

The Future of Scottish Agriculture 2015

1. Strong sustainable growth in profits from agriculture, driven by increased market-orientation, competitiveness and resource-efficiency.
2. Our agricultural industry works as part of our food and drink sector to increase profitability and strengthen Scotland's reputation as a land of Food & Drink
3. Agriculture, and the wider agri-food supply chain, is resilient to shocks and to future challenges.
4. High levels of training, education and skills enable farmers to improve their profitability and become greener.
5. Farmers boost their performance by embracing innovative techniques and best practice, underpinned by Scotland's **world leading research institutes**
6. Scotland is a world leader in green farming
7. Agriculture is recognised as an exciting and rewarding career and there are a range of routes into the industry for new entrants.
8. Agriculture is valued for its contribution to Scottish society
9. Scotland takes a leading role in key issues affecting agriculture on the UK, EU and world stages

Six Strategic Themes

1. Continuity over the next five years, including securing the payments to which Scotland is entitled.
2. Assisting the Scottish agriculture industry through a period of major transformational change.
3. Enhancing Scotland's Natural Capital.
4. Helping to improve the productive efficiency of Scottish agriculture.
5. Illustrating the huge opportunities for careers in the rural sector.
6. Improved integration of the whole supply chain for the benefit of all.

Our specific remit

- ▶ Strong sustainable growth in profits from agriculture, driven by increased market-orientation, competitiveness and resource-efficiency
- ▶ Farmer boost their performance by embracing innovative techniques and best practice underpinned by Scotland world leading research institutes, and lastly
- ▶ Scotland is a world leader in green farming

Key Considerations

- ▶ Don't look at what we have got
 - ▶ It's not efficient
 - ▶ Not delivering its needs
- ▶ In or Out EU?
- ▶ In or Out UK?

- ▶ The importance to the Scottish economy
- ▶ Employment/businesses
- ▶ Rural communities
- ▶ Timescale for change

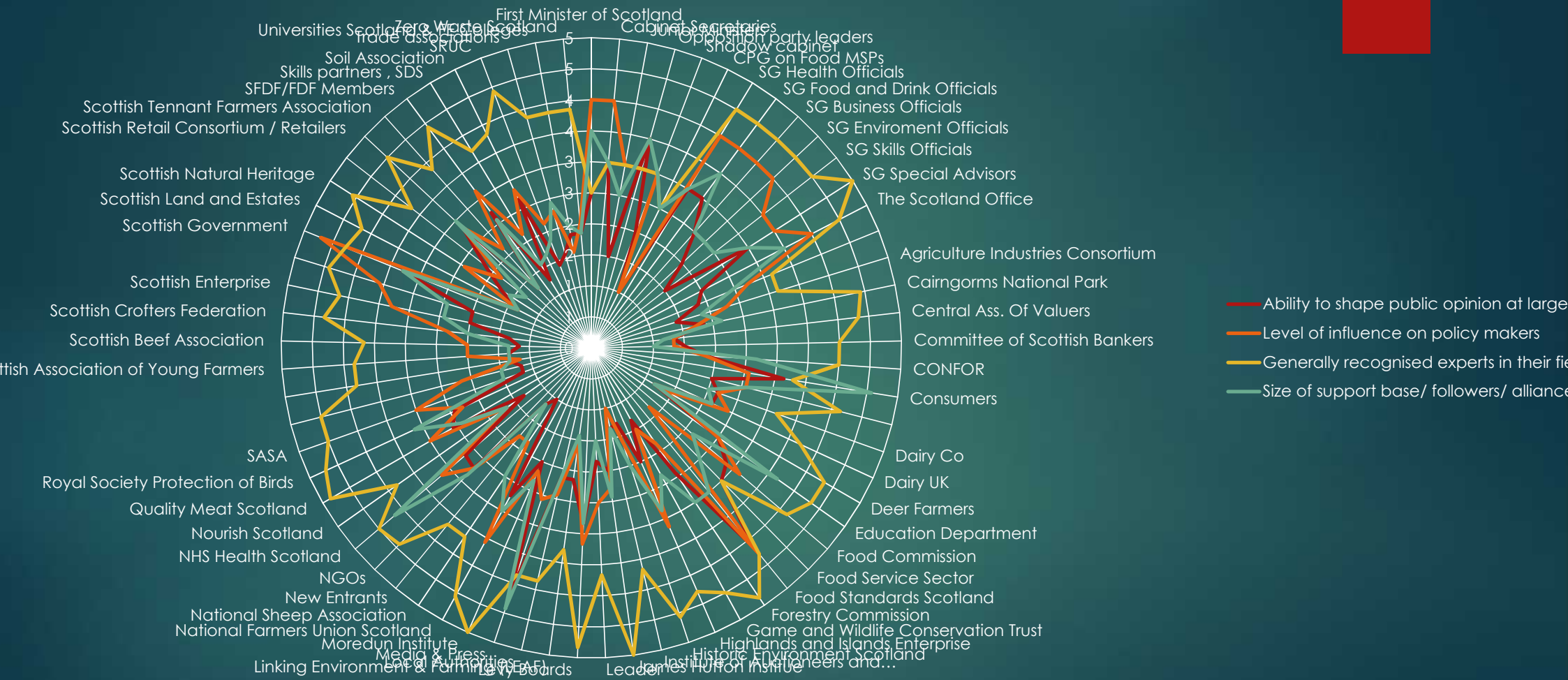
Conclusion.....

