Farm Advisory Service
National Advice Hub
T: 0300 323 0161
E: advice@fas.scot
W: www.fas.scot

April 2025

News in brief

Keeping Up

At a time when everyone is busy sowing, lambing and calving, trying to keep up with world events feels like an impossible task especially as much of what applies today will change again tomorrow. With America imposing and retracting significant tariffs on key trading partners on what feels like a daily basis as Donald Trump strives to Make America Great Again; it is difficult to know the full extent to which our own economy will be impacted. There are significant concerns that agricultural produce and in particular, grains grown in America to meet their overseas humanitarian aid programmes not already purchased and rotting in stores will be dumped on the global markets.

With the post war alliance rule books being ripped up over the past couple of months, strategic posturing is abound as countries jealously eye up countries that are resource rich. America's interest in Greenland is not only from a strategic security perspective but like Ukraine it is rich in key minerals. In fact, Greenland has known reserves of 43 of the 50 minerals deemed "critical" by America's government, including probably the largest deposits of rare earths outside China.

Closer to home, the UK Spring Statement halved growth forecasts for this year from 2% down to 1% while pushing inflation forecasts to 3.2% against a target of 2%. English farmers are still reeling from the sudden closure of the Sustainable Farming Incentives (SFI) Scheme. They will have to wait until the summer to find out how the proposed revised scheme compares from both an environmental and financial perspective.

In this month's edition, as climate-driven shifts in weather patterns call for greater flexibility, sustainability and innovation in the food system, our Sector Focus articles on Nature based solutions for a chaotic climate and on Home-Grown proteins give insights into how these can be achieved in practice. Keeping on the sustainability theme, our Input article champions pollinators as a key agricultural input.

An audio version of Agri Business News is available on the FAS Website under FAS Sounds, and through podcast providers.

Contents

This month's editor:
Christine Beaton

SAC CONSULTING

Scottish Government
Riaghaltas na h-Alba
gov.scot

Future Farming Investment Scheme

The Scottish Government have recently announced their intention to introduce a Future Farming Investment Scheme with an estimated funding budget of ~ £14 million.

The aim of the new grant scheme will be to provide flexible capital grants to drive efficiency and to support nature and climate friendly farming practices. Further details about the new scheme are expected within the next quarter.

Scottish Suckler Beef Support Payments

Payments have started for the 2024 Scheme year:

- Mainland: **£111.33** per animal (+£6.32)
- Islands: **£155.03** per animal (+£3.79)

The increase in payment rate for 2024 is due to a decrease in animals claimed from 327,318 in 2023 to 309,317 animals in 2024. The total number of businesses claiming payments fell by 313 from 6,442 in 2023 to 6,129 in 2024.

Sea Eagle Management Scheme

Given the significant emotional and financial impact on farming and crofting businesses caused by predation of white-tailed eagles on sheep stocks, the Scottish Government has announced further support for affected businesses to help with the management and trial of new methods of prevention of livestock loss.

The Scottish Government will provide NatureScot with an additional £534,000 taking the total for the 2025-26 Sea Eagle Management Scheme to £970,000.

For affected businesses:

- The maximum Standard Measures payment to help with increased shepherding and monitoring will be increased by £300 to £1,800.
- To help cover the cost of the time spent by shepherds protecting their flocks over lambing time, the maximum Enhanced Measures payment will double from £5,000 to £10,000.
- There will also be additional support provided to be shared by farms and crofts most severely impacted by sea eagle predation and who wish to develop and test more in-depth and bespoke approaches including indoor lambing.

GAEC 7 Retention of Landscapes

With the bird nesting season upon us, under the Good Agricultural and Economic Conditions – GAEC 7 Retention of Landscape, farmers, crofters and landholders must not cut their hedgerows and trees during the bird nesting season – 1 March through to the 31st of August or cultivate land within two metres of the centre line of a hedge.

However, a hedge or tree may be trimmed/cut from 1 August if the hedge or tree is in a field which will be sown with one of the following crops in that month:–

- oilseed rape
- temporary grass
- another crop subject to prior written consent of Scottish Ministers

This exemption only applies to trimming/cutting the side of the hedge or tree which is adjacent to the oilseed rape, grass, or other crop.

Funding for Apprenticeships

The Scottish Government has announced £100 million of funding to support 25,500 Modern, 2,500 Foundation and 1,200 Graduate Apprenticeships in 2025-26. Contracts will now be issued by Skills Development Scotland to employers, training providers and colleges for Modern Apprenticeship starts and learning providers for Foundation Apprenticeship starts.

Modern Apprenticeships normally take between 1–3 years to complete and are open to anyone aged 16 or over. In terms of Land Based Modern Apprenticeships, subjects currently available include Agriculture, Game and Wildlife Management, Land Based Engineering, Rural Skills, Horticulture, Equine and Trees and Timber. Lantra Scotland have prepared an employer's Toolkit which can be accessed here which explains the different types of training and support available.

