Rural Affairs and Islands Committee Wednesday 26 November 2025 33 Meeting, 2025 (Session 6)

Note by the Clerk on the draft Rural Support (Improvement) (Miscellaneous Amendment) (Scotland) (No. 2) Regulations 2025 (SSI 2025/Draft)

Overview

- At this meeting, the Committee will take evidence from the Minister for Agriculture and Connectivity and officials on the Rural Support (Improvement) (Miscellaneous Amendment) (Scotland) (No. 2) Regulations 2025 (SSI 2025/Draft) before debating a motion in the name of the Minister inviting the Committee to recommend approval of the instrument.
- 2. This is a draft Scottish Statutory Instrument (SSI), which requires approval by resolution of the Parliament before it can become law¹. More information about the instrument is summarised below:

Title of instrument: Rural Support (Improvement) (Miscellaneous Amendment) (Scotland) (No. 2) Regulations 2025 (SSI 2025/Draft)

Laid under: Section 2 of the <u>Agriculture (Retained EU Law and Data) (Scotland)</u>
Act 2020

Laid on: 10 October 2025

Procedure: Affirmative

Lead committee to report by: 4 December 2025

Commencement: If approved, the instrument comes into force on 31 December 2025 (EFA) and 1 January 2026 for the 2026 scheme year and subsequent scheme years (SSBSS)

Purpose of the instrument

- 3. These regulations would make changes to the ecological focus area (EFA) requirements and the Scottish Suckler Beef Support (SSBS) scheme.
- 4. In terms of the **Ecological Focus Area requirements**, the regulations would—
 - increase the number of businesses required to undertake EFA management practices by removing certain exemptions to the requirements. Currently, there are exemptions for businesses where:
 - more than 75% of the arable land is producing grass, fallow land or used for cultivating legumes (for example beans and peas), or

¹ Further information about secondary legislation and the affirmative procedure is available on the Parliament's website

- more than 75% of the area claimed under the Basic Payment Scheme (BPS) is permanent grassland or used for producing grass or cultivating crops under water
- increase the area of land managed as EFA from 5% in 2026 to 7% from 2027
- change the mapping requirement so that maps need to be produced and kept but do not need to be submitted alongside the single application form
- change the EFA options increasing field margin requirement from 1m to 3m, adding permitted species to EFA requirements and adding four new management options
- remove the need for a fertiliser and lime plan (permanent grassland); and
- make changes to the conditions for EFAs, for example, changing the dates by which green cover must be sown, removing the restriction on harvesting areas under green cover of catch crops before 31 December, and adding additional crop species to the list of green cover and nitrogen-fixing crops
- 5. The policy note states that "the timeline for establishing a new Scottish agricultural policy is now clear" and that—
 - "To deliver on the [agricultural reform] route map commitments, which include the phased approach to transitioning between the SRDP [Scottish Rural Development Programme] and new support, it is necessary to introduce changes to Greening as a proxy for Tier 2 enhanced support. Without the changes made by the 2025 Regulations, Greening would be unable to support the commitment to Tier 2 support set out in the route map. ... Greening support is required to be modified to align with the route map phased transition from legacy CAP schemes into the proposed new support framework."
- 6. The policy note states that consultation was held previously on the current CAP/SRDP schemes, the Stability and Simplicity commitment, the 2020 Act, and the Agriculture and Rural Communities Act 2024. It also highlights the Scottish Government commitment to co-design new schemes and that it will continue to engage with stakeholders through mechanisms including the Agricultural Reform Implementation Oversight Board (ARIOB), wider Agriculture Reform Programme and during the passage of secondary legislation made under the 2024 Act.
- 7. The policy note also refers to the financial effects of the regulations and that There are minor financial impacts on the Scottish Government in terms of IT updates required to accommodate delivery of the updated Greening scheme which are captured within the BRIA.
- 8. In terms of the **SSBS scheme**, the regulations would—
 - give smaller businesses (i.e. those claiming ten or fewer calves per year) claiming support under the SSBS scheme a derogation from the calving interval conditionality requirement. This requirement was introduced by the Rural Support (Improvement) (Miscellaneous Amendment) (Scotland) Regulations 2024 and has been in force for all businesses since 1 January 2025. However, this derogation for smaller businesses will come into force on 1 January 2026 for the 2026 scheme year and thereafter apply to subsequent scheme years.

