Farm Advisory Service

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

December 2023

News in brief

The devil will be in the detail

Following the close of the consultation period for the new Agricultural and Rural Communities (Scotland) Bill, the industry will now have an extended wait to see how the outlined support framework will translate into hard cash heading down the farm or croft road in the years to come.

On a positive note, in response to the ongoing cost of living crisis, the UK Government's Autumn Statement announced 1-2% reduction in National Insurance rates and an annual increase of around £900 for those eligible for a State Pension. In addition to which, the Scottish Government has announced new training funds available through Lantra for young people and women wanting to progress their careers in the Agricultural sector.

With this year's turbulent weather, it is no surprise there has been a reduction in the number of hectares planted of winter wheat, barley, oats, and oil seed rape. However, it is expected that there will be a compensatory increase in the area of combinable crops planted next spring.

As we head towards Christmas, with a reported 15% reduction in turkey poults on farm this year; it could give a welcome boost to pork, beef, and lamb sales over the Festive period. Dairy products are already rising in demand ahead of the Christmas period.

With the countdown underway to reduce Greenhouse Gas Emissions by 2032 and the complexities of running an agricultural business increasing year on year; this month's Management Matters highlights the help that is available to farmers and crofters who find managing their business a daily struggle simply because their eyes and brains interpret things differently, whether it be due to Dyslexia, Dyscalculia or Meares Irlen Syndrome. Don't struggle in silence, getting help can literally change your life.

Next month:

- Global Trends
- Year end Roundup and Looking ahead to 2024

Contents

This month's editor:
Christine Beaton

SAC CONSULTING

Scottish Government
Riaghaltas na h-Alba
gov.scot

Autumn Statement

National Insurance: From the 6th of January 2024, the employee national insurance rate is being cut form 12% to 10% for earnings between £12,570 and £50,270.

From April 2024, Class 2 self-employed national insurance contributions will be abolished.

From April 2024, Class 4 'paid on profits' national insurance contributions will be reduced from 9% to 8% for earnings between £12,570 and £50,270.

State Pension: From April 2024, the state pension will rise by £17.35 per week to £221.20 per week. an increase of ~ £900 per annum.

National Living Wage: From April 2024, the national living wage will rise to £11.44 per hour for all employees aged 21 and above.

Trade Deals and Support Funding

Following on from the closure of the consultation period on the new Agriculture and Rural Communities (Scotland) Bill and cabinet reshuffle within the UK Government; Mairi Gougeon is keen to meet with the new Secretary of State for Environment, Food and Rural Affairs, Steve Barclay to ensure that lessons have been learned with regards negotiating trade deals in the post Brexit era and to discuss funding for Scotland's Agricultural Reform Programme.

Storm Babet Support Funding

In addition to the RSABI support funding of £1,000 per family available to Scottish farming and crofting businesses affected by Storm Babet; the Scottish Government has announced support funding accessible through the seven affected local council authorities (Aberdeenshire, Angus, Perth & Kinross, Fife, South Lanarkshire, Highland and Moray).

Under the Bellwin Scheme, impacted local authorities will be allocated additional funding to enable them to provide flat rate grants of:

- £1,500 to people whose properties were most affected by flooding related to Storm Babet.
- £3,000 grants to businesses where there is evidence that ability to trade was severely impacted by flooding.

Local authorities now have four months from the date of the incident to make an interim claim and until eight months following the incident to make a final claim under the Scheme.

Farmers affected by severe flooding in Aberdeenshire, Angus, Perth & Kinross, Fife, and Moray, this autumn will be eligible to apply for grants of up to £30,000 to help repair man-made flood banks. The Scheme, expected to open this month will be administered by the Scottish Government. Further details will be made available on the Rural Payments and Services website.

The Next Generation & Women in Agriculture Practical Training Funds

The Scottish Government has announced £570,000 of joint funding to help young people, women and girls develop new agricultural skills to progress their careers and/or businesses in the Agricultural Sector.

For both training funds, training up to the value of £500 per course will be fully funded. Any training over the value of £500 per course will be considered and assessed on a case by case basis. Further information about both Training Funds is available on the Lantra Skills Hub

Tag Loss Survey

Given the importance of tags in the livestock sector, researchers from SRUC are exploring the whys and wherefores of ear tag losses in Scotland and are keen to hear the views of all livestock keepers. If you would like to take part, please click on this link: EarTags_in_Sheep_and_Cattle_in_Scotland_2nd_Wave (onlinesurveys.ac.uk)

Forestry - Asulox & Bracken Control

As Asulox can no longer be used as a means to control Bracken; the Forestry Grant Scheme rate for the mechanical and manual control of bracken has been increased from £225 to £275 per hectare.