Back British produce

While it is encouraging that the UK Government has announced new requirements for government catering contracts to favour high-quality, high-welfare products which local farms and producers are well placed to serve'; the overarching aim is only that 'at least 50% of food supplied into the £5 billion public sector catering contracts to be from British producers or those certified to higher environmental standards'.

Allowing for foodstuffs that cannot be produced in the UK for technical or profitability reasons, a more ambitious target would provide greater support for the UK Agricultural and Horticultural sectors.

christine.beaton@sac.co.uk

Key Date: 15TH of May 2025 - The Single Application Form (SAF) window closes at midnight

Global Markets

Spring weather risks remain a significant influence on global grain markets. As fieldwork advances across the Northern Hemisphere, weather patterns will play an increasingly vital role. In Brazil, April rainfall will be a decisive factor in determining the yield potential of the second corn crop. Elsewhere, the threat of drought or late frost in key producing areas including Europe, Russia, the US, and Brazil could disrupt production estimates and trigger price volatility. Initial forecasts for the 2025/26 season indicate a rise in global grain production, led by increases in maize, wheat, and barley.

Overall, grain production is anticipated to grow by 62.9 Mt, reaching 2,368 Mt. However, reduced carryover stocks from 2024/25 and rising demand suggest that ending stocks for 2025/26 will see only a modest increase of 1.4 Mt. The wheat crop for 2025/26 is forecast to hit a record 806.7 Mt, reflecting a 7.6 Mt increase from the current season. This growth is primarily attributed to a 13.4 Mt recovery in EU production and a 1.0 Mt rise in Canada, which together more than compensate for declines among other major exporters. However, with wheat consumption expected to grow by 5.7 Mt, ending stocks for the 2025/26 season are projected to decrease by 6.0 Mt.

The grain market remains bearish, influenced by ongoing Russia/Ukraine peace discussions reducing Black Sea supply concerns, higher-than-expected US wheat and corn acreage, and improved growing conditions in key regions. Seasonal patterns indicate a possible price rebound from early April to May, though underlying market fundamentals remain weak unless adverse weather conditions develop. Trade policy remains a pivotal element. On 2nd April, Trump is expected to announce new trade measures that could significantly impact global agricultural exports and imports. If tariffs target major buyers such as China or the EU, trade flows will shift rapidly, potentially provoking retaliatory measures.

European Markets

The EU plays an essential role in the global cereal supply, and with an optimistic crop production outlook in the MARS report, global supply could see a boost in the 2025/26 season. The IGC is already projecting an increase of 17.2 Mt in total EU grain production, reaching 275 Mt in 2025. This expansion could exert downward pressure on both global and domestic cereal prices. However, as the season is still in its early stages, the effects of weather developments on crop yields need to be carefully observed. If unfavourable conditions persist, yields in Central and South-Eastern Europe could be negatively affected in the months ahead.

Increasing EU wheat exports are crucial for supporting higher prices before the season concludes and for the first time in four months, exports surpassed 500Kt in late March. Whether this marks the beginning of stronger demand for EU wheat remains uncertain and will need confirmation in the coming weeks.

Fluctuations in currency values and the potential introduction of new trade tariffs will also be key influencing factors. For a significant price recovery, US exports must remain robust, EU wheat shipments must compensate for the reduced Black Sea supply, and South American demand must be strong enough to absorb any disruptions in US trade.

UK Markets

UK wheat imports from the EU have already reached 1.1Mt. They have been needed to offset a weak 11Mt domestic harvest. Meanwhile, UK farmers have been reluctant to sell their old crop stocks, anticipating a price recovery that has failed to materialize since October.

In the futures market, LIFFE prices suggest that ending stocks may be larger than usual, with May 2025 contracts trading at a £20 discount to November 2025 and a £30 discount to May 2026. However, strong local basis levels indicate that buyers are finding it difficult to secure supplies. As the season approaches its conclusion, time may not be in sellers' favour.

Low liquidity due to limited farmer selling, continues to exert downward pressure on the market, especially for old crop stocks and the strength of the pound continues to weigh on domestic futures, while consistently positive crop ratings in the EU offer minimal support to values.

mark.bowsher-gibbs@sac.co.uk *07385 399 513*

Indicative grain prices week ending 28/03/2025 Source: SAC//United oilseeds/AHDB/Hectare)

£ per tonne	**Basis**	April '25	**Jul '25(old)**	**Nov '25**	Mar '26
Wheat	Ex farm Scot April; Futures thereafter	190	175	184	191
Feed Barley	Ex farm Scot April; Futures thereafter	155	165	164	171
Malting Barley	Ex farm Scot April; Futures thereafter	165			
Oilseed Rape	Del Dundee	425	427	387	395
Beans	Ex farm Scotland	224			215

Up and Up

Beef price increases continue with finished cattle prices on the brink of £7/kg/deadweight or close to £3,000 liveweight, with prices expected to surge past £7/kg/dwt at the start of April. Reports are suggesting finished prices could reach £8/kg by the end of this spring. With weekly price increases, beef prices throughout March have continued to set records,. Since the start of the year finished cattle prices have increased significantly, +15p/kg/dwt some weeks.

