

Written evidence on the Strategic Framework for Biodiversity for the attention of the Scottish Parliament's Net Zero, Energy and Transport Committee

SCF welcomes the opportunity to provide for written evidence on the strategic framework for biodiversity. We agree that the biodiversity crisis must be tackled immediately but any measures taken must comply with Scotland's commitment to a just transition. We would like to answer the committee's questions as follows:

- *Does the draft plan appear fit for purpose to address the biodiversity crisis as it affects Scotland?*

The draft plan touches upon a wide range of topics relevant when addressing the biodiversity crisis. However, it also contains certain stumbling blocks which might hinder, rather than encourage positive developments. The strategic framework should feature clear commitment towards bottom-up community engagement, which is presently lacking, and needs to be better aligned with other policy objectives, namely agricultural reform. We are deeply concerned that target-driven policy reforms focused on achieving change at large scale – like the framework indicates – will not provide adequate support to ensure the survival of small-scale and sustainable models of agricultural management like crofting, and the continuation of good agroecological and High Nature Value (HNV) practices.

The crofting counties contain some of the most biodiverse habitats across Scotland, however, the strategic framework pays scant attention to crofting as a historic practice that holds great potential for biodiversity enhancement. Lessons must be drawn from the failure of the proposal on the introduction of highly protected marine areas (HMPAs). Any biodiversity enhancing measures cannot be imposed upon local communities in a top-down manner but instead must be co-designed by and implemented with them. Communities must be included from the very outset to avoid defensive reactions which are likely to result in major setbacks for biodiversity protection.

Biodiversity enhancement, community restoration, and sustainable small-scale agriculture can be mutually reinforcing. However, the Agriculture and Rural Communities Bill as introduced does not guarantee for a coherent approach that would allow crofters and small-scale farmers to meaningfully contribute to biodiversity protection and enhancement, because sufficient funding for agroecological practices enhancing biodiversity on smaller scales is lacking. Crofting is overwhelmingly a small-scale activity, characterised by low-intensity management of permanent grasslands and common grazings, e.g., these make up 90% of agricultural land in Shetland, Orkney, the Western Isles and Highlands.¹

Common grazings provide important opportunities to develop traditional cooperative-work, sustain culture and languages and they provide a vehicle for peer-to-peer learning including for sustainable practices. Many crofting areas contain extensive peatlands and continued low-intensity management has been held important to moderate risks of climate change and to safeguard these important landscapes.²

¹ Scottish Government. 2020. *Scottish agriculture: economic reports* Scottish Government.

² Shucksmith, M. & Rønningen, K. 2011. The Uplands after neoliberalism? – The role of the small farm in rural sustainability. *Journal of Rural Studies*, 27, 275-287.

Unfortunately, the strategic framework for biodiversity omits to point to the important role of common grazings when it comes to biodiversity preservation and enhancement: 27% of common grazings are designated,³ and 43% of Scottish HNV agricultural land can be found in the Scottish Highlands and Islands,⁴ with 15-20% on common grazings.⁵ In the Western Isles, 77% of agricultural land is of HNV status. The (EU) concept of HNV agriculture refers to systems where habitats and species are dependent on low-intensity agricultural systems.⁶ A specific example of a HNV area is the *machair*, which is a type of bio-diverse coastal grassland. It is one of the rarest habitat types in Europe, and 70% exists in the Scottish Hebrides.⁷

Neither the strategic framework, nor agricultural reform more broadly, pay attention to the important role agroecological crofting and HNV can play in biodiversity protection and enhancement: The continuation of area-based payments with no firm commitment towards redistribution in form of capping and frontloading agricultural subsidies will not enable crofters to take up biodiversity enhancing practices. If enhanced conditionality comes with prohibitive bureaucratic hurdles and complementary funding is only accessible on a competitive basis, crofters and small producers are being locked out of contributing towards Scotland's green transition. Further, the 'whole farm' approaches currently discussed do not factor in the complexities related to common grazings.

Without further safeguards, the strategic framework risks contribute to an agricultural policy that cements the *status quo* or worse in funding distribution; an inequitable situation that has seen the bottom 40% of recipients receive only 5% of the total Scottish agricultural budget⁸ and the top 10% of recipients receive half of the total budget.⁹ Currently, half of crofter-recipients of basic payments receive less than £1475 in support¹⁰ and Scottish government's data shows that 38% of crofters receive no revenue from crofting.¹¹

While the potential of sustainable smaller-scale agriculture towards achieving environmental outcomes has been documented,¹² the present strategic framework

³ Jones, G. *Common Grazings in Scotland – assessing their value and rewarding their management* [Online]. Available: <<https://www.efncp.org/download/jones-paper.pdf>> [Accessed December 2023].

⁴ Scottish Government & SRUC. *Indicator 4: Farming and nature* [Online]. Available: <<https://www.environment.gov.scot/our-environment/state-of-the-environment/ecosystem-health-indicators/condition-indicators/indicator-4-farming-and-nature/>> [Accessed December 2023].