Key dates

Date	Point to Note
1 Dec 23	LFASS and Young Farmers Top-up payments start
31 Dec 23	Cross Compliance Period Ends
31 Dec 23	Scottish Suckler Beef Support Scheme application period ends

Christine.beaton@sac.co.uk

Swing to spring cropping inevitable

The Early Bird Survey results for 2024 cropping have been released by the AHDB. They have been derived from provisional 2023 survey data to produce forecasted crop areas.

The Rises: Although spring barley is anticipated to rise by a significantly 13%, the area of oats is projected to rise by 12% largely due to a greater expected rise in spring sowings. offsetting the fall in winter sown oats. There is also a notable increase in area is expected for arable fallow, up 27% from 2023.

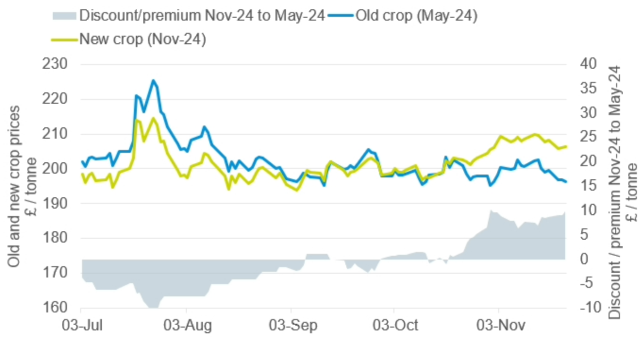
The Falls: Whilst the winter barley area is reported to have fallen by 6%, OSR planting has fallen by 16%, with the harvested area potentially declining further because of waterlogging and heavy rains experienced. Often filling the gap in this situation are pulses, but they too are set to decline, falling approximately 10% from 2023's harvest.

The UK wheat area for harvest estimate for 2024 is back by 1.3%, all within the winter crop. However, Spring wheat sowings are expected to increase by as much as 23%, albeit from a low base in 2023.

Impact on new crop prices

As the markets are aware of a tight supply and demand situation developing for wheat for 2024 **Fig 1**); wheat currently estimated to be available for export or held as free stock is down 64% on last season at 734,000 tonnes.

Premiums are growing for new crop over old with the differential currently circa at £10-11/ton. The true value of new crop will emerge once a better insight is gained into the viability of the sown crops as they come through the winter.



Source LSEG, ICE
Fig 1. Price premium differential May-Nov'24 futures

Barley and oats outlook

Feed barley prices are being pushed lower, pressured by lack of demand, and although the UK has a sizeable export surplus, it is uncompetitive and therefore trade continues at a slow pace.

Although barley is competitive in domestic feed rations, inclusion rates are already high and with drifting markets, there is little to incentivise a buying rally.

Malting barley of good quality retains its £60-£70 premium over feed as domestic demand remains strong. The outlook for new crop value is less certain given the anticipated increase in area likely to be established in the spring. The indicators for a well-supplied 2024 market are there and locking into risk-free premiums now are worth considering.

Demand for milling oats in the UK remains strong and quality is hard to come by. Merchants are blending and cleaning crops to maximise the supply that could be consumed. Price destruction is a risk later in the season if prices continue to be supported by demand; effectively pricing oats out of the feed market.

Oilseeds & Soya

Global production of oilseeds is expected to continue expanding in 2023/24 reaching a new record high and reflecting higher forecasts for soya and sunflower that more than offset an expected contraction in rapeseed production. The anticipated increase in soybean production primarily hinges on expectations of a considerable output recovery in Argentina and a continued area expansion in Brazil, assuming normal weather conditions in both countries. On the other hand, soybean output in the United States of America will likely decline for the second consecutive season due to reduced plantings.

The UK recent trade figures demonstrate a contracting national rapeseed crop with exports almost half the 5-year average for the quarter July to September. Similarly, over the same quarter, imports have increased year on year by 10% and are 27% greater than the 5-year average.

mark.bowsher-gibbs@sac.co.uk

£ per tonne	Basis	Nov '23	**May '24**	**Nov '24**
Wheat	Ex farm Scotland	186	193	205
Feed Barley	Ex farm Scotland	164	171	185
Malt. dist. Barley	Ex farm Scotland	230	240	
Oilseed Rape	Delivered Dundee	350	354	358

Indicative grain prices week ending 27th Nov 2023 Sources: SAC,ADM,AHDB FAO)

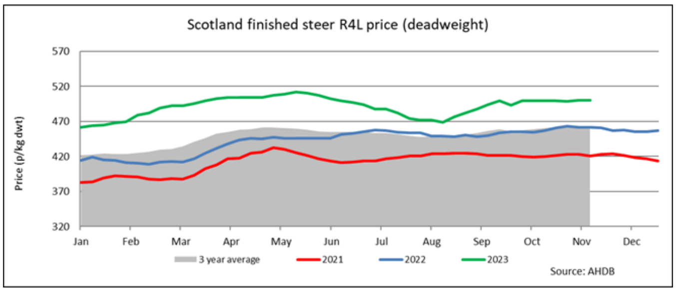
Beef

Beef Price Remains Static

After several weeks at 499p/kg dwt, finished beef prices have recently seen a festive uplift with R4L steers sitting at 500p/kg dwt in Scotland for the week ending November 18.