At the start of the March, Scottish finished prices were sitting at 659.5p/kg/dwt and then soared to 691p/kg/dwt, for week ending March 22 for R4L grading steers. Angus sired cattle have reportedly already hit £7/kg. The current demand for beef is also supporting liveweight prices, with averages up on the year with an increased number of buyers ringside. The Institute of Auctioneers and Appraisers in Scotland (IAAS) recently reported an increase of 25% in prices, with many cattle selling for £400 a head more than the same month in 2024.

Despite record prices week after week, there is uncertainty and concerns within the beef sector. The concern is that these prices are unstainable and have yet to be tried and tested on consumers. Are consumers about to see price hikes in April?

The tightening availability of prime cattle in Scotland continues to be the main price driver, with processors battling to secure supplies. Simply, the number of cattle in the UK is falling – slaughterings in February were down 5% compared to 2024 levels. Irish cattle slaughter numbers are also expected to fall by 5% this year. With 77% of UK beef imports coming from Ireland, this will no doubt have an impact going forward. This, coupled with strong demand for beef is fuelling record prices. Rising human populations in the UK and at a global level are set to support demand for red meat in the coming years.

And Up

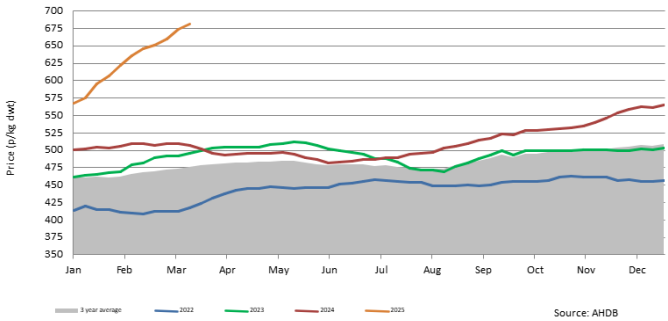
Strong finished beef prices continue to support store cattle prices, as store cattle trade continues to surpass expectations. Any margin from the current finished beef price is being ploughed back into the store ring. The store producer and the finisher rely on one another to receive a shared level of profitability.

Costs to produce store cattle are high for the majority of beef farmers and the increased returns are welcome. When finishers receive higher returns in the marketplace, they simply return the extra received down the line to the producer. Several finishers have commented that the current of continental sired stores is 'pricing them out the market' as they look to native bred cattle to secure numbers.

Continuing the strong decline in herd numbers in England & Wales is set to maintain firm demand this spring from English finishers for Scottish-born beef calves and has the potential to drive store cattle trade further. Several markets have reported higher numbers of stores at sales recently, which suggests that high prices have encouraged some producers to sell calves earlier or sell extra calves instead of taking through to finish. Store prices are predicted to remain firm in April.

Despite record beef prices, our national suckler herd is expected to continue to contract in 2025, with cost of production, market volatility and government policy all contributing to herd dispersals. Farmers looking to retire are maximining their assets by selling cows at a time when prices have never been so high. Herd contraction is further accelerated by the volume of heifers slaughtered, as would-be replacement heifers enter the beef supply chain.

Scotland finished steer R4L price (deadweight)



sarah.balfour@sac.co.uk

Scotland prime cattle prices (p/kg dwt) (Source: drawn from AHDB and IAAS data)

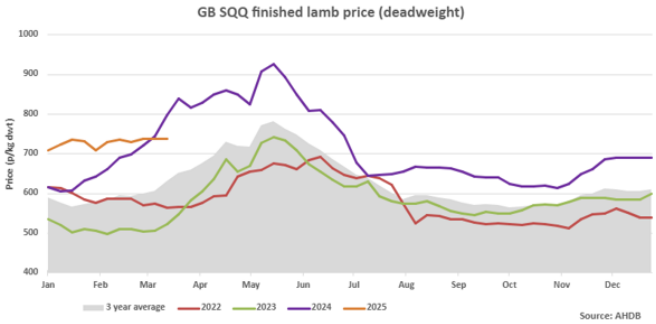
Week Ending	R4L Steers (p/kg dwt)			-U4L Steers			Young Bulls -U3L		Cull cows	
		Change on week	Diff over North Eng.		Change on week	Diff over North Eng.		Diff over North Eng.	R4L	-O3L
08-Mar-25	**673.4**	13.9	9.8	**668.9**	10.6	6.3	667.0	15.0	543.7	509.9
15-Mar-25	**681.2**	7.8	7.7	**681.6**	12.7	6.9	664.7	-4.9	554.4	516.3
22-Mar-25	**691.0**	9.8	5.8	**690.5**	8.9	5.6	670.9	-0.2	562.9	524.7