RAI/S6/25/33/2

- extend the end of the SSBS scheme application submission period to 14
 January following the end of the relevant calendar year.
- 9. The policy note states these regulations would implement the Scottish Ministers' commitment to introduce a small herd derogation for the calving interval condition to apply to any businesses claiming 10 calves or fewer in a scheme year.
- 10. The policy note accompanying the instrument is included in the annexe.

Wider reform of agricultural payments and replacement of the common agricultural policy

- 11. This instrument is part of the package of subordinate legislation implementing the Scottish Government's reform of agricultural support following the UK's exit from the EU and the common agricultural policy.
- 12. Members may wish to refer to the <u>most recent version of the agricultural reform</u> route map for further information. Members may also wish to refer to an <u>earlier version of the agricultural reform route map</u> which provides further information about the transition to the replacement payment system.

Delegated Powers and Law Reform Committee consideration

13. The <u>DPLR Committee considered the instrument on 11 November 2025 and reported on it in its 84th Report, 2025</u>. The DPLR Committee made no recommendations in relation to the instrument.

Rural Affairs and Islands Committee consideration

- 14. In advance of this meeting, the <u>Committee held a short call for views on the regulations</u>. 27 responses were received and have been published on the Committee's webpage.
- 15. At this meeting, the Committee will take evidence on the instrument from the Minister at agenda item 2 and then consider the motion to approve the instrument at agenda item 3.
- 16. Following its consideration of the motion, the Committee will be invited to delegate authority to the Convener to sign off the Committee's report on its consideration of the instrument to the Parliament.

Clerks to the Committee November 2025

Policy Note

The Rural Support (Improvement) (Miscellaneous Amendment) (Scotland) (No. 2) Regulations 2025 (SSI 2025/draft)

The above instrument ("2025 Regulations") was made in exercise of the powers conferred by section 2 of the Agriculture (Retained EU Law and Data) (Scotland) Act 2020, which provides that the Scottish Ministers may make modifications that they consider would simplify or improve the operation of the provisions of the CAP legislation rather than the additional complexity that would be introduced utilising the Agriculture and Rural Communities (Scotland) Act 2024. The instrument is subject to affirmative procedure. This instrument is made under powers in section 2 of the Agriculture (Retained EU Law and Data) (Scotland) Act 2020 and Article 46(9) of Regulation (EU) No 1307/2013. Some of those powers are subject to affirmative procedure and others to negative procedure. Section 33 of the Interpretation and Legislative Reform (Scotland) Act 2010 permits certain powers to be combined. The instrument is subject to affirmative procedure by virtue of section 33(3) of that Act.

The 2025 Regulations will come into force on the 31 December 2025 apart from those provisions relating to the Scottish Suckler Beef Support Scheme ("SSBSS") derogation from the eligibility calving interval conditionality requirement for applicants claiming ten or fewer calves in a Scheme year which will come into force on the 1 January 2026 for the 2026 scheme year and subsequent scheme years.

Purpose of the instrument

EFA improvements and changes:

To increase the number of businesses required to undertake EFA, increase the area of land managed as EFA and widen the options and choices available for those undertaking EFA. This will be achieved by the following changes:

- To remove both 75% exemptions contained in Regulation 1307/2013 Article
 46
- Section 4(a) and 4(b)
- Changing the EFA options increasing field margin requirement from 1m to 3m,
- adding permitted species to EFA requirements, adding four new options to Article
- 46(2) of 1307/2013
- Remove requirement to submit an EFA map
- Remove need to have a fertiliser and lime plan (permanent grassland)
- Changing the percentage of land subject to EFA (in 2026 the EFA % will remain at 5% but this is to be increased to 7% from 2027)

Scottish Suckler Beef Support Scheme ("SSBSS") improvements and changes: To reduce the conditionality requirement faced by smaller businesses claiming support under the SSBSS. This will be achieved by implementing a derogation from the eligibility calving interval conditionality requirement for applicants claiming ten or

fewer calves in a Scheme year which will come into force on the 1 January 2026 for the 2026 scheme year and subsequent scheme years.

