



Communicating Change

A briefing on Land Use and Agriculture



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Background

The Commission is tasked with providing scrutiny and advice on the development of the Scottish Government's just transition plans for economic sectors and regions of the country. Following the publication of the draft Energy Strategy and Just Transition Plan in January 2023, the next three draft plans we expect the Scottish Government to produce cover the following sectors:

- Transport
- Built Environment and Construction
- Land Use and Agriculture

In advance of the publication of these draft plans, the Commission held three workshops April-June 2023, each supported by a programme of engagement with impacted groups, in order to agree advice to the Scottish Government on critical questions that will require to be addressed in the upcoming sectoral plans.

Given the breadth of live issues for each sector, each workshop aimed to bring into focus a specific theme or “challenge”. The sector briefings that form the outputs from these workshops are not comprehensive treatments of just transition issues within a given sector. The Commission will require to carry out further engagement, information-gathering and deliberation to support robust scrutiny of the upcoming just transition plans.

In May, the Commission met in Grantown-on-Spey to investigate the way major changes are or aren't being communicated to land managers, communities and impacted groups whose way of life is going to change through land use changes as Scotland transitions to net zero.

This sector briefing describes the challenge ahead for policymakers. It provides a record of the format and participants in the Commission's workshop as well as the key findings and insights shared in these sessions. The briefing includes the Commission's key messages to the Scottish Government in developing policy for a just transition in land use and agriculture.

The challenge

How are major expected changes being communicated to land managers, communities and impacted groups whose way of life is going to be changed by actions to contribute to net zero and deliver nature restoration? What is needed to reach, engage and communicate effectively with workers, producers, owners, communities and young people so that they understand the scale of the challenges, opportunities and changes underway and are able to respond and plan accordingly in a sector where long term investment is critical?



Commissioners meeting with local farming representatives at Castle Grant Home Farm, Grantown-on-Spey

Key messages

1. Define the landing zone now.

Effective communication and meaningful engagement on a just transition for this sector will not be possible unless the key elements of what contributing to the Scottish Government's net zero and nature restoration commitments means for this sector are honestly defined with far greater specificity. The case for each of these changes needs to be made, drawing on and communicating a wide range of evidence. The environmental objectives must be clearly specified, as well as the changes that will be required to achieve these, particularly those that will make some of today's livelihoods unviable, including some that are deeply culturally embedded. Alongside these, new opportunities that will be created for sustainable business models need to be communicated with similar levels of evidence and detail. The 'landing zone' can be further defined by specifying how regulation, incentives, penalties and taxes will be used to phase out harmful practices; remove perverse subsidies; create new markets, and support sustainable practices, whilst ensuring policy actions systemically tackle inequalities. Given the multiple overlapping consultations supporting policy development that affect the land use and agriculture domain, the development of the Just Transition Plan, and the engagement work that supports it, provides a timely opportunity to pull many disparate threads together around agricultural reform, biodiversity and net zero targets, moorland management, land reform and the regulation of ecosystem markets.

2. Delays to difficult conversations are a just transition risk.

A sustained, strategically targeted programme of communication and engagement is required to achieve the necessary cultural shift and build consent for major changes so that impacted groups view themselves as an active part of the solution, empowered to plan for a net zero future. Currently many farmers describe a "communications vacuum". Prolonged ambiguity and uncertainty encourage information gaps and misinformation to take hold, including key myths, blockers and talking points that encourage hostility to change and resistance to innovation and reskilling. These need to be recognised, analysed and addressed through communication from trusted figures within the community who can speak credibly to businesses and producers who report feeling demonised, disempowered, lacking agency and blamed for climate change despite compliance with previous arrangements. Being honest about the expected policy trade-offs on net zero, nature restoration, food production, the economy, and socio-cultural heritage is essential.

3. Build trust through material actions to tackle existing and emerging inequalities and demonstrate a more equitable sharing of costs and benefits.