Ramadan Progresses

Ramadan ended on the 30th March, with Eid al-Fitr being celebrated the following day to mark the end of the fast. For this celebration, Muslim families tend to visit friends and family to celebrate the end of fasting and invest in large quantities of meat a few days before this. Typically, we see the sheep trade rise throughout Ramadan, with the extra domestic and worldwide demand. however, this year the price has remained rather steady.

The Islamic calendar follows the Lunar calendar, which follows different phases of the moon. This is 11 days shorter than the solar calendar, meaning the dates for Ramadan change every year.

In 2024, the week before Ramadan commenced (w/e 09/03/24) the SQQ was 743.7p/kg DW; this year it was 14p/kg DW back at 729.5p/kg DW (w/e 22/02/25). Looking at week on week prices, for the week ending 15/03/25, the SQQ was 60.1p/kg DW back on the same week last year. The reason for the difference on the year is supply. In 2023, there was a low amount of carry-over of lambs to 2024. However, there has been a larger carry over into 2025, with producers choosing to store lambs longer, aiming for the lucrative spring market. This higher carry over has supressed the price.



Worldwide

The last month has seen a trade war from Trumps American reign with Mexico, Canada and China. Australia have historically supported the US protein supply with 2024 seeing a total of 394,716 tonnes of beef, 104,210 tonnes of sheep meat and 22,559 tonnes of goat meat, with the USA being Australian meats number one destination. If trade tariffs were imposed on Australia, there could be serious global knock on effects; most concerning for UK would be more product being imported to the UK and Europe.

Meat and Livestock Australia have shared their industry projections for 2025, which shows the national flock decreasing by 5.9 million head (7.4%) to total 73.2 million. The reason for this large decrease is stock ewes which were used to rebuild the flock after droughts in 2020-2022 exiting the flock. However there has been a shift from wool producing breeds e.g. Merino to meat and wool shedding breeds, which has increased productivity, meaning the slaughter numbers won't decrease as far as the national flock. While the 2025 carcase weights look to remain stable at 24kg; they are set to increase to 24.4kg in 2026, and 24.7kg in 2027.

Live exports are an important market for Australian sheep producers. This will be set to change with live exports by sea being phased out by 1st May 2028. However, there have been disruptions in this area due to the unscheduled maintenance of vessels, and a lack of replacement vessels in this time, which decreased live exports by 33% to 433,078 head in 2024. This disruption looks set to continue for the first half of 2025. World conflict has also had an impact on this market e.g. Israel who import large volumes. The largest markets in 2024 for live exports were Jordan, Kuwait, Saudi Arabia, United Arab Emirates and Israel. The Middle East and North Africa are growing markets, with the Middle East preferring the cheaper Australian product over the higher prices from Romania and Spain, combined with the disease threat from sheep pox, Blue Tongue, etc.

The Australian forecast shows UK as an opportunity, with our reduced national flock and reduced NZ imports due to their flock decrease. In addition, our reducing interest rates (along with US) interest them, as growth is expected in the economy and consumption of protein sources.

Kirsten Williams; 07798617293

Week ending	GB deadweight (p/kg) 16.5 – 21.5kg				Scottish auction (p/kg)				Ewes (£/hd) Scottish
	R3L	Change on week	Diff over R2	Diff over R3H	Med.	Change on week	Diff over stan.	Diff over heavy	All
08-Mar-25	**745.3**	1.5	1.0	-0.3	**353.80**	-3.2	11.0	32.1	111.70
15-Mar-25	**745.1**	-0.2	0.3	-1.6	**347.90**	-5.9	11.4	30.8	115.30
22-Mar-25	**737.4**	-7.7	0.2	0.4	**343.70**	-4.2	12.6	29.9	120.71

Deadweight prices may be provisional. Auction price reporting week is slightly different to the deadweight week. Source: AHDB and IAAS
Standard weight 32.1 - 39.0kg; Medium weight 39.1 - 45.5kg; Heavy 45.6 - 52.0kg
Note: From 11th May, prices transition to new season lambs

Sector Focus:
Sustainable Proteins

Background

To reduce reliance on imported protein feeds, livestock farmers have long been exploring the use of home-grown alternatives such as pulses, lupins, rapeseed and forage legumes. Currently, the UK ruminant feed industry relies heavily on imported proteins such as soyabean meal which raises concerns about sustainability, food security and the environmental impacts.