One size does not fit all

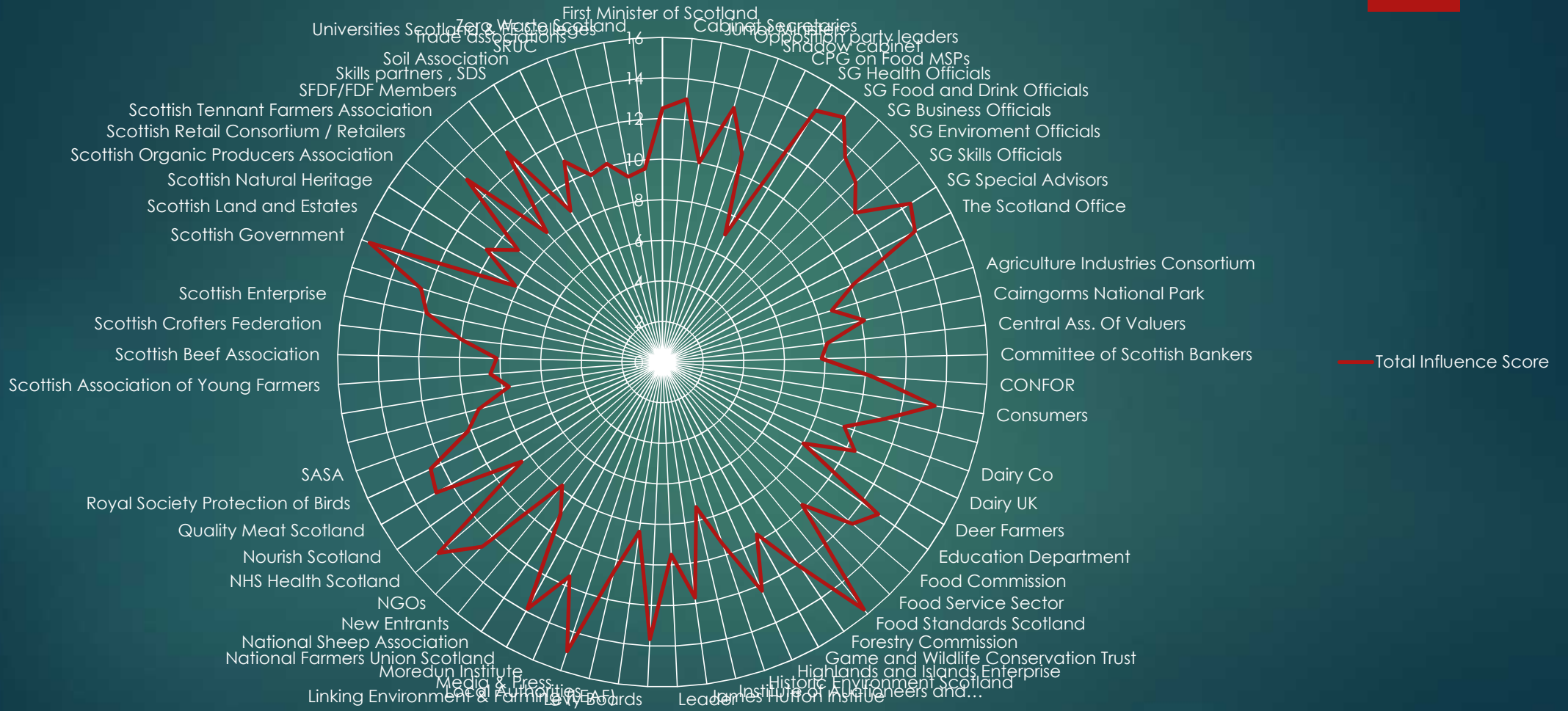




Different Areas of Influence



- Ability to shape public opinion at large (Red)
- Level of influence on policy makers (Orange)
- Generally recognised experts in their field (Yellow)
- Size of support base/followers/alliance (Green)



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- ▶ More PROGRESSIVE
 - ▶ More RESILIENT
 - ▶ COMPLIANCE
 - ▶ PUBLIC VALUE
 - ▶ EDUCATION

Marketing

- ▶ Market Information – accurate and up to date
- ▶ Collaboration – to often alien to many in Agriculture
- ▶ Public Value
- ▶ Environmental Awareness
- ▶ Consumer Led – Scotland Food & Drink
- ▶ Knowledge Transfer

Sustainability

- ▶ Production Efficiency
- ▶ Soil/animal health
- ▶ Proven Research & Development
- ▶ Climate change - water quality – GHG-
- ▶ Public Value
- ▶ Collaboration
- ▶ Skills
- ▶ Knowledge Transfer

Business Management/Innovation

- ▶ Market Awareness/Opportunity
- ▶ Diversification
- ▶ Regulation
- ▶ Collaboration
- ▶ Succession
- ▶ Skills
- ▶ Knowledge Transfer



PROGRESSIVE

RESILIENT



COMPLIANT

Sustainability

- ▶ The ability to maintain a certain rate or level

Sustainable Growth

- ▶ Avoidance of the depletion of natural resources in order to maintain an ecological balance