Improved retail demand as the Christmas countdown begins, is supporting prime cattle prices, with figures from QMS showing cattle and sheep prices were 20-25% above the five-year average in early November. However, with only two more weeks left for Christmas orders, it is unlikely that prices will increase significantly now and will more likely ‘stand on’ as processors look to fill retailer orders.

With numbers of prime cattle remaining fairly tight combined with early festive demand from butchers and abattoirs, several auction marts have recently reported a strong trade in the live ring as prices have increased throughout November.



Lighter Slaughter Weights

Although AHDB data estimates prime cattle slaughterings to be trending upwards, carcase weights remain lighter, with reports of leaner cattle, potentially a reflection of wet weather resulting in poorer grazing and variable silage quality.

Going forward the increasing influence of dairy beef bred animals, could contribute to a lowering of weights and cattle killing out lighter.

Cow Trade

Cow prices have started to slide seasonally, as processors focus on prime cattle. That being said trade for cull cows remains good and will possibly increase into the New Year as consumers turn to processed beef following the Christmas spend.

Worrying Trends

After starting 2023 ahead of 2022 levels, cull cow numbers coming through Scottish abattoirs fell during summer and autumn of this year suggesting that the Scottish beef herd is now beginning to stabilise.

Scotland’s annual census recorded a 3.5% decline year on year in beef cow numbers – with total number of cows sitting at 394,700 head - while England’s June census recorded a decline of 3.6%.

The continuing decline of suckler cows is a real concern for the industry. ScotEID calf registrations highlight the impact of herd contraction, reporting a significant decline of 2.7% in the first nine months of this year compared to 2022.

Looking forward, a reduced 2023 calf crop will affect prime cattle availability and supply in autumn of 2024, with pressure on beef availability likely to peak in spring 2025.

Christmas TV campaign

TV adverts have become synonymous with the countdown to Christmas, and in a seasonal first, Scotch meat is to be highlighted by QMS in its first ever Christmas TV campaign.

Food focused Christmas TV ads are proven to push sales, with retailers highly focused on their campaigns which have become for consumers, a real highlight over the festive period.

The hope is that consumers will get thinking about Scotch meat, and importantly our livestock sector, buying into the great story the Scottish beef industry has to tell, not just at Christmas and New Year but going forward into 2024.

Sarah.balfour@sac.co.uk

Week ending	GB deadweight (p/kg) 16.5 – 21.5kg				Scottish auction (p/kg)				Ewes (£/hd)	
									Scottish	Eng&Wal
	R3L	Change on week	Diff over R2	Diff over R3H	Med.	Change on week	Diff over stan.	Diff over heavy	All	All
04-Nov-23	**571.3**	-5.8	-6.5	0.5	**249.60**	-1.6	10.6	2.9	66.92	72.79
11-Nov-23	**578.4**	7.1	-7.7	-6.7	**271.80**	22.2	16.0	5.5	68.31	77.95
18-Nov-23	**592.3**	13.9	-5.7	-0.7	**265.90**	-5.9	15.9	7.5	69.21	79.55

Deadweight prices may be provisional. Auction price reporting week is slightly different to the deadweight week.

Source: AHDB and IAAS Market information for England and Wales is provided under licence from the Livestock Auctioneers Association (LAA). No part of this information may be used, reproduced or transmitted in any form by any means, for commercial purposes, without the prior written consent of the LAA

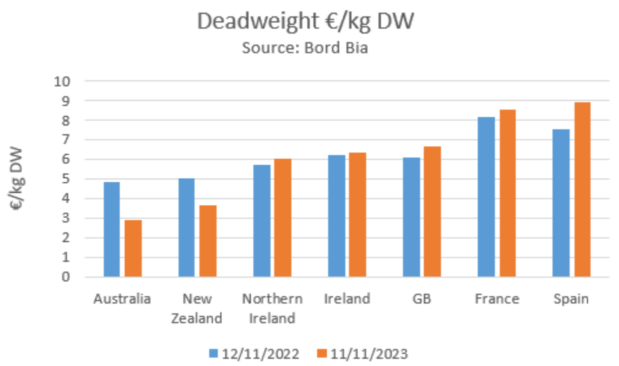
Christmas is Coming!