There has been more pressure on the livestock industry in recent years to reduce overall soya imports, and where soya is imported, to ensure it comes from a sustainable source. This is due to the concern with the associated deforestation and conversion of land in countries like Argentina and Brazil to produce soya. In 2021, the UK set up the Soya manifesto, with the target being set to source all soya from deforestation and conversion-free sources by 2025, aligning the UK with the EU's "Regulation on Deforestation-Free supply chains" legislation. This legislation was due to come into force in 2025 but has been delayed by a year.

Home-Grown Proteins

Many UK farmers are now looking to homegrown crops, not only to reduce the environmental impact, but also to reduce the financial impacts of a volatile market. There is an opportunity to use alternatives in feed e.g. pulse crops, such as peas and beans.

New data presented at the "From Soya to Sustainability" conference held in Peterborough in January this year showed that 3.4Mt of CO_2 equivalent could be saved through better use of home-grown pulses. This would cut the agricultural industry's footprint by 7%. This reduction would be achievable by increasing pulse production by 20% of the current total area and by replacing 50% of the imported soyabean meal currently being used in livestock rations.

Pulses UK Market

According to the Processors and Growers Research Organisation (PGRO), the UK's pulse market has been reasonably quiet since the turn of the year with export demand much lower since last harvest. For now, it is still too soon to predict the impact that emerging tariffs imposed by major trading nations will have on the UK pulse export/imports and domestic demand for home produced protein. At the moment, market values are underpinned by soya and rapeseed meal in a market which is still quite uncertain of the supply of local pulse crops.

UK spring drilling has begun where soil conditions permit, however, there is a lot of uncertainty by how much spring cropping will be sown in 2025. According to the PGRO, there is suggestion that break crop areas and spring crops could take a disproportionate hit to land being taken out of production in favour of government environmental payments. However, on a more positive note, there continues to be an increased interest in pulse crop opportunities for 2025 harvest.

The UK trading for feed beans has been steady but at relatively low volumes. PGRO suggests that prices have been largely unchanged since October 2024 sitting at around £217-219/tonne ex farm (depending on location). Trading of the 2024 green pea crop is largely done but there is still demand where stocks exist with good quality samples averaging £350/t ex farm.

Nutritional value and carbon footprint of protein feeds:

Feed	ME (MJ/kg DM)	Crude Protein (%DM)	*CO_2 equivalent/kg of feed	Price (£/t)
Soyabean meal	13.8	50-52	0.3 – 0.9	336
Rapeseed meal	12	40	0.2 -0.6	266
Peas	13.5	26	0.2-0.6	375
Beans	13.3	30	0.3-0.9	243
Maize distillers grains	14	32	0.3-0.7	255
Wheat distillers grains	13.5	34	0.3-0.7	296

Points to note:

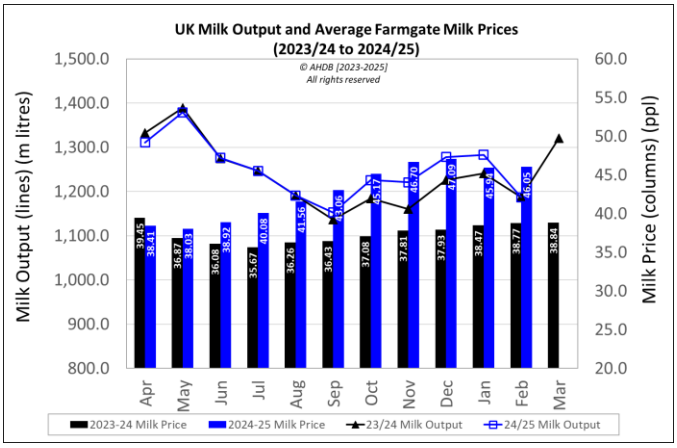
- *CO2 equivalent will vary depending on factors such as farm practices, variety of feed, how the feed is processed and source of feed. For example, soyabean meal imported from Brazil will be at the higher end of the range. Similarly, with distillers' grains, those sourced locally will sit at the lower end compared to distillers from the US.
- Prices are based on 20t bulk blown loads delivered in 50-mile radius.

With soyabean meal remaining at such a competitive price, it has been difficult to see past this year, but as you can see on a nutritional basis peas, beans and distillers offer a good alternative in terms of energy; the protein content is not as high as soyabean meal or rapeseed meal but is a good mid-range alternative and in many instances, can replace much of the soya in the ration when balanced appropriately.

Mary.Young@sac.co.uk

Milk production data

Milk production is increasing at a greater rate than this time last year, with the drier spring allowing earlier turnout in some areas. The latest data from AHDB estimates GB volume for February at 954 million litres. Daily production is currently 35.75 million litres for the week ending 15th March, 1.4% more than the previous week and 2% above the same week last year (an extra 1million litres daily). For the UK, February production was 1,187 million litres, no change from February 2024.