The net zero and nature restoration transition will be perceived as unjust if the familiar inequalities that define the sector, most obviously in land ownership, are replicated or expanded, particularly via carbon and biodiversity markets. Ecosystem and biodiversity markets have the potential to contribute significantly towards net zero and nature recovery targets, whilst providing new income streams in the sector, but these markets will create winners and losers, with those most likely to lose out including tenants, crofters and local communities. Scope 3 emissions in the food supply chain will undoubtedly herald a new focus on climate and nature performance from farmers and land managers, and therefore there remain inherent risks to food producers in private carbon and biodiversity markets. Mechanisms need to be developed to ensure local communities, tenants and crofters are engaged in decision-making and can benefit from ecosystem markets. Further, trust must be built through a transition that safeguards the needs and interests of workers and communities by locking-in value to local communities, including formalising, regulating and maximising community benefit mechanisms so that these are demonstrably linked to areas of specific need for just transition delivery. Securing long lease tenancies, new models of shared ownership / management, and genuinely affordable rural housing will be crucial to provide land use opportunities for new entrants and help in the retention of people, workers and knowledge in local communities.



Castle Grant Home Farm

Workshop overview - day one

Scottish Government update

The Commission met with officials from the Scottish Government's Agriculture and Land Use Teams, along with the Just Transition team, to discuss engagement and policy co-development. The Commission received an update on the Scottish Government's planned engagement work that will support the production of the just transition plan for the sector as well as communication strategies for key policy decisions.

Local tenant farmers

The Commission were hosted at Castle Grant Home Farm to meet tenant farmer Robert McDonald and his family. They were joined by a number of representatives from National Farmers Union Scotland (NFUS), Food and Agriculture Stakeholders' Taskforce (FAST), the Scottish Tenant Farmer Association (STFA), and other tenant and young farmers. An in-depth discussion covered a wide-ranging set of issues affecting the agriculture sector including: diversification, carbon audits and methodologies for measuring carbon sequestration, biodiversity, the impact of carbon markets, agroforestry, extensive grazing, local food supply, tenant support access issues, the security of tenancies and land reform, farm planning, business models, the role of agricultural support payments, what people hear from government and how they can respond. There was also a focus on the perspectives and opportunities of young farmers.



Commissioners meeting with local farmers, Grantown-on-Spey

Further engagement with local farmers and stakeholders was undertaken through informal group discussions over a meal. The topics discussed included:

- What do those impacted see as the challenges today, in 10 years' time and in 50 years' time?
- How do you find out about policy changes and how do they affect your business?
- What could Government do better in terms of communication?



Commissioners meeting with local farming representatives at Castle Grant Home Farm, Grantown-on-Spey

Workshop overview - day two

Representatives and advisory bodies

The Commission brought together representative and advisory bodies to discuss land use. Participants were as follows:

- Grant Moir, CEO of Cairngorm National Park Authority
- Stuart Goodall, Chief Executive at Confor
- Hamish Trench, Chair of the Scottish Land Commission

They heard about the Cairngorms Plan for 2045 and discussed land management issues, land reform, skills, community benefits and forestry sector opportunities and challenges.

International approaches

Further evidence was taken from international stakeholders and academics, including:

- Dave Harrison, Policy & Advocacy for Beef and Lamb New Zealand
- Professor Janet Dwyer, Professor of Rural Policy at University of Gloucester
- Eleanor Kay, Senior Policy Adviser on agriculture and climate change at Scottish Land and Estates.

Discussions focussed on the need for collaboration, flexible policies and the feeling of disempowerment being felt by rural areas.

Local and regional engagement

The Commission also visited a recent nature restoration site at Seafield & Strathspey Estate with David Greer, Property Director and Ewan Archer, Gamekeeper. The Commission heard about deer management at Kinveachy which allows for the regeneration of the ancient Caledonian Pine Forest and the implications on business and local employment. They also discussed the uncertainty about future needs and the imperative for people working on the land to understand the end goal.



Commissioners visiting a recent nature restoration site at Seafield & Strathspey Estate

