Cabinet Secretary for Rural Affairs, Land Reform and Islands

Mairi Gougeon MSP



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Finlay Carson MSP Convenor Rural Affairs and Islands Committee Scottish Parliament By email

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Dear Finlay,

I am writing to inform you of the public announcements made at the Royal Highland Show on 19th June.

The announcements are:

- The publication of the preliminary version of The Code of Practice on Sustainable and Regenerative Agriculture (The Code);
- The Future Farming Investment Scheme (FFIS) and
- A proposed derogation from 2026 for small suckler herds to the 410 day calving interval condition introduced for the Scottish Suckler Beef Support Scheme (SSBSS).

The Code of Practice on Sustainable and Regenerative Agriculture

This preliminary version of the Code of Practice on Sustainable and Regenerative Agriculture has been co-developed in the context of Section 29 of The Agriculture and Rural Communities (Scotland) Act 2024 (The Act). It is being published on the Scottish Government's (SG) and SG Rural Payment Inspections websites, following extensive co-development with industry stakeholders, rural partners and user research with farmers and crofters, who will be the end users of The Code, in order to gain further real world feedback for future iterative development and inform a final Code that will be introduced to Parliament to fulfil Section 29.

The Code is a best practice guide for all farmers and crofters to use to inform business decisions to contribute to sustainable and regenerative practices. The purpose and intent of The Code remains to provide guidance and practical examples on the types of activities that can be adopted on a farm or croft, and the way in which these activities can be carried out. These activities will contribute to the development of sustainable and regenerative agricultural practices in Scotland and deliver the aims of the Vision for Agriculture.

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The management actions and measures described in the Code ensure a balance between producing high quality food and doing so in an economically and environmentally sustainable way.

The Future Farming Investment Scheme

The £14 million Future Farming Investment Scheme (FFIS) is part of the Scottish Government's commitment to return previous years deferred agricultural budgets and is included in the 2025/26 Programme for Government (PfG).

The objective of this scheme is to support farmers and crofters deliver the Scottish Government commitments in relation to greenhouse gas emission reductions, sustainable farming practices, climate change mitigation, nature targets and supporting new entrants.

It was developed with industry stakeholders to help breakdown the barriers that often limit farmers and crofters ability to invest. The scheme lets farmers and crofters choose the most appropriate capital investment for their business and access the support they need, that can cover up to 100% of the cost upfront to deliver the Scottish Government objectives without adding additional stress and burdens to their businesses cashflow.

The scheme will be competitive and we will prioritise grant support to applications that deliver the best outcomes of the scheme, with priority being given to several areas including new entrants, young farmers, small agricultural businesses and tenants.

Scottish Suckler Beef Support Scheme Derogation 2026

As you know, a 410 day calving interval condition was introduced to the Scottish Suckler Beef Support Scheme this year. At the time of its introduction the Scottish Crofting Federation raised concerns regarding the impact the calving interval change would have on agricultural businesses with small suckler cow herds.

Since January, having listened to the views of stakeholders the Scottish Government has commissioned further evidence to establish a solution to these concerns, and I have outlined our intention to implement a derogation for the calving interval condition to any businesses claiming 10 calves or less from the 2026 scheme year, subject of course to the necessary legislation being introduced.

MAIRI GOUGEON

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