Farm-gate prices

The Defra farm-gate milk price for February was 46.05ppl, just 0.11ppl less than January. Processor milk prices appear to be holding steady with both Müller and First Milk announcing price holds for April and First Milk also holding into May. The Organic Herd cooperative is also increasing its milk price by 3% from the 1st of April (+1.68ppl), bringing its members price to 57.68ppl for a standard litre.

Milk Prices for Nov/Dec 2024 Scotland	Standard Ltr ppl	
First Milk[2]	Apr	45.35
Müller - Müller Direct - Scotland [1, 3]	Apr	42.25
Grahams[1]	Apr	40.00
Arla Farmers[2]	Apr	48.27
Lactalis / Fresh Milk Co.[2]	Apr	43.92

1 *Liquid standard litre – annual av. milk price based on supplying 1m litres at 4.0% butterfat, 3.3% protein, bactoscan = 30, SCC = 200 unless stated otherwise.*

2 *Manufacturing standard litre - annual av. milk price based on supplying 1m litres at 4.2% butterfat, 3.4% protein, bactoscan = 30, SCC = 200 unless stated otherwise.*

3 *Includes 1.00ppl Müller Direct Premium. Haulage deducted depending on band for 2023 vs 2021 litres, ranging from -0.25 to -0.85ppl.*

Dairy commodities & market indicators

Despite rising milk volumes, the March average price for butter and mild cheddar increased slightly (3% and 2% respectively), while cream and skim milk powder remained steady. Butter stocks are still low, and more Irish stocks have been shipped to the US ahead of any potential tariffs. The cream price has remained firm on the back of poorer milk supplies in the EU. With the positive price movement in mild cheddar and butter, both market indicators MCVE and AMPE rose slightly in March. The Milk Market Value (MMV) indicator rose for the first time since October, up 0.78ppl to 43.78ppl for March.

UK dairy commodity prices (£/tonne)	Mar 2025	Feb 2025	Sep 2024
Butter	6,070	5,920	6,730
Skim Milk Powder (SMP)	2,010	2,020	2,150
Bulk Cream	2,624	2,626	3,147
Mild Cheddar	4,020	3,960	4,150
UK milk price equivalents (ppl)	**Mar 2025**	**Feb 2025**	**Sep 2024**
AMPE	42.66	42.00	47.15
MCVE	44.06	43.25	44.91

Changes to the National Johne's Management Plan (NJMP)

From the 31st of March, all farms undergoing their annual NJMP review must comply with the new requirements for Phase 3. The changes include all herds obtaining an Average Test Value (ATV) to gauge the level of Johne's disease present, allowing progress to be monitored going forward. A 60-cow random screen is the minimum requirement to produce the ATV (a 30-cow screen will not be accepted now). There has also been an ATV of 5.5 set as the national Johne's Control Index target, with the aim of reaching this by 2030. A national Johne's Tracker database will also be created so that farmers and vets can track progress nationally of ATV, % incidence and other factors driving infection in herds.

Decline in dairy calf registrations

Data from BCMS show the number of dairy calf registrations for the fourth quarter of 2024 were the lowest on record. They were down 12.7% (46,000) to 314,000 compared to the same period in 2023. Registrations for the 2024 calendar year were 1.48 million, down 2.4% compared to 2023. Despite this, milk production was slightly up on the year, driven by relatively high milk prices in relation to feed costs in the last six months of 2024.

Sign up to UK Dairy Carbon Network research project

This Defra funded project, led by AHDB and AgriSearch is looking to recruit 56 farms across the UK, including south-west Scotland. Over a three-year period, the farms will implement measures to reduce greenhouse gas emissions. Participants will be given a customised action plan with one-to-one support, along with financial support and invitations to networking and knowledge exchange events. For more information please visit:

https://ahdb.org.uk/the-uk-dairy-carbon-network

Registration of Interest - UK Dairy Carbon Network (UK-DCN) Project

lorna.macpherson@sac.co.uk

Sector Focus:
Nature based solutions in a chaotic climate

What's coming ahead?

We are living in a rapidly warming and chaotic climate, with cascading and simultaneous effects of drought, flooding and extreme weather events across Scotland. Climate models predict by 2100, There may be an east : west divide in Scotland, where the west and west coast will experience higher frequency of extreme rainfall whereas the east will see more frequent droughts. The main predictions for climate risks and impacts would be:

- Flooding as frequency of extreme rainfall events may increase by 85% (between 2019-2080), and winters to be 12% wetter by 2070
- Drought and water scarcity, particularly in the east as consecutive dry days increase by 1-3 days from now until 2050
- Pest and disease outbreak as a warming climate enables pests and pathogens to expand their range northwards
- Soil degradation resulting from compaction, sealing or contamination that will incur yield loss (potential loss of 18.2% for spring barley), further GHG emissions, higher risk of flooding and poorer water quality
- Storm surges that lead to significant damage and disruption. Storms such as Desmond in 2015 are expected to be 40% more likely

The role of nature-based solutions

Nature-based solutions that work with natural processes can help farms to simultaneously improve yield, mitigate climate impacts, benefiting both biodiversity and people. However, as climate change worsens, their capacity to deliver benefits f will be limited as ecosystems degrade and biodiversity declines.

