

JOURNAL

SPRING 2026 | Working in support of modern, sustainable, commercial agriculture



AIC Scotland and AIC
Cymru manifestos

Contractual relationships
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the industry

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CEO update

Member concern will be focused on the Iran conflict since 28 February 2026, and on the short- and medium-term consequences of military activity for supply chains and markets. AIC has contacted all Members for feedback, as well as Governments across the UK on the key issues being identified.

The situation will depend on the duration of the conflict and the extent of disruption to infrastructure in the Middle East, along with the capability for shipping to pass through the Strait of Hormuz.

AIC will remain focused on ensuring that your voice and concerns are raised, as appropriate, at the highest levels of Government.

With the Scottish and Welsh elections approaching in May, now is an ideal time to engage prospective parliamentarians using the AIC Scotland and AIC Cymru manifesto documents. This engagement will continue following the elections.

On the UK-EU Sanitary and Phytosanitary (SPS) Agreement, AIC continues to represent Member business interests throughout the process. We are gathering Member feedback across all sectors on the proposals and their potential implications.

Work also continues on the European Union Deforestation Regulation (EUDR), where we remain focused on developments and continue to promote the AIC Sustainable Commodities Scheme (ASCS) to give the supply chain greater certainty. In parallel, AIC is monitoring the implementation of the Carbon Border Adjustment Mechanism (CBAM) and working with Members and Government to understand how this will operate in the UK.

We now await the UK Government's response to the recent *Contractual Relationships in the Combinable Crops Sector* consultation, which closed in early February.

Robert Sheasby,
Chief Executive, AIC



Policy update

Significant time has been devoted to work on the UK-EU Sanitary and Phytosanitary (SPS) Agreement across AIC during the final quarter of 2025. In November, the EU Council authorised the European Commission to open negotiations with the UK on an SPS agreement, recognising the benefits for trade and regulatory consistency. Government has said it is working toward a mid-2027 start date for the new agreement. However, with Government stating an ambition to implement the agreement by mid-2027, the transition will be a core concern for the UK agri-supply chain.

AIC continues to meet regularly with the UK Government and European associations to provide objective information on business needs and wider trade dynamics. An update webinar for Members took place in October, with further blogs, updates and webinars planned throughout 2026.

In late December, the Government announced changes to Business Property Relief (BPR) and Agricultural Property Relief (APR), increasing the threshold from £1 million to £2.5 million per estate from 6 April 2026. This will allow couples to pass on up to £5 million tax-free. Full (100%) relief now applies up to £2.5 million, with 50% relief available above that. The adjustment follows lobbying from business and farming groups since BPR and APR changes were first introduced at Budget 2024. Earlier in 2025, AIC joined a Family Business Coalition to collect Member feedback and lobby the Government on BPR.

AIC welcomes the development and will continue working with the coalition to understand the impact on family businesses above the new threshold.



Ed Barker,
Head of Policy and External Affairs

Sustainability and the environment

The Department for Environment, Food and Rural Affairs (Defra) has published its water strategy, *A New Vision for Water*, which highlights reforms to agricultural regulation on water pollution as a key priority. AIC continues to engage with Defra directly and through a cross-stakeholder collaboration.

AIC was a media partner for the Sustainable Foods Conference, where it chaired the session 'Regenerative Agriculture – Pathways to Scale and Finance'. With global food system leaders present, AIC was able to highlight the essential role the agri-supply sector plays in building a resilient food system.

At the National Farmers' Union (NFU) Conference, Secretary of State Emma Reynolds further outlined reforms to the Sustainable Farming Incentive (SFI) for 2026. The key change is the introduction of two application windows this year: the first opens in June, prioritising smaller farms and those without an existing Environmental Land Management (ELMs) agreement; annual agreement payments will be capped at £100,000; and the number of available actions will be reduced from 102 to 71.