To extend the end of the SSBSS application submission period to allow submissions to be made up to 14 January following the end of the relevant calendar year starting with the first extension from 31 December 2025 to 14 January 2026.

Policy objectives

Greening:

The purpose of Tier 2 Enhanced is a payment that supplements the Base payment.

Enhanced has the clear purpose of incentivising and supporting agricultural businesses to undertake best practices and/or actions that actively improve nature and climate outcomes, that are consistent with the transition towards sustainable and regenerative farming, and align with the five guiding environmental principles. Many of these practices and actions will improve business efficiency and productivity.

Enhanced has been designed from the outset to promote the protection of the environment and contribute towards sustainability.

Enhanced will reward behaviours, practices and measures aligned to this aim, which are broad enough to allow all types of agricultural businesses to take part while delivering against the overarching objectives of the Vision for Agriculture.

With the passing of the Agriculture and Rural Communities (Scotland) Act 2024 ("ARC Act") and the publication of the Vision for Scottish Agriculture and Agricultural Reform Route Map, the timeline for establishing a new Scottish agricultural policy is now clear. To deliver on the Route Map commitments, which include the phased approach to transitioning between the SRDP and new support, it is necessary to introduce changes to Greening as a proxy for Tier 2 enhanced support.

Without the changes made by the 2025 Regulations, Greening would be unable to support the commitment to Tier 2 support set out in the Route Map.

The Scottish Ministers have committed to providing a replacement for legacy SRDP schemes, as set out in the Vision for Agriculture, the Route Map and the ARC Act. Greening support is required to be modified to align with the Route Map phased transition from legacy CAP schemes into the proposed new support framework.

SSBSS:

From 2025, a new calving interval condition was introduced to the Scottish Suckler Beef Support Scheme (SSBSS). This condition is supported by evidence that demonstrates shorter calving intervals are linked to reduced greenhouse gas emissions. The payment eligibility requirements of the new calving interval condition state that from 1 January 2025, calves will only be eligible for a SSBSS payment if:

- their dam has a calving interval threshold of 410 days or less, or
- if the calf is the first registered birth associated with that dam.

The 410-day interval will remain in place in 2026; however, Scottish Ministers have committed to the introduction of a small herd derogation for the calving interval condition. This derogation will apply to any businesses claiming 10 calves or fewer in a scheme year. This will mean that those claiming support for 10 calves or fewer in 2026 will not need to meet the calving interval requirement. This change, which is subject to legislation, will also apply in future years. The policy rationale for this change is to take a balanced approach to delivering environmental conditionality whilst supporting smaller businesses.

Scottish Ministers have also committed to extend the end of the SSBSS application submission period to allow submissions to be made up to 14 January following the end of the relevant calendar year starting with the first extension from 31 December 2025 to 14 January 2026 and thereafter also for subsequent scheme years. This will give applicants extra time to make their applications without any delay to payments and it will avoid closing the application period during the festive time, when it may be difficult to finalise applications at a time when the Scottish Government's ability to provide support is likely to be lower.

The objective is to realise these commitments through the 2025 Regulations.

UN Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024 compatibility

In accordance with section 23(2) of the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024 (the Act), the Scottish Ministers certify that, in their view, the CAP Greening SSI (The Rural Support (Improvement) (Miscellaneous Amendment) (Scotland) (No. 2) Regulations 2025) is compatible with the UNCRC requirements as defined by section 1(2) of the Act.

Statement required by the European Union (Withdrawal) Act 2018

The Minister for Agriculture and Connectivity, Jim Fairlie has made the following statement required by paragraph 16(2) and (3) of Part 1 of schedule 8 of the European Union (Withdrawal) Act 2018 Regulation 3 of the Rural Support (Improvement) (Miscellaneous Amendment) (Scotland) (No. 2) Regulations 2025 ("the instrument") amends regulation 17A, regulation 18, schedule 2 and schedule 3 of the Common Agricultural Policy (Direct Payments etc.) (Scotland) Regulations 2015 ("2015 Regulations").

