



NFU Scotland calls for an increased, multi-annual, ring-fenced agriculture and rural economy funding commitment in the UK Government Budget on 30 October.

- UK Government agricultural funding is critical for high-quality food production, climate and nature recovery, economic growth and Scotland's rural communities.
- An increase in funding will safeguard food security and secure a thriving farming and crofting sector.
- There has been a real terms erosion in the value of current support at the same time farmers and crofters are being tasked with more in terms of policy objectives.
- Without adequate funding from the UK Government, the majority of farmers in Scotland would cease to be viable.
- Farmers, crofters and growers are committed to deliver food production at affordable prices alongside helping the country meet climate change and biodiversity goals. But we need government funding to be able to deliver these vital outcomes.

Delivering a return of investment

- Economic multipliers associated with Scottish agriculture are significant. Farmers and crofters generate economic activity and employment throughout Scotland.
- Agriculture is a direct contributor to economic output and also a key driver of broader economic and social benefits, particularly in rural areas.
- £550 million of current direct support from UK Government funding to Scottish agriculture generates an output of £3.3 billion. Every £1 of public support is converted into about £6 of output.
- Analysis of just 12 farms across Scotland showed an annual spend of £12.6 million annually with over 722 supply chain businesses.

Delivering for climate and nature recovery

- An increase in agricultural funding will help deliver climate and nature outcomes.
- As guardians of over 70 per cent of Scotland's land mass, our members help deliver the climate and biodiversity policy objectives of both governments.
- Support payments are also increasingly tied to environmental stewardship, encouraging practices that preserve biodiversity, protect landscapes, and contribute to climate goals.

Delivering food security

- Maintaining the availability and affordability of high-quality food for consumers across the UK will help to deliver food security.
- Sustainable domestic agricultural production rather than relying on importing food is important. We cannot rely on complete food supply from other countries. Affordable high-quality food is being made here and our producers need some funding to continue to deliver this.

Delivering for rural communities

- Thousands of supply chain companies are supported by our farmers. Any reduction in future agricultural budgets would impact businesses that rely on the spending of active farming and crofting and put at risk the upstream socio-economic multipliers that are critical to wider rural prosperity across Scotland.

Delivering economic growth

- Farming is the first link in the international renowned food and drink sector that is worth billions both domestically and through Scottish exports.
- Any reduction in funding would undermine Scotland and the UK's aspirations to grow the food and drink sector, as the major plank of green economic growth.

Conclusion

- There is significant pressure on the overall UK budget, however agricultural funding needs to be considered in the context of all that it delivers - including food security, economic growth, jobs and environmental and nature recovery.
- If the UK Government wants to secure food production and the upstream and downstream socio-economic multipliers that are critical to wider rural prosperity, our budget must not be reduced.
- A relatively small increase would continue to provide a significant return on investment, generate more growth and employment and deliver the climate and nature outcomes that are vital to all our futures.
- The public interests embedded in sustainable food production, tackling climate change, enhancing biodiversity and underpinning vibrant rural communities cannot be understated or overlooked.

For more information, or a copy of our full submission, please contact:

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