Ed Barker,
Head of Policy
and External Affairs



Vicky Robinson,
Head of Sustainability



Andrew Pearson,
Policy Manager

AIC Stakeholder

In each edition of the Journal, we look at how AIC works with a valued industry stakeholder in support of modern, sustainable, commercial agriculture. This time we share how AIC collaborates with BASIS Registration Ltd.

BASIS plays a key role in upholding professional standards across crop protection and agronomy. As an independent standards-setting and auditing body, it provides the required training for agronomists and storekeepers, ensuring competence and safe practice across the supply chain.

AIC works closely with BASIS to maintain high standards. BASIS auditors conduct audits to meet the requirements of the Sustainable Use of Plant Protection Products Regulations. These inspections and qualifications complement AIC's wider assurance framework and support industry compliance with recognised standards.

Through its accredited qualifications, BASIS ensures those advising on or handling PPPs are equipped to deliver safe, effective and sustainable outcomes. This shared focus on professionalism strengthens the integrity of the UK crop protection supply chain and supports continuous improvement across AIC Member businesses.

FOCUS



BASIS
Growing Professionally

Contractual relationships in the supply chain

AIC's response to the *Contractual Relationships in the Combinable Crops Sector* consultation explains that the current framework functions effectively and does not require intervention. The sector is competitive, with growers benefiting from a wide choice of buyers and contract types. Unlike more consolidated agricultural sectors, bargaining power is broadly balanced, and growers can readily switch marketing strategies.

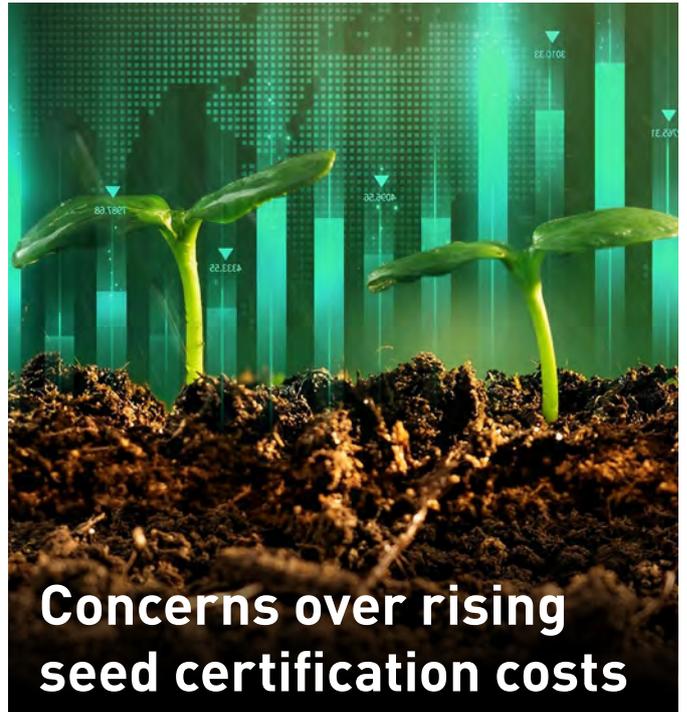
Widely used agreements such as the AIC Number One Contract and the Federation of Oils, Seeds and Fats Associations (FOSFA) contracts are recognised for their transparent terms and established arbitration procedures, providing certainty around quantity, price, quality, delivery and payment.

AIC also highlights the range of options available, including forward and pool contracts, which support effective risk management. Advisory support from organisations such as the Agriculture and Horticulture Development Board (AHDB) further strengthens informed decision-making.

While supporting clear dispute-resolution and timely data sharing, AIC cautions that unnecessary regulation, particularly models designed for other sectors, could disrupt a well-functioning UK market, increase costs and reduce flexibility.



Rose Riby,
Head of Combinable Crops and Seed



Concerns over rising seed certification costs

AIC has raised concerns about the Department for Environment, Food & Rural Affairs (Defra)'s proposed increases to seed and plant health service fees, warning that they will raise farm costs, squeeze margins and undermine efforts to control input inflation. The letter calls for transparent cost breakdowns, recognition of cumulative operational pressures, phased implementation, clear Animal and Plant Health Agency (APHA) service key performance indicators with associated rebates, and an industry roundtable to balance biosecurity, affordability and cost recovery.