The national Christmas feast, the traditional turkey had supply issues last year, with the impact of avian influenza. This saw some families moving to other meats, where lamb showed to fair well in the seasonal sales. Avian influenza now endemic in the wild bird population, brings a higher level of immunity in the wild bird population, and less virus circulating, reducing the risk to the traditional turkey producer. With a reported 15% less turkey poults on farm this year, again it could mean that the market could be tight, which could result well for lamb sales!

The American Farm Bureau federation has recently published their annual survey results on the cost of a thanksgiving meal. There are no surprises here showing the effect of high supply costs and inflation has risen thanksgiving feasts by 25% since 2019. Lamb in the UK in the week ending (18/11/23) is £0.42/kg higher than it was last year or ~£8.80/lamb. However, for the Christmas market, the consumer tends to invest in good quality, luxury food, which is probably a reason lamb faired so well last year.

Export Favourable

The export market remains very favourable, with a reduced number of lambs on the continent and a high European price, making our lamb very competitive.



The Australian price has substantially fallen over the last year, mainly due to the expansion in the flock and the high availability/supply.

The Australian Bureau of Statistics has recently published their slaughter and production statistics for the 3rd quarter of 2023. These show the lamb production in 2023 as the highest on record and that lamb slaughter in Q3 in 2023 is 20% higher than in that in Q3 of 2022.

AHDB has shown that our domestic market is being supplied by an increased volume of imported lamb as the year has progressed. This is especially from Australia, who have access to trade and have a high supply of lamb. Imports from New Zealand are decreasing, while our exports are rising. The balance of supply and demand is at play here.

Vet Attestation

We are very reliant on the export market for meat and livestock products in the UK, with the EU being a major customer. New legislation from the EU requires that from the 13th of December 2023, producers have a vet attestation. This is where producers can prove that an annual visit from a vet has been carried out to view any signs of notifiable diseases and asses for biosecurity risks.

This is relevant for all livestock farmers that produce food that's end destination is the food chain which may be exported to the EU. However, those who are members of quality assurance schemes, do not need to do anything different, as the rules to comply with these require at least one annual vet visit.

Non-farm assured producers who send animals for slaughter, should obtain a vet attestation. Producers may think their animals will not be exported, but in fact a large proportion of our meat is. If the carcass itself is not exported, other parts of the animals may be e.g., fifth quarter (although the hide does not require a vet attestation).

More information can be found at Defra QA - vet attestations for POAO exports to the EU (v2).pdf (windows.net)

Kirsten Williams; 07798617293

Week ending	GB deadweight (p/kg) 16.5 – 21.5kg				Scottish auction (p/kg)				Ewes (£/hd) Scottish	Ewes (£/hd) Eng&Wal
	R3L	Change on week	Diff over R2	Diff over R3H	Med.	Change on week	Diff over stan.	Diff over heavy	All	All
04-Nov-23	**571.3**	-5.8	-6.5	0.5	**249.60**	-1.6	10.6	2.9	66.92	72.79
11-Nov-23	**578.4**	7.1	-7.7	-6.7	**271.80**	22.2	16.0	5.5	68.31	77.95
18-Nov-23	**592.3**	13.9	-5.7	-0.7	**265.90**	-5.9	15.9	7.5	69.21	79.55

Source: AHDB and IAAS Standard weight 32.1 - 39.0kg; Medium weight 39.1 - 45.5kg; Heavy 45.6 - 52.0kg
Deadweight prices may be provisional. Auction price reporting week is slightly different to the deadweight week.

Optimism can be a dangerous thing for the pig sector - just when it looks like there will be much needed sustained period of profitability to help encourage investment, prices start to fall and that feeling of trepidation starts to creep in.

While prices have risen through much of 2023, reaching a peak in mid-August, prices have since fallen back due to weakening domestic demand and a significant drop in EU pig prices. Although producers are still making a profit; feed prices have started to creep up again following the harvest lows for feed barley and wheat. Numbers finished are still well back on previous years due to the contraction of the UK breeding herd over the past two years.

Standard Pig Prices (SPP): From a low of 137 pp/kg in February 2022, the SPP reached a peak of just under 226 pp/kg in August 2023 – a rise of nearly 65% in eighteen months. Since then, a succession of weekly falls has seen the price drop to 217 pp/kg (AHDB). While UK prices have fallen 8.5 pp/kg in recent months, EU producers have seen their prices fall by over 30 pp/kg since July. More interesting and perhaps concerning, is the fact that the differential between UK and EU prices has widened from under 10 pence to 32 pence in recent weeks, much higher than normal, with the EU being the main competitor to UK producers in the home market. Combined with reports showing a reduction consumer demand, the outlook is less positive than a few months ago.