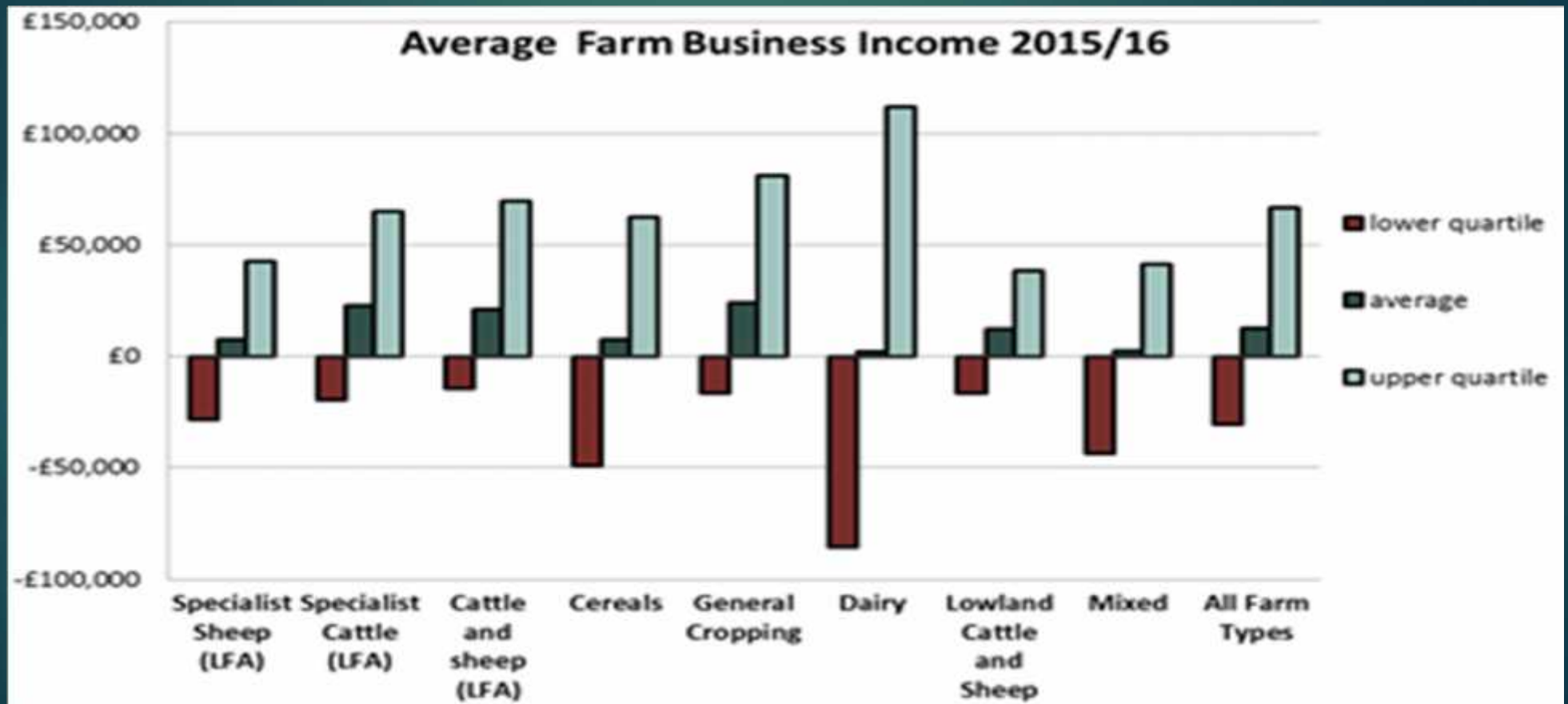
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Productivity



Average Farm Business Income 2015/16



Productivity

1. Over 50% of all food consumed in the UK is imported. Opportunities will emerge to produce new crops e.g. Fava Beans, Stevia to improve self sufficiency while improving food security. **Opportunity**
2. Farm productivity across the EU has been stalled since the 1990's.
Low productivity / efficiency leads to low profitability. **Improve**
3. There are @ 900 crop pests and diseases.
Evidence suggests there are gaps in our knowledge understanding of known and unknown diseases. **Monitor and Measure**
4. So with these challenges there is no room for complacency **Act**

Productivity

What can make a difference

5. Embrace research, innovation & market insight - **Mindset**
6. World class Research Institutes
 - James Hutton Institute, plant breeding, soil science, plant health, Adv Plant Growth Centre (APGC)
 - Moredun Institute – Lead member of the EPIC consortium Centre of Expertise on Animal Disease Outbreaks **Knowledge transfer**
7. Collaboration & Cooperation

One size does not fit all

Supply Chain

1. Improve Integration **Share in Growth of F&D**
 - Horizontal & Vertical
2. Public information campaign has potential to help communicate provenance messaging

Government Led

3. Greater collaboration **Avoid Isolation SAOS**
4. Improved profitability **Investment & Growth**

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