AIC is also engaging stakeholders on the shift from certified to farm-saved seed in combinable crops, highlighting risks to royalty income, plant-breeding investment and access to improved genetics. Key stakeholders are urged to provide clarity on the sustainability of royalty arrangements, establish effective review mechanisms, balance usage, strengthen transparency and enforcement, and outline actions to support breeders and maintain UK breeding capability.

AIC is working with Members on a Defra evidence review. The protocol outlines a systematic review to assess the agronomic, economic and wider policy advantages and disadvantages of certified seed versus farm-saved seed in the UK and comparable developed economies, with the aim of informing future UK seed policy and food security decisions.

Showcasing best practice in PPP storage, distribution and agronomic advice

AIC Members hosted 41 stakeholders from the Chemicals Regulation Division (CRD), the Department for Environment, Food and Rural Affairs (Defra) and BASIS Registration Ltd at distribution sites in Appleton, Cranswick and Codford.

The visits aimed to demonstrate the regulations and best practice that distributors of professional plant protection products (PPPs) must follow. Attendees were reminded

that these requirements are audited annually by independent BASIS auditors and, more recently, by Pesticide Enforcement Officers as part of the Official Controls Regulation.

The training, qualifications, continuing professional development and role of agronomists were also discussed, including the research and development behind recommending the most cost-effective solutions to help growers continue to farm sustainably.

Training for Nominated Storekeepers and PPP vehicle delivery drivers was also highlighted, together with the safety equipment required on all vehicles.

The visits were well received, with most attendees noting that they valued the insight into the work of professional PPP distributors.



Hazel Doonan,
Head of Crop Protection and Agronomy



SPS priorities for the feed industry

The feed sector has focused on identifying the opportunities and risks for the industry in securing a Sanitary and Phytosanitary (SPS) agreement with the European Union (EU). Given the principle of dynamic alignment, the AIC feed sector takes the view that the priority for UK negotiators should be a pragmatic approach to transitional arrangements, recognising the need for industry to prepare for alignment with EU Regulations.

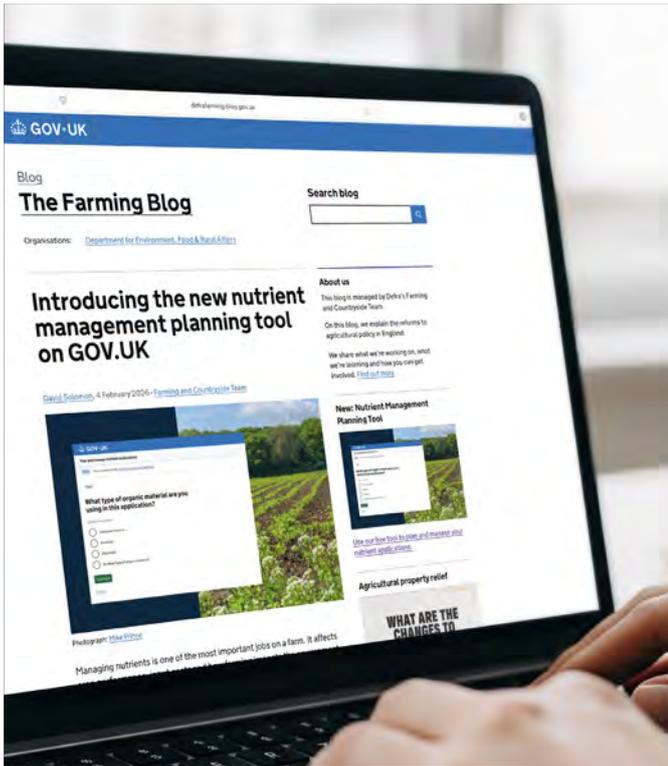
The second priority is securing access to EU decision-making bodies such as the Standing Committee on Plants, Animals, Food and Feed (SCoPAFF) Committees and ensuring the UK Government properly resources engagement with these groups.