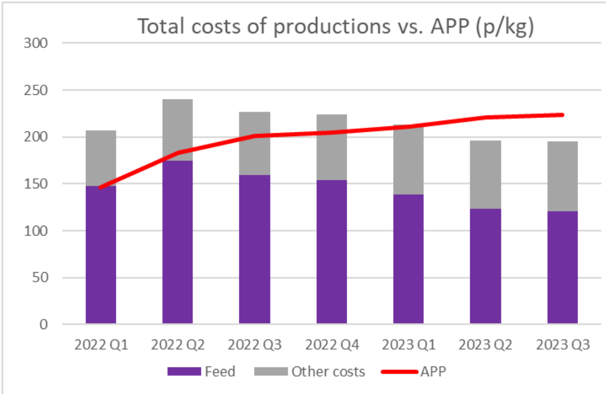
Slaughter Weights: Average slaughter weights have crept up over the summer, breaching 91kg for the first time in over a year although this should reduce in the next few weeks as processors begin to pull forward pigs in the run-up to Christmas. Numbers slaughtered each week continues to be more than 20,000 pigs less than 12 months earlier at just over 150,000 pigs. AHDB have predicted that the reduced throughput in 2023 should result in a reduction in UK pigmeat production of around 15% compared with 2022.

Cull Sows: Cull sow values have crept back over the summer, now being worth 105-114 pp/kg (T.V.C.), which is still much higher than the start of 2022, when prices were a paltry 20 pp/kg – which was a lot of meat for very little money.

Weaners: Weaners continue to be in demand, which specialist finishers still seeing that a reasonable margin can be made. Over the summer, 7kg weaners have traded at £50 - £55/head (T.V.C.) with plenty takers for surplus pigs.

Costs of Production: While prices have eased back from their peak, the latest published margins from AHDB (for Q3 of 2023) showed pig farm margins had continued to increase, albeit only slightly from the previous quarter. Total costs had fallen considerably from the peak of 240 pp/kg (£214 per pig) in Q2 of 2022 to 195 pp/kg (£172 per pig) by Q3 in 2023, with prices received rising to 224 pp/kg (£197 per pig) leaving a margin of 28 pp/kg (£25 per pig). A combination of rising prices and falling costs have contributed to the change in fortunes, with feed prices in falling from a peak of 175 pp/kg (£156 per pig to 121 pp/kg (£106 per pig) in Q3 of 2023.

Figure 1. GB All Pigs Price (APP) vs. Cost of production Jul 2021 to Sep 2023, (Source: AHDB Pork)



Imports & Exports and Worldwide

The reduction in finished pigs has inevitably had a knock-on effect in exports with 224kt (worth £0.421bn) exported by the end of September 2023 compared to 284kt (worth £0.452bn) at the same point in 2022. Imports in 2023 to the end of September decreased slightly in volume but showed an increase in overall value being 579kt (value £2.18bn) in 2023 compared to 600kt (worth £1.85bn) by this time in 2022(HMRC).

Further afield, in China, over-supply and weakening demand has seen pig prices fall by over 30% in a year - which is being blamed for potentially putting their economy in a deflationary situation (Reuters).

Sector faces up to life without Zinc Oxide (ZnO)

ZnO has been used at therapeutic levels for many years, playing an important role in reducing post-weaning diarrhoea in young pigs. Following its 2022 withdrawal by the EU, existing supplies are being clawed up. This means that producers are having to review their young pig management with a range of alternatives being tried from nutritional changes, boosting piglet immunity to changes in management.

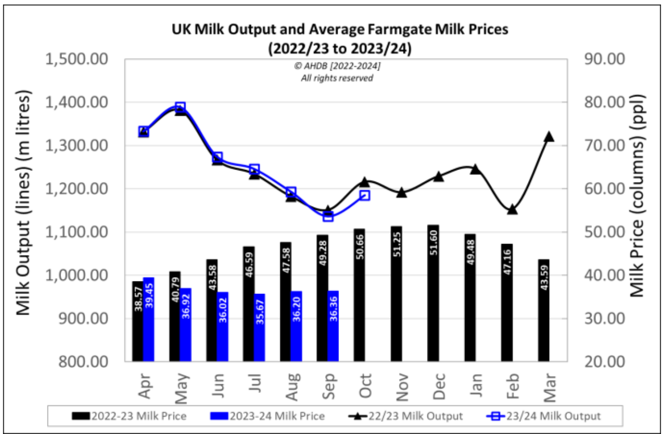
george.chalmers@sac.co.uk

Stagnant milk volumes and greater demand boosts commodity prices

- *Milk volumes are now over 3% below this time last year.*
- *Industry analysts suggest milk prices have reached the bottom and should start to improve in Q1 and Q2 of 2024.*

Milk production data

GB milk output for October has been estimated at 1,006m litres (AHDB), 4.5% more than the previous month and 2.6% below October 2022. Daily deliveries were 32.49m litres (as of w/e 18th November), 0.4% above the previous week but 3.2% less than the same week in 2022. UK production for October was estimated at 1,185m litres.



