



# Alyn Smith

## Agriculture Autumn 2013

**Welcome** to the latest edition of my newsletter covering the work I have been doing on farming and rural issues in Brussels, in Scotland and elsewhere.

It has been a busy few months since Parliament resumed after the summer recess. At long last we have finally reached an end to the reform of the Common Agricultural Policy (CAP). It has been years coming and the end result is not perfect but, on balance, there is much in it that I welcome. There is more information on the final outcome and its repercussions for Scotland on the next page of this newsletter.

As well as CAP, the Parliament's Agriculture Committee has also begun discussing the new Animal Health Package. I have been appointed our group's lead negotiator on this report and have already been meeting with groups and organisations in Scotland and in Brussels to discuss their observations on how things work now, and what changes should be made for the future. You can read more about this topic on page three.

We also saw the successful launch of Farmers for Yes earlier in the year. This group gathers together those of all political persuasions who have links to the agriculture sector and who also support independence for Scotland. They've been busy at the various agricultural shows throughout the summer and have some job on their hands just countering some of the scaremongering that has come out from the No campaign recently. If you want to get involved, just take a look at the Yes Scotland website on [www.yesscotland.net](http://www.yesscotland.net).

**“Scottish farming faces greater physical challenges, is structured differently and is more reliant on EU subsidy than farming in England.”**

For me, it is clearer than ever why Scotland needs independent representation in Europe. Our agricultural interests differ sharply from the rest of the UK. Scottish farming faces greater physical challenges, is structured differently and is more reliant on EU subsidy than farming in England. 85% of Scotland's agricultural area is classified as Less Favoured Area (LFA), compared to 16% in England, and 59% of this is rough grazing, compared to just 9% in England. Unlike most of the EU, our farming is more livestock-dependent (42% of agricultural output value compared to 24% in the EU as a whole); and our hill farmers, with few opportunities to diversify, are heavily dependent on vital EU subsidies (subsidies to LFA beef farmers are 161% of their Farm Business Income).

These important differences shape the realities of national interests when it comes to negotiating common policies, and explain the neglect of Scottish interests by the UK Government in successive CAP reforms. Only independence will ensure the institutional recognition of Scottish interests in EU decision-making, through a permanent seat and voice in the Council of Ministers, a doubling of the current number of MEPs in the European Parliament, and our own Commissioner.

**As ever, I hope you find this newsletter useful. Please get in touch should you have an issue you would like me to raise on your behalf or if you simply want to make me aware of something.**

**Yours for Scotland**

**Alyn Smith MEP**



# CAP Reformed

The European Parliament has now voted, for the final time, on the Common Agricultural Policy for 2014 - 2020. It now passes over to the Member States to sort out the implementation of the package that has now been finalised in Brussels.

I am pretty pleased with the final outcome - I think we scored some real victories during the negotiations which should make things a great deal more straightforward for our producers.

Some of the **highlights** are outlined below:

- There will be strict new rules on minimum activity requirements designed by Member States in return for receiving entitlements. This should mean the end for slipper farmers.
- New entrants will be properly catered for - they will receive entitlements either through the basic grant in 2015 or through the National Reserve, which should be fully funded this time through the ability to top slice in subsequent years.
- Coupled support, at 8%, is not as high as we wanted but still significantly higher than at present.
- The rules defining permanent grassland will now take full account of Scotland's non-grass based pasture lands.
- On a number of issues Scotland has now been given the flexibility to design arrangements to suit our needs e.g. the type of minimum activity requirement, whether to apply a small farmer scheme, at what level of support to apply the young farmer scheme, and the pace of internal convergence (i.e. the move from historical based payments to area based payments).



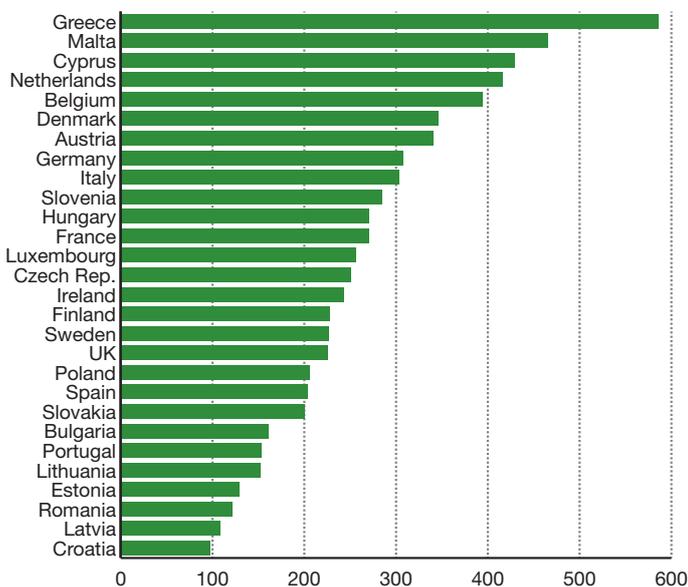
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Unfortunately it **wasn't all good news**. We saw the passage of some points which have the potential to cause some problems:

- Crop diversification may be awkward for our larger arable farms, although they have the option of doing winter soil cover or catch crops instead from the "equivalence list".
- It is likely that flexibility between pillars could see up to 15% transferred from Pillar I to Pillar II.
- The budget distribution in both pillars to the UK was very low. The graphs below show the level of payments in each pillar to each of the EU Member States.

