29 October 2019

Dear Edward

For six years, this Government has argued resolutely alongside stakeholders, for the UK Government to repatriate the £160 million monies owed to Scottish farmers and crofters and to right this historic wrong.

Following a request by the Cabinet Secretary for Finance, Economy and Fair Work, the Chancellor of the Exchequer has confirmed that £80 million of these funds will be made available this financial year. It has been confirmed that these funds will be ring-fenced for agriculture and land management. Separately, the Cabinet Secretary Finance, Economy and Fair Work, has agreed that these funds should be used to support Scotland’s farmers and crofters.

I will today announce that £80 million will be paid by March 2020 to farmers and crofters, and will outline terms the approach being taken to allocate this funding to active farmers and crofters. The approach is two-fold – to do as much as we can to uplift historically low payments in line with the convergence principle and to ensure that those farmers who need support the most receive the lion’s share of the funding. This will involve targeting the resource at farmers and crofters in less favoured area and will also meet the ministerial commitment to maintain the level of funding in the Less Favoured Area for 2019, following an EU requirement to reduce current funding levels under the Less Favoured Area Support Scheme.

My officials are currently finalising the details of how the funding will be allocated and when payments can begin; more details will be announced in due course.