

**Scotland Food & Drink**  
**Summary of Scottish Government's Programme for Government (PfG)**  
**2023-24**

**Introduction**

The Scottish Government's latest PfG was published on 5<sup>th</sup> September 2023 and included a foreword from the First Minister (FM) Humza Yousaf which reiterated that the Scottish Government is focussed on three missions:

**Equality:** Tackling poverty and protecting people from harm.

**Opportunity:** Building a fair, green and growing economy.

**Community:** Delivering efficient and effective public services.

The "opportunity" mission includes a commitment to: "Implement the recommendations of the New Deal for Business Group, putting this at the heart of our economic strategy. We will work with business to identify and remove regulations that are no longer required, if a good case can be made. We will ensure that businesses, including small businesses, are engaged from the earliest stage of policy development."

Other references within the foreword relevant for food and drink businesses:

- ✓ Food and drink is referenced in the context of innovation and growing a "wellbeing economy".
- ✓ The New Deal for Business is mentioned as an attempt to "reset the relationship" between government and business.
- ✓ A new Green Industrial Strategy is promised - to help businesses and investors, so that the people of Scotland can share in the economic opportunities of the global transition to net zero.
- ✓ The Scottish Government is asking the UK Government to legislate for an *Essentials Guarantee* to cover the cost of essentials, including food, transport, and energy. This is relevant as poverty/deprivation is an underlying cause of many of the issues being addressed through regulation targeting food and drink businesses.

**Mairi Gougeon**, Cabinet Secretary for Rural Affairs, Land Reform and Islands, referenced the new industry strategy:

“Our food and drink industry ... is still Scotland’s largest manufacturing sector, with exports worth £8 billion annually. Delivery of the new Scotland Food and Drink strategy will not only help recover lost ground, but set the sector fair for success in the future.”

## **Other Relevant Content for Food and Drink**

### **Skills**

- “We continue to exhaust all efforts to attract global talent to come to Scotland to enhance and support our wellbeing economy, including pressing the UK Government to do more through their reserved immigration powers in areas such as piloting a rural worker visa. We will transform the support we offer small businesses and ensure their voice is heard as we develop and implement policies to transform our economy.”

### **Investment/Capital**

- “Businesses within Scotland’s two Green Freeports will be given tax relief when buying or leasing non-residential buildings or land to be used in a qualifying manner. The proposed Land and Buildings Transaction Tax relief will be available in designated tax sites within Inverness and Cromarty Firth and the Forth Green Freeports, an example of our businesses benefitting from the Green Freeport opportunities.”

### **Social Support/Inequalities**

- “Support families by introducing regulations that remove income thresholds and so increase eligibility for Best Start Foods to around an additional 20,000 people from February 2024.”

### **Supply Chain Security**

- “New Food Security Unit is focussing on developing evidence-based monitoring for supply chain risks.”

### **Good Food Nation**

- “We are making real progress” in being a Good Food Nation. *This will be one areas of focus in the new strategy’s Policy & Regulation Programme.*

## Food Production

- “Host an international food summit and support the promotion of Scotland’s food and drink at home and to wider UK and international markets and audiences.” *This is in addition to [Showcasing Scotland](#), which will take place in March with supplier applications open until October.*
- “Work to transform how we support farming and food production is well underway, with new conditions to protect and restore peatland to apply to basic payments, and conditions to improve business efficiency and cut emissions applying to beef support payments from 2025.”
- “Pay Scottish farmers and crofters £550 million, with payments beginning in September, including a fresh round of Agri- Environment Climate Scheme funding, to support actions to tackle climate change, cut emissions, and restore nature.”
- “Introduce a Land Reform Bill, including measures to modernise agricultural holdings.”
- “Create a new rural support framework through the Agriculture Bill and continue to work with stakeholders to develop key elements of that framework, including the whole farm plan, a new approach to advice and support, and enhanced conditional support measures.”
- “Continue the Agricultural Reform Programme to produce more of our food sustainably, cut carbon emissions and farm with nature, by increasing the uptake of carbon audits, soil testing and biodiversity audits, and funding to improve animal health.”
- “Develop and consult on proposals to reform crofting law, create new opportunities for new entrants, encourage the active management and use of crofts and common grazings, and support rural population retention through action on non-residency.”
- “Develop a gender strategy for agriculture and fund practical training opportunities for women, new entrants, and young farmers.”
- “Develop our approach to future farming activity through engagement with key stakeholders to identify potential opportunities to increase