⁵ Jones, G. 2011. *Trends in Common Grazing*. First steps towards an integrated needs-based strategy European Forum on Nature Conservation and Pastoralism.

⁶ Lomba, A., McCracken, D. & Herzon, I. 2023. Editorial: High Nature Value farming systems in Europe. *Ecology & Society* [Online], 28. Available: <<https://ecologyandsociety.org/vol28/iss2/art20/>> [Accessed December 2023].

⁷ Machair Life+, *About the Machair* [Online]. Available: <<https://machairlife.org.uk/index45cc.html?/home/what>> [Accessed December 2023].

⁸ Matthews, K., Miller, D., Wardell-Johnson, D. & Gandoss, G. 2021. *2014 vs 2019 Pillar 1 and 2 payments comparisons for ARD Stakeholders* James Hutton Institution - Presentation for ARD.

⁹ Wightman, A. 2019. How 'farms' that aren't really farms get paid millions in subsidies – Andy Wightman. *The Scotsman* [Online]. Available: <<https://www.scotsman.com/news/opinion/columnists/how-farms-that-arent-really-farms-get-paid-millions-in-subsidies-andy-wightman-1412156>> [Accessed December 2023].

¹⁰ Jones, G. 2018. *Support for Crofting*. A report prepared for the Crofting Commission.

¹¹ Scottish Government. 2022. *Economic Condition of Crofting 2019-2022* Scottish Government.

¹² See eg Hass, A. L. et al. 2018 Landscape configurational heterogeneity by small-scale agriculture, not crop diversity, maintains pollinators and plant reproduction in western Europe. *Proc Biol Sci*, 285.

seems to focus on quick gains at scale, without paying attention to the wider long-term distributive consequences. The recently published budget of £180'000 in total for the Small Producers Pilot Fund appears entirely out of proportion to the grants available for private investors under the Facility for Investment Ready Nature which allocates nearly the same sum to each successful project.

- *Do you have concerns that implementation of the plan could have adverse consequences? If so, please set these out.*

The strategy heavily relies on large-scale private investment in natural capital. We are deeply concerned that this strategy, aimed at quick gains at scale, is going to backfire. The government acknowledges that the extremely uneven distribution of ownership of, and control over land poses significant problems. However, ramping up and even subsidising outside investment in natural capital without any regulatory safeguards effectively thwart any land reform agenda.

Crofting is threatened in its very existence by uncontrolled natural capital markets, which have led to high demand for marginal land which was until now only a valuable agricultural asset for crofting communities, with new entrant crofters outpriced of markets due to escalating land prices,¹³ and unclarity how carbon credits may benefit crofting communities, especially given the inaccessibility of present schemes for small-scale projects.

Recent research commissioned by the Scottish government has found that natural capital investment can lead to the loss of employment and effects on local service provision (e.g. shops, schools, secondary agricultural services, etc.), to the decrease of housing availability due to conversion and increased market prices, and often lacks community involvement in decision-making.¹⁴ Further, the case studies observed a decline in agricultural production. While natural capital investment may, in some instances, play out to the benefit of nature and communities alike, the report highlights the urgent need for greater regulation of the natural capital market and the sharing of benefits with communities affected.

The long-term distributive impacts of ramping up natural capital investment at scale are not sufficiently taken into consideration. This is evident by the fact that the biodiversity strategy envisions funding of up to £240'000 for natural capital investment, while mere non-binding 'interim principles' for responsible natural capital investment exist. This means that decisions on land use are locked in for generations without any meaningful regulatory oversight, and transnational laws of investor protection will prevent the state from intervening in the public interest if required in the future.

- *What matters, other than those set out in the plan, would require to be addressed to ensure that the plan works?*

Biodiversity policy needs to be better aligned with overall policy objectives, namely agriculture, land reform, and human rights to enable the overarching objective of a just

¹³ Scottish Land Commission. 2023. *Rural Land Market Insights Report 2023. A report to the Scottish Land Commission.*

¹⁴ McKee et al. 2023. *The Social and Economic Impacts of Green Land Investment in Rural Scotland.*

transition to which the Scottish government has committed itself. This includes paying more attention to crofting as a historical practice which has significantly shaped large parts of Scotland over the last centuries. We are concerned that crofting seen as something that will exclusively be dealt with under crofting law and without any attention devoted to the fact that any policy, including the strategic framework for biodiversity enhancement in question, will have discrete impacts on crofting and crofting communities.

Communities in the Highlands and Islands are fragile and often suffer from multiple, interlinking factors: The housing crisis fuelled by rising land prices and the proliferation of second homes in areas of natural beauty may be exacerbated by the creation of protected areas. Community resilience and biodiversity enhancement can work together productively, but it will not happen by pouring money into the pockets of those who are well off already. The biodiversity strategy risks deepening the divide between landed elites and the rest of Scotland, effectively leading to a few 'biodiversity oases' controlled by a handful of transnational corporations and wealthy individuals.

As such, biodiversity protection and enhancement cannot happen in isolation but must be better aligned with an overall policy that is centred on distributive justice rather than driven by an influential lobby of large-scale landowners.

Scottish Crofting Federation
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