AIC has also continued to develop the AIC Sustainable Commodities Scheme (ASCS) and has been working with Members to understand how the scheme aligns with sourcing requirements for 2026, which is now being published by processors and retailers. See page 7 for more information.



James McCulloch,
Head of Animal Feed





UK CBAM update and new Defra nutrient management tool

AIC continues to press the Government for the early release of Free Allowance data and Carbon Footprint default values to support more accurate modelling. Work is also underway to review the AIC standard fertiliser contract to determine whether it can allow the pass-through of Carbon Border Adjustment Mechanism (CBAM) costs.

At the same time, the Department for Environment, Food and Rural Affairs (Defra) has launched NMPT-GB (Nutrient Management Planning Tool for Great Britain), a new free online tool designed to help farmers create, review, and improve nutrient management plans. The tool replaces PLANET v3.3 and MANNER-NPK, using the latest guidance from the Agriculture and Horticulture Development Board (AHDB) *Nutrient Management Guide (RB209)*, as well as Scottish Technical Notes.

NMPT-GB is now available in England and Wales. Further releases later this year will extend availability to Scotland and expand functionality, including the ability to import data from PLANET.



Jo Gilbertson,
Head of Fertiliser

AIC Scotland winter meeting, election outlook and manifesto priorities

A successful winter meeting was held at a new Glasgow venue in November, followed by the Annual Dinner. Sectoral meetings covered current issues, with the UK-EU Sanitary and Phytosanitary (SPS) Agreement raised across all sessions.

Delegates emphasised the need to raise Scottish-specific elements, such as glyphosate use, through Scottish stakeholder channels. Proposed manifesto areas for the May Holyrood election were agreed and the Spring Meeting will be held in late April in Perth.

Looking ahead to the 7 May election, polls suggest that the Scottish National Party (SNP) will remain the largest party, though the balance of other seats may shift. With around a third of current Members of the Scottish Parliament (MSPs) stepping down, industry stakeholders need to focus on securing commitments and ensuring delivery from the next Parliament.



The agreed manifesto priorities have now been consolidated into an AIC Scotland Manifesto for use by Members and the AIC team throughout the election and beyond.



Ian MacDougall,
AIC Scotland Policy Manager



AIC winter meetings, the SFS and Senedd May election

AIC Cymru continues to evolve, with Gareth Davies, formerly Chief Executive Officer at Wynnstay, stepping down from the Committee and Osian Rhys-Jones of Oliver Seeds set to join in April.

The industry is now awaiting confirmation of how many businesses will join the Sustainable Farming Scheme (SFS), which opens through the Rural Payments Agency (RPA) Wales in early March and closes in May. A considerable number of Welsh farming businesses are anticipated to apply.

Farming unions are calling for the initial 70% SFS funding level to be maintained in support of the base Universal Actions. However, there is concern that a single-year budget may shift the emphasis of the Scheme towards optional and collaborative funding. The sector is also watching the evolving political landscape ahead of the Senedd elections.

Priorities agreed at the October meeting have been consolidated into an AIC Cymru Manifesto for Members and the AIC team.