Delaying implementation could be more costly in the future as man-made substitutes are far more expensive and cannot deliver multiple co-benefits such as pollination, healthy soils, water purification and flood regulation from a single nature-based solution, such as 3D riparian buffer zones for example. Continuing with business-as-usual would make your farm riskier and more prone to yield loss or damages. As the financial sector looks to mitigate and adapt to climate change, future access to insurance and loans would depend on the sustainability and management measures on-farm to manage climate risks.

Design and placement matters

There is a need for more evidence and understanding of how applicable these measures are across different farming systems and locations. No one measure would guarantee a positive outcome, the best intervention is one that is suited to your farming system, soil type, water table, surrounding land management, vegetation etc. Measures are only as good as their design and placement. The only way is to experiment, learn and adapt.

Climate impacts are showing that nature-based solutions should be scaled up beyond field edges and hedges as a landscape-wide approach is needed where land-use should be multipurpose and diverse. This means we must shift from monoculture systems optimised for efficient production to diverse cropping and species-rich habitats across the landscape.

While some measures can benefit individual farms, resilience and effectiveness depend on neighbouring land-use and location of farms. For example, some natural flood management measures would require collaboration across multiple land managers at a catchment scale, especially with slowing down peak river flows which include which include leaky barriers at headwaters, riparian wetlands, and floodplain reconnection among others.

What measures would be feasible?

Two main nature-based solutions that can be adapted and implemented at farm/croft level are:

- **Natural flood management-** These include leaky barriers, on-farm temporary storage ponds, bunds, floodplain wetlands, and riparian woodlands to name a few. Temporary storage areas, which can be adopted by individual farms will be necessary to mitigate extreme weather events that lead to floods or droughts
- **Regenerative agriculture**- Measures that keep soil covered, minimise soil disturbance, and enable diversity on-farm will help improve soil health with higher organic matter content. This in turn will support water infiltration and moisture in soils e.g. cover crops, rotational crops, intercropping, multi-paddock grazing, agroforestry etc. Diversity on farm will support resilience not only against various pests and diseases, but also climate events such as drought and flooding.

Further resources

- FAS – Climate Adaption and Measures to implement on farm
- Adaptation Scotland (2021) has a summary of climate projections for the country here.

Tushaani.Naidu@sac.co.uk

Insect pollinators: their value to Scottish agriculture

Flowering crops are alive with a diversity of insects including hoverflies, bees, beetles and butterflies. These beasties are hard at work collecting nectar and pollen, and in return, they provide a crucial pollination service. They transfer pollen between flowers, contributing to the production of fruits, seeds, and vegetables. Pollinators, therefore, play an important role in food security.

Value to crop production

Insect pollinators improve the yield and quality in 75% of the world's leading crops. They increase seed production in oilseed rape and beans, and enhance yield and quality in apples, raspberries and strawberries.

Carefully designed experiments that exclude pollinators from crops have allowed us to calculate their contribution to production. This ranges from 69% for apples to 45% for strawberries and raspberries and 25% for oilseed rape and field beans. These values have allowed us to estimate that insect pollination services increase productivity by ~£630 M per year in the UK.

Looking at the wider value

If you only grow wind pollinated crops such as barley, wheat and oats you may wonder if there is any economic value in trying to enhance pollinators. Pollinators such as hoverflies and wasps are also natural enemies, helping to control pests such as aphids.

Insects not only pollinate our crops but also our wildflowers, with over 87% relying on pollinators. They, therefore, underpin the health of semi-natural habitats on our farms – our species-rich grasslands, buffer strips, woodlands and hedgerows. Through pollinating wildflowers, they provide seeds and berries for birds and mammals. Finally, I would argue that there is little more uplifting than seeing a butterfly flutter across your field, or a bumblebee hard at work seeking nectar from a flower strip you have planted.

Future farming systems

As we move towards more sustainable farming systems, the value of insect pollinators is likely to increase. Climate change, dietary shifts and policy changes (particularly enhanced conditionality) are likely to see an increase in nitrogen-fixing crops such as beans, lucerne and perhaps crops such as soya and sunflowers. These crops are all highly dependent on pollinators. Furthermore, as insecticides lose their potency or are withdrawn from the market, we will become more reliant on natural enemies to control pests.

Bumblebee pollinating oilseed rape

Insect pollinators therefore have a crucial role to play as we move towards more sustainable farming systems.