Farmgate prices: December 2023

Milk prices will likely be holding steady from the majority of processors given the uplift in commodity prices and stagnant milk volumes. First Milk has confirmed a price hold for December, but other prices in the table below are for previous months. The Defra average UK milk price for September 2023 was 36.36ppl (October price not updated at time of writing), up 0.16ppl from August.

Milk Prices for December 2023 Scotland	Standard Ltr ppl	
First Milk Manufacturing *(4.2% BF & 3.4% Protein)*	Dec	36.00
Müller - Müller Direct - Scotland [1, 2]	Nov	36.25
Grahams[1]	Nov	35.00
Arla Farmers Manufacturing (4.2% BF & 3.4% Protein)	Nov	35.21
Lactalis / Fresh Milk Co.[1]	Nov	34.00
Yew Tree Dairy[1,3]	Oct	36.00

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 *Includes 1.00ppl Müller Direct Premium + additional 0.25ppl haulage charge for Scottish suppliers.*

3 *Liquid standard litre price for A volume litres.*

Dairy commodities & market indicators

Dairy commodity prices continue to rise, with all products traded between 23rd October and 20th November showing an average price increase from the previous month. Butter and cream showed the biggest rises, up 13% and 11% respectively.

With milk supply continuing to be well below last year's volumes, butter stocks are tightening, and demand is starting to increase for the festive period. Export demand for cream to the EU has also picked up on the back of falling milk supplies on the continent. Mild cheddar has shown a bigger rise compared to last month, as demand improves both at home in the run up to Christmas and for export for the US thanksgiving holiday. Therefore, market indicators AMPE and MCVE have also risen from last month, with AMPE 1.14ppl above MCVE.

UK dairy commodity prices (£/tonne)	Nov 2023	Oct 2023	May 2023
Butter	4,580	4,070	3,910
SMP	2,280	2,220	2,040
Bulk Cream	1,985	1,791	1,490
Mild Cheddar	3,400	3,290	3,550
UK milk price equivalents (ppl)	**Nov 2023**	**Oct 2023**	**May 2023**
AMPE	37.67	34.53	32.01
MCVE	36.53	34.58	37.45

The Milk Market Value was up 2.2ppl to 36.76ppl for November, the highest it's been since March. After four consecutive price rises in the GDT auction in September and October, the two auctions in November have been flat, with a -0.7% and most recent 0% change in the average price of all products sold. The latest average was $3,268/t, with the biggest mover being cheddar, down 9.7% to $3,637/t.

Cost of production and feed costs

The cost of production is currently around 37ppl which is above what many Scottish milk buyers are paying (depending on contract). For October, the Milk Price to Feed Price ratio calculated by AHDB and Defra, was 1.18, much lower than 12 months ago (1.39). This ratio indicates the value of milk in related to purchased feed costs. At 1.18, milk production is only just in the stable zone. If below 1.16, a reduction in milk output is expected.

The most recent costings data from Promar's Milkminder for September had a purchased feed cost of 11.93ppl, with a daily yield per cow of 25.57 litres and a milk price of 35.98ppl, returning a margin over purchased feed of 24.05ppl, compared to a margin of 35.68ppl 12 months ago.

Producer numbers fall

AHDB's latest survey of milk buyers has shown that dairy farmer numbers have fallen to 7,500 as of October 2023, an estimated 350 less than this time last year. Not surprisingly, the reduction has been attributed to declining returns, with the milk price having fallen on average 13ppl in the last 12 months and high input costs for energy, feed, fuel, and fertiliser. While these have eased in the past few months, they are still significantly higher than pre-Ukraine war.

lorna.macpherson@sac.co.uk, 07760 990 901

Meeting GHG Emissions Targets

The stakes are high for COP28, the latest climate summit in the United Arab Emirates which runs from the 30th of November through to the 12th of December. As according to a recent UN report most countries that signed up to the temperature limiting targets agreed at the Paris COP agreement in 2015 are not on track to achieve them. As part of Scotland's efforts, Scottish agriculture has been set an ambitious target: reducing the sector's greenhouse gas (GHG) emissions by 31% by 2032 relative to 2019 levels.

An absolute cut in emissions

This challenge is significant, as the calculation is based on **gross not net** emissions. Sequestration of carbon, for example by a farmer planting trees, benefits the land use, land-use change and forestry inventory, but not the agriculture inventory under current international reporting rules.

So, the broad options for Scottish farming are:

- Produce the same output with 31% less emissions (raise emissions intensity).
- No change in emissions intensity, simply reduce output.
- A halfway house that combines some reduction of output with some improvement in emissions intensity.

The first option looks preferable but seems hopelessly optimistic with current technologies. While the second, reducing agricultural output, implies less farmers and smaller processing and input sectors, so is economically unattractive, which seems to leave some variation of the final option.