Michael Muncey,
AIC Cymru Policy Manager



AIC Sustainable Commodities Scheme launch

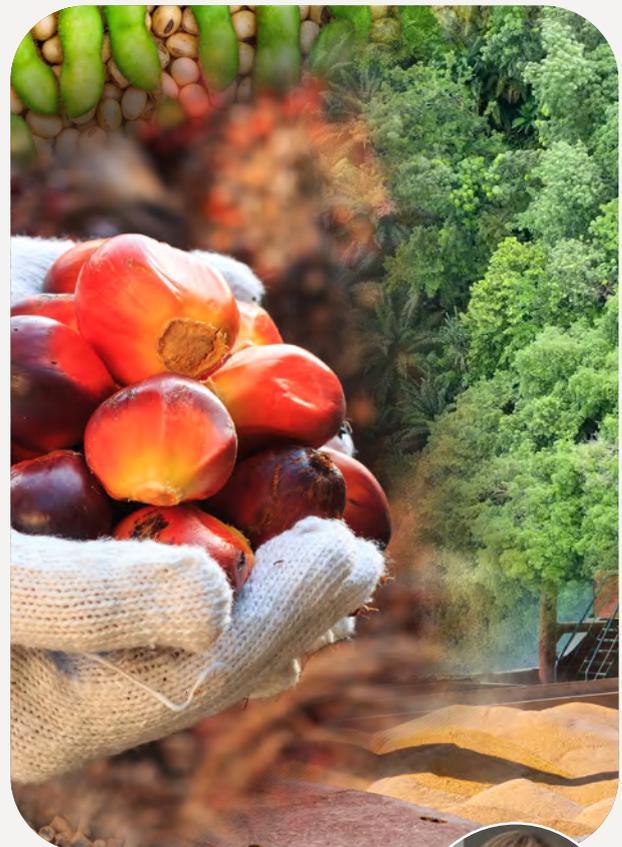


The AIC Sustainable Commodities Scheme (ASCS) launched on 8 December. The scheme provides a single, industry-developed certification system that reduces complexity and cost by removing the need for multiple, non harmonised requirements from downstream customers.

Work to develop the Scheme with Members has continued since the launch and a review of how it aligns with sourcing requirements for 2026 is now being published by processors and retailers.

AIC is hosting two Member webinars to introduce the ASCS which will also be recorded. Further details have been shared via the Member Briefing system. Additionally, there are plans for a stakeholder webinar as part of a broader communications strategy.

Scheme standards can be downloaded from the **AIC website**, and hard copies can be requested by contacting Sue Whittington at sue.whittington@agindustries.org.uk



Sue Whittington,
Technical Manager



How to improve audit confidence

AIC Services has produced a new poster to support AIC Trade Assurance Scheme Participants and their teams in preparing for an audit. Its purpose is to outline what to expect during an audit, helping people feel comfortable with the process and reinforcing that an audit is designed to demonstrate compliance, not to find fault.

The poster includes QR codes linking to the AIC animations and Kiwa videos, offering further helpful information.

It can be downloaded from the [AIC website](http://aic.org.uk) and hard copies can be requested by contacting Gill Barrow at gill.barrow@agindustries.org.uk, or by using the A4 hard copy order form available on the AIC website.



Gill Barrow,
Technical Manager



AIC feed safety calculators for feed risk assessment

A new **online video resource** developed with Kiwa is now available. It brings together clear, step-by-step guidance for the AIC feed safety calculators: the Feed Safety Analysis Calculator, Catalogue of Feed Materials Calculator, Feed Material Register Calculator, and the Additives, Additive Preparations and Process Aids Calculator.



The calculators are designed to help Participants

- Meet UK and EU feed safety requirements
- Identify relevant hazards and undesirable substances
- Determine the minimum number of analyses required
- Build consistent, risk-based monitoring plans
- Prepare for audits with clear, documented evidence

If you find these videos helpful and have suggestions for future short training topics, please get in touch.

Simon Williams,
Technical Manager



Member data review

In the coming weeks, AIC will contact Members to review the data it holds, including personnel details for each Member business. This work will help AIC better understand the individual needs of Member companies and ensure the delivery of relevant information and support to all Members.



Tracy Smith,
Membership Manager

KEY DATES

2026

- AIC Services Board** 25 March
- AIC Board** 15 April
- AIC Scotland Spring Meetings** 29 April
- AIC Fertiliser Dinner** 5 November
- AIC Dinner & Conference 2026** 10 and 11 November
- AIC Seed Trade Dinner** 3 December