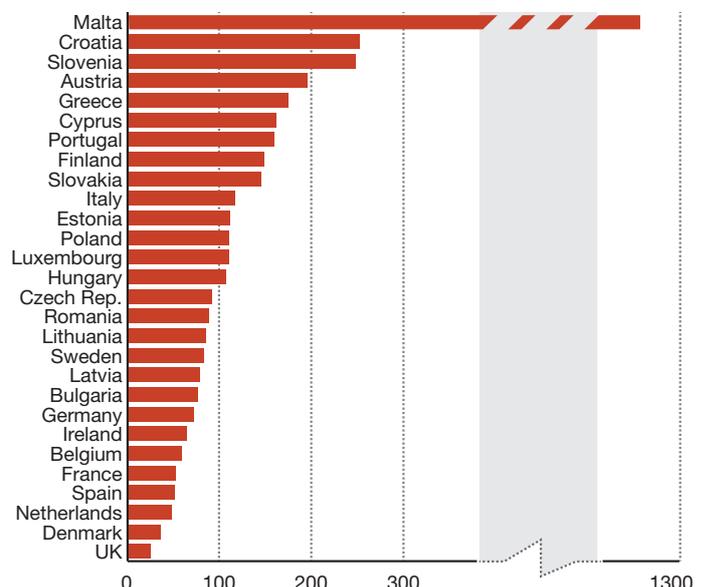
It has taken a long time coming but we finally have a package that we can build our rules around. So, finally a bit of clarity for our farmers!

**Pillar One Payments Per Hectare Of UAA**



Pillar one payments based on 2015 figure for total payments using the 2011 figure for Utilised Agricultural Area (UAA)

**Pillar Two Payments Per Hectare Of UAA**



Pillar two payments based on 2014 figure for total payments using the 2011 figure for Utilised Agricultural Area (UAA)

# Out And About In Scotland

This month I paid a visit to the James Hutton Institute to discuss the impact that EU rules on plant variety rights have on the development of Scotland's soft fruit and berry sector.

The MRS, a commercial affiliate of the James Hutton Institute, has done some fantastic research and innovation to develop the quality and resilience of soft fruits such as blackcurrants and raspberries, and have combined this with valuable commercialisation work, including the development of all the blackcurrants used by Ribena, as well as their world-leading focus on diseases and pests faced by potatoes.

Promoting research and development is vital for Scotland's agricultural and wider economy. However, at the moment, the EU's intellectual property regime for plant variety rights does not precisely reflect the long term investments and challenges faced by breeders of soft fruits, who often have to wait years before seeing effective economic return on their investments.



Alyn visiting the Institute

This situation is not conducive to promoting research, particularly by independent SMEs who are more reliant on their royalty income. The EU regime is currently better designed for fast-developing, fast-remuneration seed propagation. However, the Commission and the Council have the power to change this for soft fruit by extending the plant variety right from 25 years to 30. We had productive discussions on taking this forward in Brussels.

## In Brief

### Farming Surgery In Stirling

At the start of last month I held a farming surgery in Stirling, alongside my colleagues Bruce Crawford MSP and Councillor Ian Muirhead. As always this was a useful opportunity to hear what the issues are on the ground, as well as giving me a chance to outline just what the new CAP is going to look like, and how it is likely to impact upon Scotland's farmers. Other subjects touched upon were sheep EID, nitrate vulnerable zones and fuel costs.

### Asulam Available For 2014

Asulam will be available for use on bracken in 2014. The Chemicals Regulation Directorate confirmed that a Notice of Authorisation for the 2014 season has been agreed, which is expected to be identical to the 2013 Notice apart from the slight difference in start and finish dates.

However, as the 2013 bracken control season draws to a close, remember that after 31 October it will be illegal to store Asulam. If anyone still has Asulam in their possession, use it or make arrangements to return it to your supplier.

### Inspections On Pigmeat

Changes have been approved by the Parliament to update pigmeat inspections. The changes cut down on hands-on inspections and incision, thereby reducing unnecessary touching and avoiding the spread of bacteria.

These changes for pigmeat may be used as a template by the Commission for future alterations to be made to the inspection regimes for sheep and cattle.

## Contact Alyn

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