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Ian Muirhead
Policy Manager, AIC Scotland
ian.muirhead@agindustries.org.uk

Ukraine

Our focus at AIC Scotland is centred on the situation in Ukraine, which is having a major impact upon agricultural supply chains. AIC has been working hard to brief government ministers in Scotland and the rest of the UK on the key impacts that Members are experiencing.

We are highlighting to Government a range of issues including, energy costs/availability, impacts on the livestock sector, and the implications for food price inflation. Our message to Government has been clear that ensuring farmer liquidity is essential to ensure stability during this period. AIC has been invited to join the Food Security and Supply Taskforce, see more details on the next page.

In the short-term, AIC has put forward several requests to ease the flow of raw materials from alternative sources to help reduce pressure on supply chains. We are working with Government to address the issues of GM Authorisations and maize import tariffs.

Meet Rose Riby, Head of Seed and Arable Marketing



Rose joined AIC in late March, and was previously Knowledge Exchange Manager Cereals and Oilseeds for AHDB in the northeast, and prior to that, regional variety specialist at KWS UK.

"I'm delighted to have joined AIC at what is an exciting and challenging time for UK agriculture. I look forward to meeting AIC Scotland Members."

Book your place at the AIC Scotland Spring Meeting



The next meeting of AIC Scotland will be held on 27 April at MacDiarmid Park, Perth, with bacon rolls and tea/coffee from 9.30am. This will provide a great opportunity to meet and discuss issues of concern with colleagues and AIC Sector Heads. We will be joined by Rose Riby, AIC's new Head of Seed and Arable Marketing, and AIC Chairperson Angela Booth. To secure your place, please email Julia.Corr@agindustries.org.uk

Food Security and Supply Taskforce

AIC has been invited to join this taskforce, which was set up jointly by Scottish Government and industry, to monitor, identify and respond to food security and agri-food supply concerns resulting from the impact of the war in Ukraine. The taskforce is co-chaired by Mairi Gougeon MSP, Cabinet Secretary for Rural Affairs, and James Withers, CEO of Scotland Food and Drink.

AIC's involvement in the taskforce will enable us to take Members concerns directly to the heart of Government and ensure solutions are put in place for the benefit of the industry.

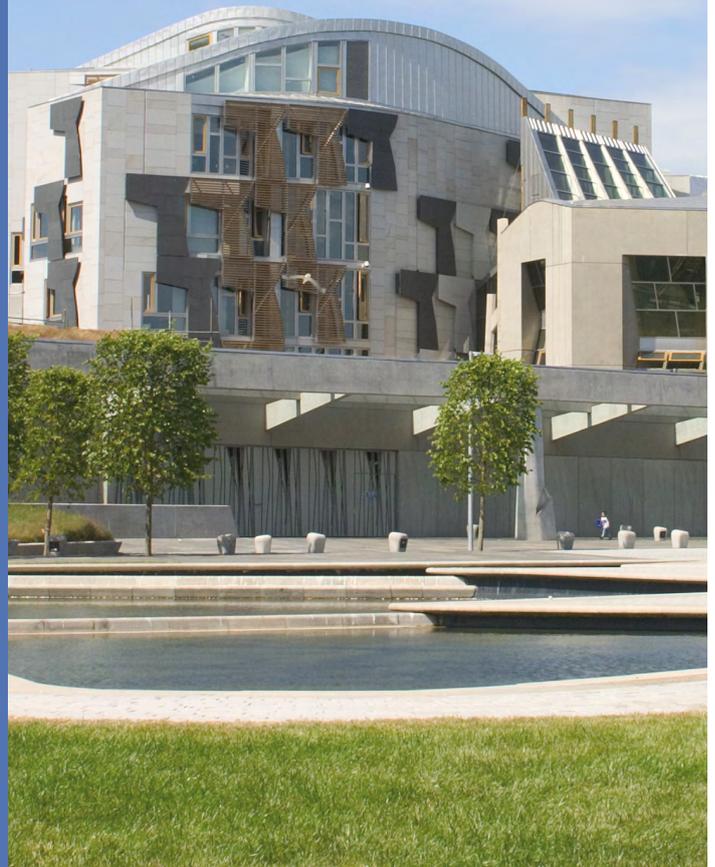
The taskforce's remit includes:

- Monitor, identify and respond to potential disruption to supply chains.
- Find targeted and workable actions to mitigate any impacts.
- Recommend any short-term (summer 2022), medium-term (end of 2022) and longer-term (beyond 2022) solutions/actions to be taken by business and Government.
- Consider policy measures to address and strengthen food security and supply in Scotland.
- Identify alternative approaches to supply, including replacing imports with domestic supplies.

Alongside AIC, stakeholders include NFUS, Food and Drink Federation, Scottish Agricultural Organisation Society (SAOS), and the Institute for Global Food Security.