Threats to pollinators

Across the globe, we have seen a decline in insect pollinators as they face a cocktail of pressures including habitat loss, pesticides and agricultural intensification. Scotland, however, is bucking this trend with insect pollinators actually increasing. This is likely driven by our large areas of semi-natural habitat managed through extensive grazing, alongside climate change, resulting in warmer more favourable conditions for pollinators.

Actions to support pollinators

While Scotland's pollinators seem to be faring okay; this does not mean we should rest on our laurels. Pollinators play a crucial role in food production and underpin the health of our agricultural ecosystems. With pollinators responding to environmental change in different ways, supporting a diversity of species is fundamental to resilient farming systems.

Agri-environment actions to support insect pollinators such as flower-rich field margins can increase crop yields and pest control services. These habitats, however, often deteriorate over time reducing their value to wildlife and production.

The Farm Advisory Service's Pollinator Portal has lots of tips on how you can enhance insect pollinators on your farm. Have a look and see what would work on your farm. With pollinators quickly learning where new food sources are, you won't have long to wait until you are rewarded with the hum of insects.

Lorna.Cole@s,ac.co.uk

Management Matters:
Seasonal Workers

UK Seasonal Worker Visas for 2025

Following a two-year extension, the Seasonal Workers Visa Scheme has now been extended for a further 5 years and is now guaranteed to run until 2029 providing certainty and stability to many businesses.

Visa Allocations

Poultry: For 2025, there will be 2,000 Seasonal Worker visas are available for the poultry sector. Poultry workers can come for the period between 2 October and 31 December in the same year and applications have to be in by 15th November each year.

Horticulture: For 2025, 43,000 Seasonal Worker visas will be available for horticulture, which includes flower, fruit and veg harvesting. Applications can be submitted at any time for a working period of up to 6 months in any 12-month period.

The visas are divided between several approved Scheme operators, and it is through these Scheme operators that businesses must apply.

Permissions under the Visa

Seasonal workers can enter the UK up to two weeks before their work start date but during their time in the UK, they cannot take a permanent job or have a second job or a job that isn't described in their certificate of sponsorship

Pay for Seasonal Workers

The regulations of the Scottish Agricultural Wages Board (SAWB) apply to seasonal workers who are working via the Visa Scheme. The rates of pay are set annually on the 1st April.

The minimum hourly rate for all workers as of 1st April 2025 will be £12.21, in line with the UK Government's National Living Wage. Workers with an agricultural or production horticulture qualification will receive a £1.83/hour top up, taking their minimum wage to £14.04/hour. Eligible qualifications are those at SCQF 6/7 or above and include National Certificates, Higher National s and Higher National Diplomas.

Overtime: Eligibility for overtime payments depends on the length of time employees have been working with that employer, and the number of hours worked.

For workers with up to 26 weeks continuous service, which would fit with most seasonal workers, overtime must be paid when a worker works for more than 8 hours on any day or for more than 48 hours in any week. Overtime is calculated at 1.5 times the minimum hourly rate to which the worker is entitled.

The Agricultural wages: A Guide for Workers and Employers is a useful reference document on pay, working hours and benefits for agricultural workers. This guide is available in full in Bulgarian and Polish or there is an abbreviated document covering the key features in Russian, Belarusian, Moldovan, Romanian, Ukrainian, Nepalese, Latvian and Kazakhstani. Copies of this guide can be sourced by contacting SAWB on 0131 244 9750 or e-mail sawb@gov.scot

Further Information

Accommodation: From 1st of April 2025, any deduction an employer makes from a wage in respect of accommodation other than a house (caravans or static homes) shall not exceed £10.66/day. The deduction must only be made for each day in the week that living accommodation is provided.

Weather Protective Clothing: The provision of weather protective clothing for employees and the replacement of any clothing that is no longer fit for use is the responsibility of the employer, not the employee.

mhairi.dalgliesh@sac.co.uk

Key Economic Data

General Indicators	
Base interest rate Feb 25	4.5% (4.75% Jan 25)
ECB interest rate Deposit	2.50% (2.75% Feb 25)
UK (CPI) inflation rate	2.8% (target 2%)
UK GDP growth rate	0.1% (Q4 2024)
FTSE 100	8,670.49 (28/03/2025)

Price indices for January 2025 (Defra 2020 = 100)			
Output Prices		**Input Prices**	
Wheat	114.4	Seeds (all)	105.8
Barley	122.1	Energy	144.6
Oats	118.4	Fertiliser	161.4
Potatoes	172.1	Agro chemicals (all)	110.2
Cattle and Calves	170.6	Feedstuffs	121.8
Pigs	126.7	Machinery R&M	130.7
Sheep and Lambs	154.1	Building R&M	135.2
Milk	160.6	Veterinary services	124.8

This publication is funded by the Scottish Government as part of the SRDP Farm Advisory Service