Making it happen

Government efforts to improve Scottish agriculture's carbon footprint have been largely carrot based to date. Government Grants are available for carbon auditing, soil testing and improving animal health, with FAS also funding Carbon Audit Action Plans. *Farming for a Better Climate* is the headline initiative for providing advice to farmers.

Anecdotal evidence suggests that uptake of grants and advice has been underwhelming. So, indications are that some stick will be used to nudge farmers to act by attaching conditions to future support. Details are expected next February.

Yet pressure to adopt more climate friendly farming practices is coming from another direction which may prove more compelling. To comply with the GHG Protocol, some retailers and processors are voluntarily introducing systems to record their Scope 3 emissions, which includes emissions from the farmers they buy from. The UK government is currently consulting as to whether to make such Scope 3 reporting mandatory (Closes 14th of December).

Nestle is committed to halving its emissions – in absolute terms – by 2030. Problem is: 95% of Nestle's emissions come from its supply chains. Fonterra, the farmer owned New Zealand co-operative and a big supplier of dairy ingredients to Nestle has just announced plans for a 30% cut in on-farm emissions intensity by 2030 relative to 2018. However, critics point out that this is not a commitment to an absolute reduction in emissions.

Market forces

So how do we square the apparent contradiction between emissions intensity and cutting emissions absolutely? Think in terms of supply chains not overall sectors.

Some dairy farmers given a premium price will strive to cut their emissions by adopting practices that raise emissions intensity. Those producers will supply the Nestle contract helping Nestle meet its absolute reduction's goal. That's how it works here in Scotland. Most of the other better paying dairy contracts are also environmentally (and welfare) demanding with the productivity improvements also highlighted.

Companies in other sectors are also evolving payment structures to reward on-farm management that cut Scope 3 emissions. Suppliers of crops to McCains, Diageo and Pepsico (e.g., oats), are either contracted directly or via intermediaries like maltsters. Sainsburys introduced a premium Angus beef range this autumn sourced via ABP that is produced with 25% lower emissions.

Support changes and emissions

Removing all support would cut emissions from Scottish agriculture simply because output, especially that of the beef sector, would fall. Total removal of support is not going to happen, but direct support is likely to decline in future due to an overall squeeze in government spending and switch in funding to schemes that directly deliver public goods - like limiting climate change and improving biodiversity. These are additional to conditionality.

What happens to the level of Scottish agriculture's emissions in coming years will therefore result from some farmers producing their outputs more efficiently, whilst others lower emissions by reducing output or exiting the industry. Ensuring that the balance is toward the former, should be the goal.

Kev Bevan, 07368 825877

Be conditioned about Conditioning

Ewe Condition in Mid-Pregnancy

Body condition scoring (BCS) is an essential tool for assessing the nutritional status of ewes. During mid-pregnancy, ideally, the BCS should be maintained around BCS 3-3.5 (2-2.5 for hill ewes), ensuring the health of both the ewe and her developing foetus. There is a wealth of research which shows how ewes under target BCS are more likely to die and, how the BCS targets relate to greater rearing rates.

The ewe's body condition directly influences the quality and quantity of colostrum and milk produced. Sufficient fat reserves are imperative for meeting the increased energy demands of late pregnancy and lactation. The colostrum, vital for lamb immunity and growth, can be adversely affected in quality if the ewe is in poor condition.

The guidance before pregnancy is to get as many to target as possible to reduce the need to ‘correct’ condition score through pregnancy. However, there are years with bad weather and conditions where condition loss through the winter occurs therefore some may be considering options for lean ewes now.

The first key tip is monitoring.

Get a feel of the ewes as regularly as possible and split those that are under target for priority feeding. This will effort certainly pay dividends come lambing time.

As a minimum, gauge condition at scanning time and split off the lean ewes to be fed with the triplets or keep them separate altogether, if practical.

Feeding to increase the condition becomes more challenging as pregnancy progresses. Therefore, working to improve it should be done sooner rather than later.

The last six weeks of pregnancy should be the absolute last resort as, at this time, thin ewes tend to give the nutrients to the growing foetus and are more likely to require assistance with lambing.

Energy-dense feeds are needed.

Rumen-friendly rations are based on forage, find that with the greatest energy density for these thin ewes. This should be attractive to them to eat, and they should have plenty of access (over 15cm per ewe).

Although ewes like to eat hay, it often has a lower energy density, so a high-energy silage is preferred. With plenty of access, combined with checks that they are consuming the stuff, a silage of 10.5 megajoules of metabolisable energy per kg dry matter (MJ ME/kg DM) will meet the requirements of a 75kg twin-bearing ewe with extra for condition gain up to 7 weeks pre-lambing.

Keep monitoring and, only provide additional hard feed if required. Nutrition from forage is more rumen-friendly than from concentrate feed.