Insights and findings

Communication and engagement on major change

- Many of those engaged describe a “communications vacuum” regarding the end goal of Net Zero, and what contribution will be required from farmers and land managers.
- This includes evidence of what the sectors' challenges in relation to climate change are and the actions required to tackle it, as well as the emerging opportunities and how the costs and benefits of the transition will be shared equitably and address systemic inequalities.
- Farmers report finding it difficult to plan and operate effectively in the current environment with major change ahead but little clarity on policy direction, demands and specifics.
- Communications around the Scottish Government’s Agricultural Policy Reform ‘route-map’ have not reached everyone. This results in heightened concerns and misinformation that needs to be countered. Future support needs to recognise that significant change is being asked of the sector whilst the agricultural support budget is declining in (inflation adjusted) real terms.
- The just transition approach needs to be clearly communicated so that common ground can be established around clear locally relevant social, economic and environmental goals, with specific actions to protect vulnerable groups such as tenant farmers and crofters. Honesty on the scale and type of changes ahead can support those working in the sector to embrace the key role they will need to play, through their active adoption of new and innovative approaches that can deliver changes required and enable them to benefit from the new approaches.
- Younger farmers and land managers have a key role to play in leading the conversation on the new and emerging “way of life” and they need the platforms and space to hold these conversations.
- Agricultural workers, including seasonal workers, are an important hard-to-reach group that will need to be engaged to inform just transition planning.

Cultural barriers

- Misinformation and distrust (e.g. around carbon inventory / audit methodologies) pose a significant risk to greater understanding, buy-in and operational change within the sector and careful planning and sequencing of communications, supported by sufficient resource, will be required to mitigate this risk.
- In this sector working practices are frequently deeply tied to values, identities and traditions formed over multiple generations, making reluctance and resistance to change very strong.
- Farmers report experiencing a feeling of victimisation and disempowerment relative to other professions and economic sectors, and of being publicly “blamed” in media coverage of the climate emergency despite compliance with previous and existing regulations and a strongly felt commitment to caring for the natural environment, as land stewards. Gains can be made, and trust built, via official acknowledgement of the extent to which signals to producers have changed based on new priorities. Increased use of case studies demonstrating and celebrating positive action would be very powerful.
- Farmers and land managers report a feeling of not being listened to by Government. This may reflect consistently different priorities and perspectives more than a lack of engagement/consultation.
- Farmers highlighted the risk that overseas supply of meat (and other farm produce) would effectively “off-shore” rather than reduce emissions associated with domestic meat production, and this could undermine confidence in necessary emissions reduction measures.

New markets and opportunities

- Government regulation of carbon and nature markets is urgently required to safeguard carbon and biodiversity benefits, and to put in place mechanisms to maximise economic and social value for local communities, including tenants
- The move away from use of petrochemical materials in sectors such as construction offers significant new opportunities for profitable and sustainable production of land-based materials such as timber, wood-fibre, hemp, wool. Further clarity is needed on how the potential “win-win” on materials will be maximised.
- Changes to agricultural practices, including numbers of ruminant livestock, will need to be linked to a strategic plan for our food system (recognising Scotland is part of a UK, European and global food system), including retailers, that supports sustainable production, consumption and healthy diets.

Community benefit

- The strategic approach to maximising community benefit from changes associated with the transition requires to be formalised, linking opportunities to areas of clear need, e.g. housing, retrofit.
- Future support will need to be linked to just transition strategic delivery via fair work and community benefit conditionality alongside food production, carbon emissions and biodiversity considerations.
- Devolved flexible systems suited to local conditions, with routes in and out of sectors and with locally appropriate support options available to ensure future schemes work at local level. A one size fits all in this industry does not work: give local flexibility on planting / harvesting / action dates and assess success by outcomes – letting the land managers decide how to reach the desired outcomes. Provide retirement options with dignity and support new entrants who struggle with lack of capital and lack of mentors / backing.
- Housing is a fundamental just transition issue for the sector, with the lack of access to quality, affordable housing posing a particular risk to tenant farmers and farm/estate workers living in tied housing who may seek to retire with dignity, as well as to the local workforce that will be required to deliver the necessary biodiversity and peatland restoration work while locking in economic value for rural communities. As Grant Moir, Chief Executive of the Cairngorms National Park Authority, put it: “peatland restoration has an affordable housing issue.”
- Land reform will need to be a key part of just transition, as current concentrated pattern of ownership, with increasing land prices, and an increase in speculative estate ownership from corporate and financial institutions means there is a high risk of economic leakage from local areas as benefits associated with land ownership flow to a very small elite group. A major question will be how tenants participate in and benefit from the changes ahead.
- Strategic just transition conditionalities attached to land purchases as well as public interest tests will be important financing levers for implementing a just transition, supporting the social and economic needs of local communities tackling the transition and locking in value.
- Just transition outcomes will be easier to achieve through a more diverse model of land ownership, including significantly more shared ownership, community municipalities, etc., as well as governance agreements that support co-decision making among stakeholders and impacted groups.