sustainable production and markets for poultry and eggs, venison, and seed potatoes, and with young farmers to start work to design support options for new entrants.”

- “Pilot a new aquaculture consenting process in two local authority areas to help deliver a more streamlined regime across Scotland, and reduce the risk of escapes from fish farms with a new Technical Standard for Scottish Finfish Aquaculture, helping to realise our recently published Vision for Sustainable Aquaculture.”
- “Award up to £14 million of grant funding through the Marine Fund Scotland to support projects to deliver improved social, environmental, and economic outcomes in line with our Blue Economy Vision.”
- “Press the UK Government to honour its commitment to maintain long term funding for maritime and fisheries following Brexit, continuing to push it to take responsibility for the full costs of Brexit for our marine sectors, and to provide a fair and appropriate share of funding to Scotland, above and beyond the £14 million annually (to 2024-25) currently provided for the Marine Fund Scotland.”
- “Remain an international leader in sustainable fisheries management, protecting fish stocks and the marine environment, by developing new technical and management measures through our Future Catching Policy, by legislating to require Remote Electronic Monitoring (REM) on board all pelagic and scallop dredge vessels fishing in Scottish waters, and by considering responses to our consultation on tracking and monitoring tools for inshore fishing vessels.”
- “Engage fully in international fisheries negotiations to secure the best possible outcome for Scotland’s fishing industry.”
- “Continue to invest through the Forestry Grant Scheme to support woodland creation and sustainable forest management, including supporting specific training and development in forestry skills for front line staff to support woodland creation.”

## **Agritourism**

- “Providing £443,000 of support to Scottish Enterprise to establish a new Agritourism Monitor Farm Programme over 2023-24 and 2024-25, and

funded Scottish Agritourism to provide a leadership role to help deliver the Scottish Agritourism Strategy.”

### **Working With / New Deal for Business**

- “The New Deal for Business is about creating a trusting and meaningful partnership with business, focused on common priorities. It has fairness and wellbeing at its heart. We need our businesses and the communities they are part of to thrive. And we need our businesses to invest and innovate to drive the transition to the green economy.”
- “Working closely with business through the New Deal for Business Group, we have jointly prioritised ten key recommendations that will make the most immediate difference to how we work with business to deliver an innovative, successful, growing economy that increases wellbeing.”
- “The current economic environment is putting pressure on business and there are major challenges ahead too, not least in the transition to net zero. That is why we are committed to reviewing the cumulative impact of devolved regulations and to acting where needed. We will push forward a programme of regulatory reform, including putting in place a process for business to propose devolved regulations they feel are no longer required for removal if a good case can be made. We will also consider proactive regulatory changes which support businesses in Scotland, especially our small businesses and social enterprises.”
- “Reset the relationship with business through implementing recommendations made by the New Deal for Business Group, including on the development and implementation of regulation.”
- “Work with business to develop a process for identifying, considering and if appropriate removing regulations no longer required, and to propose new regulations to support businesses in Scotland, especially our small businesses.”
- “Bring business representatives and other stakeholders together to advise on the successful implementation of new regulations through the Regulatory Review Group and ensure the consistent and effective use of the Business and Regulatory Impact Assessment, with businesses engaged from the earliest stage of policy development.”