In my view there are good reasons for the amendments made by the instrument to the 2015 Regulations, which was made under section 2(2) of the European Communities Act 1972. I have concluded that the making of these amendments is a reasonable course of action.

Regulation 17A of the 2015 Regulations requires farmers to prepare a nitrogen fertiliser and lime plan in relation to parcels of permanent grassland, and the instrument removes that requirement as the introduction of the Whole Farm Plan of future audits covers soil health and analysis and this regulation would be a duplication of work.

Regulation 18 and schedule 2 of the 2015 Regulations makes provision relating to the requirements for ecological focus areas and this instrument makes a number of changes to those requirements, including the addition of new areas which qualify as ecological focus areas, increasing the field margin requirement from 1 metre to 3 metres, adding permitted crop species to EFA requirements.

Schedule 3 of the 2015 regulations sets out the eligibility criteria for bovine animals for support under the Scottish Suckler Beef Support Scheme, and this instrument introduces a derogation from the calving interval requirement for certain businesses making smaller claims.

This instrument also amends Schedule 3 of the 2015 regulations to extend the application window for Scottish Suckler Beef Support Scheme payments, allowing submissions to be made up to 14 January following the end of the relevant calendar year.

I consider the amendments made by the instrument to the 2015 Regulations to be appropriate in order to incentivise and support agricultural businesses to undertake best practices to improve nature and climate outcomes and contribute towards environmental sustainability, to support businesses making smaller claims by removing the calving interval requirement in certain cases and to improve the operation of the Scottish Suckler Beef Support Scheme by allowing submissions to be made up to 14 January following the end of the relevant calendar year.

EU alignment consideration

It is Scottish Government policy to ensure broad alignment to EU CAP objectives. The 2025 Regulations increases the number of businesses required to undertake Ecological Focus Area activities (EFAs), updates some existing EFAs, adds four new EFA options and for 2027 onwards increases the percentage of land required to be subject to EFA activity.

Continuing Greening with these amendments aligns with existing EU CAP processes. Consideration of EU alignment has been framed as adhering to the key policy objectives of the EU CAP, where practicable.

The relatively minor and technical nature of the SSBSS changes do not contravene this Scottish Government policy to ensure broad alignment to EU CAP objectives.

Consultation

Consultations were held previously on the current CAP/SRDP schemes, the Stability and Simplicity commitment, the 2020 Act, and the ARC Act.

The purpose of this SSI is to amend existing greening requirements to deliver a greater policy outcome in terms of climate mitigation and improved biodiversity and to make improvements to the operation of the SSBSS.

The Scottish Government made a commitment to co-design new schemes and will continue to engage with stakeholders through mechanisms including the Agricultural Reform Implementation Oversight Board (ARIOB), wider Agriculture Reform Programme (ARP) and during the passage of secondary legislation made under the ARC Act.

Impact assessments

The CAP was formally approved by the European Commission and the SRDP was developed in conjunction with stakeholders, consulted on and impact assessed. SRDP schemes apply across Scotland, both the mainland and islands. When the 2014-2020 programme was developed a Strategic Environmental Assessment (SEA), a Business and Regulatory Impact Assessment (BRIA) and an Equality Impact Assessment (EQIA) were carried out.

The updates to Greening and SSBSS have both been subject to a Business and Regulatory Impact Assessment (BRIA), and an Equality Impact Assessment (EQIA), an Island Communities Impact Assessment (ICIA) and a Fairer Scotland Duty Assessment. A Strategic Environmental Impact Assessment (SEA) was screened out for this single SSI however a programme level SEA incorporating the changes in this SSI has been commissioned with a publication date ahead of the SSI laying date. A Child Rights and Wellbeing Impact Assessment (CRWIA) has also been completed.

Financial effects

The Cabinet Secretary for Rural Affairs, Land Reform and Islands confirms that a BRIA has been completed to address the financial impact upon businesses. There are minor financial impacts on the Scottish Government in terms of IT updates required to accommodate delivery of the updated Greening scheme which are captured within the BRIA.

Scottish Government Directorate for Agriculture and Rural Economy (ARE) October 2025