The Scottish
Government
Riaghaltas na h-Alba



Royal Highland Show 2022

AIC Scotland is looking forward to returning to the Highland show in June. We are in the early stages of developing a full itinerary for AIC staff who attend the event on Thursday 23 June. Alongside meetings with key industry stakeholders such as NFUS and Scottish Government, we are keen to meet up with as many Members as possible. **If you would like to book a meeting time for 23 June, please get in touch. This will be a great opportunity to meet and discuss matters of importance to Members.** Contact us on 07741734026 or via ian.muirhead@agindustries.org.uk



ROYAL
HIGHLAND
SHOW 2022
23 - 26 JUNE
PARTNER SINCE 1981
 Royal Bank
of Scotland



SASA Seeds Update

Several AIC Members attended a seed industry stakeholder meeting in March. SASA are currently reviewing seed fees and are running a consultation on options. This remains open for comment until 15 May. Options include an increase in line with inflation or a 3% capped rise. AIC Scotland welcomes your feedback on this.

Seed derogations

Since the EU exit, a new system is now in place for requesting derogations to certify seed with lower germination rates. In common with the previous system, AIC Members will have to provide initial evidence of the need for a derogation. Requests for derogations will be considered by the NLSC, who will establish if a derogation should be granted. Scottish officials will have representation on this body.

Conservation Seed Availability

Stakeholders discussed seed availability, particularly for conservation scheme mixtures, with several Members reporting issues. This was highlighted to officials to ensure that they understood that flexibility may be required in certain AECS scheme options where exact seed specifications cannot be fulfilled.

Update on Scottish Agricultural Policy

The Agricultural Implementation and Oversight Board (ARIOB) co-chaired by the Cabinet Secretary and NFUS President Martin Kennedy, is working to develop support mechanisms for test and trial, based upon the work of previous farmer-led groups which reported in spring 2021.

The group have reached broad agreement on the key policy outcomes which include support for food production, reducing emissions, and enhancing biodiversity. Currently, Government plans to support this through enhanced conditionalities on existing direct payments, capital grants, and support for innovation and supply chains.

In the period 2022-25 there will be a programme of testing new support mechanisms and conditionalities for direct payments. Alongside this, Scottish Government has announced support for farmers to carry out carbon audits

and nutrient management plans to help create a farm level emissions baseline. Cabinet Secretary Mairi Gougeon has committed to maintain current direct payment rates at current levels for the full parliamentary term. Under the existing Agriculture Act, a new support framework must be in place by 2026 at the latest.

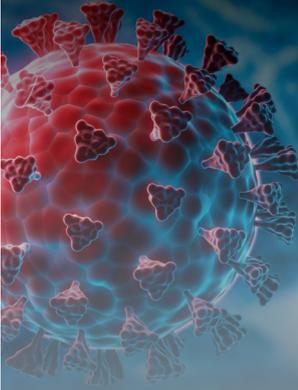


Martin Kennedy
Cabinet Secretary and
NFUS President



Mairi Gougeon
Cabinet Secretary and
Rural Affairs & Islands

Covid-19 Update



We welcome the ending of legal restrictions relating to Covid-19, which should hopefully ease pressures on Member businesses.

On 21 March 2022 most of the remaining legal requirements in the Scottish Government's Covid regulations were removed, including the requirement to minimise exposure and spread on your premises.

Until 18 April, individuals must continue to wear face coverings in indoor public spaces unless exempt. Whilst legal restrictions are being removed, Government is encouraging businesses and individuals to maintain a vigilant approach to reduce transmission, which should in turn lower the possibility of staff absence.

From 18 April 2022 the Government's Testing Transition Plan comes into effect, and until end of April asymptomatic staff will no longer need to test twice weekly. However, PCR tests will still be available for symptomatic staff, and positive cases will continue to be advised to isolate. From end of April, symptomatic testing will also cease, and the Government will move to general public health guidance to stay at home if unwell.

Stakeholder Meeting Roundup

Over recent months, AIC has been working closely with NFUS on several matters, not least communications around fertilisers. AIC Fertiliser Sector Head Jo Gilbertson and NFUS Crops Manager David Michie have worked to ensure key messages are heard by farmers and growers, including the use of FACTS-qualified advisers when making fertiliser purchase decisions and fully utilising soil analysis and precision application equipment to get the most value from applied nutrients. Equally important is putting in timely orders to ensure product arrives on farm when it is needed.

Robert Sheasby, AIC Chief Executive, also spoke at the recent NFUS conference on the issue of agricultural input inflation. He outlined some of the key underlying issues such as gas futures markets, labour costs, shipping costs, and availability of product. We continue to work on these messages with NFUS and other stakeholders.



AIC Scotland Crop Protection Meeting

AIC's Head of Crop Protection, Hazel Doonan, hosted the first in-person meeting of the group after an absence of over two years.

The meeting provided an excellent opportunity for Members to get an in-depth update on PPP issues, including an overview of the post-EU exit active substance review programme and updates on the National Action Plan for Sustainable Use of Pesticides. Other topics covered included the development of IPM infographics and what the new official controls regulations mean for distributors and growers.

Members also heard about devolved crop protection issues, including:

- Pesticides Stakeholder Group.
- The timetable for implementation of common frameworks (including for pesticides) to ensure regulatory alignment across the UK.
- Scottish policy updates on gene editing and future agricultural support.

For Members wishing to send representatives to the next scheduled meeting, please contact Hazel Doonan to register your place via email: Hazel.Doonan@agindustries.org.uk



Hazel Doonan
AIC Head of
Crop Protection