- “Work with business to address Scotland’s labour market participation challenges, starting with a focus on health and the needs of parents, particularly those in the six priority groups, so that this helps to reduce child poverty – recognising that women are more likely to take on caring responsibilities, this will include continuing to support and promote flexible working from day one of employment.”

### **Supporting small businesses**

- “Build on the work of the New Deal for Business Group in relation to Non-Domestic Rates and invite the views of members on priorities, alongside the considerations of the Tax Advisory Group, to inform decisions in the Budget.”
- “Establish a new Small Business Unit in the Scottish Government to work more closely with small businesses and ensure they are heard during policy development, building good practice in participation and engagement.”
- “Work with Local Government and our agencies to transform the way we support small businesses, improving the way we collect and hold data about businesses across the public sector so we can target support better and make it easier for businesses across Scotland to access the support available to them.”
- “Work with the Scottish Council for Development and Industry (SCDI) and other representatives of small business to deliver a three-year programme to raise productivity and deliver cost savings for small businesses.”
- “Work with business to maintain and improve prompt payment in public supply chains.”
- “Seek action from the UK Government to ease the current pressures on Scottish businesses, including through expansion of shortage occupation lists and a VAT reduction on Small and Medium-sized Enterprise energy bills.”

### **Trade**

*Priority remains EU alignment and engagement, alongside input to trade deals being made in line with Scotland’s [Vision for Trade](#).*

- “Press the UK Government to improve the EU/UK Trade and Cooperation Agreement, working with stakeholders to build a coalition in support of Scottish interests and to prepare the ground for the 2025 review of the Agreement.”
- “Impact the EU-UK Trade and Cooperation Agreement by presenting to the UK Government the compelling arguments for easements of trading conditions for Scottish exporters of food and drink products, a more effective approach for electricity trading, an expansion of sectors included in the mutual recognition of professional qualifications, a better solution for touring creative professionals, and for the UK to rejoin the Erasmus+ initiative.”
- “Drive forward a programme of targeted export support and promotion, including supporting the Scottish Chambers of Commerce International Trade Programme.”
- “Align, where possible and meaningful, with the vital safeguards and high standards Scotland benefitted from as part of the European Union, by delivering our EU alignment policy, by challenging where we can, given our limited powers, attempts by the UK Government to use the Retained EU Law Act to legislate for lower standards, and by providing the Scottish Parliament with a full picture of progress.”

### **Delivering Fair Work for all**

- “Boost wages by increasing the number of employers who pay at least the Real Living Wage including through Fair Work conditionality for grants, introducing sectoral Fair Work agreements, and improving outcomes by delivering the Fair Work Action Plan.”

### **Environment/Net Zero**

- “Between 1990 and 2021 our emissions halved while the economy grew by 55%, illustrating that the right kind of economic activity and growth can support a reduction in emissions. Building on this, we are determined to lead a truly just and fair transition as our society and economy adapt to climate change; one defined by new, highly skilled jobs, rising investment, unlocked innovation and empowered communities.”

- “Drive a transition to a circular economy through supporting the Circular Economy Bill.”
- “Progress the dualling of the A9 between Perth and Inverness and take forward the procurement of the Tomatin to Moy project, make improvements to the A96, including dualling Inverness to Nairn and the Nairn Bypass and publish the review of the A96 Dualling Programme, continue to develop a long term solution as well as medium term improvements to the landslip risks at the A83 Rest and Be Thankful, and continue to press the UK Government to fulfil their commitments to contribute to funding improvements to the A75.”

## **Relevant Bills**

### **Agriculture**

“The Bill will provide powers to deliver the Scottish Government’s Vision for Agriculture that will replace current common agricultural policy schemes through an adaptive support framework that focuses on high quality food production, climate mitigation and adaptation, nature protection and restoration, and wider rural development.”

### **Land Reform**

“The Bill will improve transparency of land ownership, further empower communities, and help ensure that large-scale landholdings are delivering in the public interest. It will also modernise tenant farming and small landholding legislation.”