

**RURAL AFFAIRS AND ENVIRONMENT COMMITTEE**  
**SCOTTISH GOVERNMENT'S DRAFT LAND USE STRATEGY**  
**WRITTEN SUBMISSION FROM NFUS**

**MAKING THE MOST OF SCOTLAND'S LAND - A DRAFT LAND USE STRATEGY FOR SCOTLAND**

**Introduction**

NFU Scotland welcomes the opportunity to provide written and oral evidence to the Scottish Parliament's Rural Affairs and Environment Committee as it considers the objectives and merits of the Scottish Government's draft Land Use Strategy.

It would be very difficult to disagree with any of the laudable aims set out within the draft Land Use Strategy. NFU Scotland could not criticise the ambition of the Land Use Strategy, by way of successful land-based businesses, flourishing natural environments and vibrant communities.

However, it must be made clear that a Land Use Strategy in itself is no guarantee that such ambition will be realised. What is required beyond the publication and review of the Land Use Strategy is the implementation of practical policy measures that allow the integration of land use interests to create greater overall benefit.

NFU Scotland recognises the reality of trying to attain multiple goals from finite land resources, not least in terms of accessible and productive land and much tighter public spending.

Therefore, as an overarching comment, NFU Scotland firmly believes that the Land Use Strategy must prioritise it if it is to be of any value in ensuring we collectively get the most from Scotland's land. At the same time, NFU Scotland is pragmatic enough to realise that prioritisation means making choices that must result in opportunity cost.

The key thing that all policy makers and land use decision makers must accept is that Scotland's land can not meet all the demands and expectations currently (and in the future) that are placed upon it.

Land use is essentially a 'zero-sum game'. And so the Land Use Strategy must provide the right policy framework that enables Scotland to optimise the functions of its land, rather than any vain attempt to maximise all the public benefits that emanate from Scotland's land.

Therefore, it will be critical that the Land Use Strategy makes 'successful land-based businesses' the primary concern, from which 'flourishing natural environments' and 'thriving communities' will follow.

In addition, it is essential that all policy makers and land use decision takers are aware that land use is as much a function of the existing policy framework as it is about the productivity or capability of the land. It is a fact that policy instruments (incentive, regulation and advice) drive land use decisions.

The sectoral tradition of policy has created a disjointed policy framework that has resulted in largely disintegrated land use in Scotland. A primary aim of the Land Use Strategy must be to establish a policy framework that addresses this and enables individual land managers to make choices that optimise the specific benefits associated with the particular land they have management responsibility over.

This point extends further in that the Land Use Strategy should have little or no regard to land ownership, land tenure and property rights. Instead, the Land Use Strategy must entirely focus on the uses of Scotland's land and enable the appropriate land management to the highest of standards.

## **Land Use in Scotland**

Land use in Scotland can never be unique or exclusive. While a single interest may dominate any particular parcel of land - as a function of land capability and economic reality - that same area of land will hold other attributes and deliver other benefits.

For example, agricultural land use dominates the Scottish landscape as the primary land use, covering some 5.5 million hectares (or almost 70 per cent of Scotland's total land mass).

While the primary function of that land is food production, it also has a role in delivering a range of other benefits as co-products of farming activity, such as biodiversity, habitats and landscape, water/catchment management, renewable energy provision and carbon management, as well as providing the foundations for outdoor recreation and tourism.

It is evident that Scotland's land has no single identity, each hectare is unique and so there are multiple demands and expectations that can be placed on each parcel. Scotland's land is generally not of high quality in terms of production and often offers limited farming options. Yet, at the same time, limited economic options often result in higher levels of public benefits.

'Traditional' activity and 'new' land use interests are neither conflicting nor complementary. But agriculture and other primary land uses continue to underpin land-based business activity and that pivotal role in influencing so much of rural Scotland remains largely undiminished.

The real value of the Land Use Strategy will be in bringing additional benefits to existing land uses and the business structure responsible for day-to-day land management. The traditional and new land uses, such as farming and renewable energy, can be integrated in complementary fashion to bring about increased overall benefits.

While the key is to avoid exclusivity, it must also be remembered that particular land uses are better suited (more economically, environmentally or socially beneficial) than others to certain parcels of land. The Land Use Strategy must foster that approach rather than stifle it, and enable the most appropriate dominant land use to flourish whilst ensuring that the co-products are also of benefit.

For example, the blanket target of 25 per cent tree cover over Scotland by 2050 will require significant expansion in the woodland area per year (from the current 17 per cent). An expansion of up to 15,000 hectares per requires very careful consideration.

Some areas of Scotland already exceed 25 per cent tree cover (such as Loch Lomond and the Trossachs National Park, Morayshire and Dumfries and Galloway). Equally, there are vast areas of Scotland, with deep carbon-rich peat soils, where the planting of trees would have a negative impact in tackling climate change.