However, in the last six to seven weeks of pregnancy, additional concentrate feeding is often required, but again, the ration should start with energy-dense forage and the protein and energy deficit is met with concentrate feeds.

We cannot undervalue the role of independent nutritionist advice at this stage to calculate more precisely the supplemental feed requirement.

The nutritionist might save you money or might cause you to spend more money, but the feed will be calculated to meet the needs of your flock to give your lambs and ewes a greater chance of survival.

Beware, when buying in forage, you may bring in disease.

There have been reports of people bringing toxoplasmosis onto the farm with purchased forage. This disease is associated with cats and the oocysts from toxoplasmosis can survive on grain and conserved forage.

If this reaches naive ewes in early to mid-pregnancy, the foetus often dies or is born with brain damage, later in pregnancy the foetus has a greater chance of surviving but may be born weak.

Once an outbreak of toxoplasmosis has started, there is little that can be done other than to observe sensible precautions by disposing of dead lambs and infected placentas and disinfecting contaminated pens.

Vaccination is warranted in most flocks, but pregnant ewes cannot be vaccinated and there have been supply issues in recent years, therefore discuss with your vet.

Medicated feed with decoquinate (Deccox) is only an option to those 14 weeks away from lambing as this is the duration it needs to be fed to be effective.

Poppy.frater@sac.co.uk

Seeing is not always believing

Many farmers and crofters struggled their way through school with reading, spelling, writing and maths, not because of lack of intelligence or work ethic but simply because their eyes and brains interpret things differently from each other. If words move around or fade in and out on a page, you struggle with spelling and/or if you get maths calculations wrong when you know what you are doing, you could have a recognised learning difficulty such as Dyslexia, Meres Irlen or Dyscalculia.

Given the huge amount of administration that comes with running a modern farming business, don't keep struggling on. View getting help as no different from going to the opticians; it can be life changing.

Dyslexia

Dyslexia Scotland has estimated that 1 in 4 people in the rural community have dyslexia. As it can be hereditary; it often runs in families. While common signs of Dyslexia are difficulties in learning to read, write and/or spell and often confusing your left from your right, about 60% of people with Dyslexia also struggle with numbers.

Dyslexia Scotland has an online checklist that can help you assess if you have dyslexia.

To raise awareness of the challenges many people involved in farming face with dyslexia during December, RSABI in conjunction with Dyslexia Scotland are offering farmers and crofters over 40 who have never been assessed for dyslexia, a free confidential professional assessment. To arrange an assessment, please call the RSABI's 24-hour freephone Helpline - 0808 1234 555.

An RSABI video on Dyslexia can be accessed here:

https://www.youtube.com/watch?v=jIM6bKZFetU

Meares Irlen Syndrome

Meares Irlen Syndrome/Visual Stress is where the visual cortex of the brain is unable to properly process visual information from the eyes due to sensitivity to certain wavelength of light.

The most common difficulties experienced by people diagnosed with Meares Irlen are:

- Reading text on white paper due to the brightness of the background.
- Difficulty tracking lines of text when reading.
- Eye strain and headaches.
- Difficulty judging distances.
- Problems identifying maths symbols correctly.

A formal diagnosis can be made by a specialist Orthoptist who can provide coloured acetates or coloured glasses to help alleviate some of the symptoms, making reading easier/more enjoyable.

Dyscalculia

If you have always struggled with numbers and often write down tag numbers wrong by mixing up the numbers, you may have Dyscalculia.

Dyscalculia difficulties apply to arithmetic but not necessarily to other areas of maths such as geometry and algebra. Difficulties include undertaking maths calculations such as adding, subtracting, multiplying, and dividing plus difficulty understanding money, time, distances, and directions.

While there are many websites offering advice on coping strategies, the best advice is to tell friends and family that you have dyscalculia and ask them to help you with calculating dosages for stock, chemicals for spraying, banking, and budgeting and ask someone to double check the numbers when dealing with government forms and/or stock records.

Christine.Beaton@sac.co.uk

Key Economic Data

General Indicators	
Base interest rate	5.25% (5.0% 22 June 23)
ECB interest rate	4.0% (3.75% Aug 23)
UK (CPI) inflation rate	4.6% (target 2%)
UK GDP growth rate	0% (Q3 2023)
FTSE 100	7,423.46 (29 Nov 23)

Price indices for November 2023 (Defra 2015 = 100)			
Output Prices		Input Prices	
Wheat	118.8	Seeds (all)	107.1
Barley	137.8	Energy	165.5
Oats	144.5	Fertiliser	160.0
Potatoes	192.2	Agro chemicals (all)	128.4
Cattle and Calves	134.6	Feedstuffs	134.2
Pigs	139.9	Machinery R&M	121.3
Sheep and Lambs	114.6]	Building R&M	138.1
Milk	127.2	Veterinary services	105.8

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