also potentially promising forums for improved local governance, but these have not been rolled out across all the Scottish Marine Regions, and require resources to do so.

5. Do you have access to enough information to understand the Marine Directorate's spending priorities and funding for marine policy portfolios? If not, what information would be helpful in improving your understanding?

We would like to understand how much preventative spend is factored into the priorities of the Marine Directorate. Capacity and resources for monitoring needs to be increased, and long-term strategic planning for marine activities and environmental trends should be better understood and built into marine conservation policy.

6. Do you have any suggestions for how the Marine Directorate could increase revenues to improve its research and operational capabilities?

- Leverage more private investment from marine developers
- Proportionate penalties for infringements of statutory restrictions
- Possible scoping of a tourism/conservation levy? Contingent valuation research (e.g. <https://www.sciencedirect.com/science/article/pii/S0921800922002403>) suggests high willingness to pay from tourists). But administration of the levy would need to be resourced and should not place a negative impact on small businesses and/or coastal communities.

This response is supported by:

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Scottish Environment LINK the voice for Scotland's environment

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