That leaves the engine house of Scottish agriculture as the focus for woodland expansion, the very productive 'middle' ground (Land Capability for Agriculture classes 3.2 to 5.1).

Yet, if the policy were aligned via the Land Use Strategy to exclusively target woodland expansion on such areas then there would be a very significant risk that Scotland would simply export its agricultural industry. Not only would the rural economy and farming communities fall into rapid decline but, as food consumption is non-discretionary, Scotland would simply import food from elsewhere.

Scotland may end up locking up carbon in timber. But that might do little to tackle the global problem of climate change and may further expose Scotland to the volatility of world food markets, and systems of production that fall well short of Scotland's exacting standards of animal welfare and public health safety.

Farming remains the dominant land use, driving forward the rural economy through linkages to upstream and downstream industries and multipliers that create jobs and incomes beyond the farm-gate and so underpin vibrant rural communities.

As the dominant land use, farming also carries the major responsibility for ensuring that Scotland's land delivers all that it does by way of flourishing natural environments - from biodiversity and habitats to soils management and water quality.

Perhaps more importantly, farming and other land management interests have also to be recognised for the vital role they can play in tackling so-called new challenges, such as climate change through emissions reductions (improved efficiency) and appropriate renewable energy development.

Indeed, as a product of the Climate Change (Scotland) Act 2009, it will be vital that the Land Use Strategy recognises the role of farming in simultaneously contributing to climate change adaptation and mitigation. In doing so, Scottish agriculture also sustains domestic food production and all the positive economic, environmental and social co-products that go with that.

So NFU Scotland is adamant that the Land Use Strategy, and any policy focus that emerges from it, must ensure the viability of farm businesses and other land-based economic as the engines of rural prosperity.

The very laudable objectives of the Land Use Strategy will not be advanced by broad common denominators of policy which do not fit the realities and priorities of Scotland's rural land.

### **Successful Land-Based Businesses**

Activities such as farming and crofting are fundamental to Scottish land use, and the environmental and social benefits that then flow. They are responsible for direct employment and upstream and downstream multipliers, ensuring the fabric of rural society - the jobs and incomes that fuel rural services and sustain rural communities. Further, they create the foundations upon which tourism is built and which the Scottish people can enjoy through greater recreation opportunity.

Primary industries and land uses such as farming are, by definition, likely to play a *relatively* declining role as an economy develops. This applies to the land-based sector and is compounded in a globalised economy by the availability of raw materials and commodities from elsewhere at prices often below the domestic cost of production. Scotland is no exception, and the problems of both farming and forestry today are symptomatic of primary industries in what is essentially a service economy.

So to the casual observer, the production of physical outputs from much of Scotland's land might appear increasingly insignificant. However, this decline is not *absolute* but can be disguised by structural change and redefinition of economic activity, employment and investment in the countryside. The industries of the rural economy do adapt to change, especially given the right policy approach.

Perhaps the significance and success of the Scottish Government's emerging Land Use Strategy will be measured by how readily land-based businesses will be allowed to adapt to new challenges and opportunities?

### **The Required Policy Framework**

In order that the Land Use Strategy is ultimately fit for purpose, NFU Scotland is convinced that integrated policies that cover the economic, environmental and social ambitions within the Land Use strategy are required. Objectives and priorities need to be set, and these should be along the following lines.

The *Economic Objective*: to enable diversity of economic activity from Scotland's diverse land resources and the development of sustainable employment opportunity, through adequate infrastructure provision, sympathetic planning, training and innovation, financing and capital access, and simplification of regulation.

The *Environmental Objective*: the preservation and enhancement of the environmental value of Scotland's diverse land resources through the continued use of positive land management, with environmental benefits derived from successful land-based businesses (notably profitable farming) and viable alternative forms of land use including specifically environmental and recreational land management.

The *Social Objective*: enabling rural communities to prosper, with sufficient community service provision, including schools, public transport, healthcare and shops, and ample housing as a consequence.

Farming and land use are inextricably linked to wider rural development - flourishing natural environments and thriving rural communities. Only policies that achieve combined benefits that will ensure the Land Use Strategy delivers any significant benefit.

It will be necessary that land-based businesses, and farming in particular, continue to contribute to the stated objectives of the Land Use Strategy. The Land Use Strategy, and perhaps more importantly its implementation, make it even more clear that land use is critical to the future prosperity of Scotland.

The Land Use Strategy must integrate and implement policy measures that allow the creation of a productive and sustainable rural economy, with prosperous and dynamic land use at its core. This in turn would bring out the protection and enhancement of the rural environment, thereby providing a source of economic opportunity to help sustain those that live, work and play in Scotland.

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