



PRESS RELEASE

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A good measure of assurance is linchpin of whisky supply chain

Scotland is arguably one of the best places in the world to grow barley, but that's not the only reason whisky distillers – and brewers - choose it for production, says Peter Nelson, Operations Director at The Glenmorangie Company.

“Malting barley grown in Scotland is not ‘just’ a commodity, it is a crop specifically grown for our business. Whisky is made of only two ingredients, and one of them is water, so the quality of that grain is critically important.”

Scottish farmers have worked with maltsters for a long time to make it an exacting product, grown not only explicitly but implicitly for the market, Dr Nelson explains:

“The quality and characteristics of malting barley grown in Scotland are the result of a long-standing relationship between growers and the supply chain. How it is grown has become more sophisticated, and the calibre of the end product is underpinned by developing Recommended List varieties, Scottish Quality Crop standards and how it is distilled.”

In years gone by, distilleries were often built on farms, but as the industry has grown, distilleries have become more distant from the primary producer, making quality control and traceability evermore vital to give customers confidence in what they are buying:

“The reputation of the end product relies on everyone in the supply chain doing their job. At Glenmorangie, like other distilleries, we need to know that the grain has been grown and handled in a safe way, in conditions that we'd be reassured by. This is why quality assurance is so important, it's a basic, clearly defined measure that tells us the grain is good and in fact, that it will be better than good.”

Every industry needs assurance to operate with confidence, he says, and is why Scottish Quality Crops (SQC), the assurance scheme for crops in Scotland is an important linchpin:

“Knowing SQC has done the vital checks means we don't have to concern ourselves with risk to reputation as we know it's been covered. Quality Assurance also tends to drive up the quality of the end product by driving standards of the work on farm and therefore of the grain.”

SQC assures over 3,200 voluntary members, representing more than 90% of Scotland's crops through the certification body Food Integrity Assurance (FIA).

“A farmer running a QA scheme is more likely to have good records, keep the grain in the right conditions, not allowing it to germinate, getting it away in the same season. It's also

likely to see less waste which is good from an environmental point of view, an inevitable conversation in every negotiation. We run our business on high standards, and as part of that we only buy grain that is SQC approved.”

Traceability is a hot topic, especially with the debate around digital grain passports, but also because end customers increasingly want to know this level of detail, says Dr Nelson:

“The Scottish opportunity is huge with the quality and spec of a crop that performs well and makes the best whisky in the world, the association with natural, near-sourcing and environmental performance. Provenance is key and there is a superior story to tell that ensures the future is secure for Scottish growers. Whisky production is global. We’re seeing more students from across the world coming to Heriot Watt University to learn the trade. They take home not only the distilling skills but an appetite for sourcing quality Scottish barley.”

Dr Nelson, who represents the Scotch Whisky Association (SWA) on the board of SQC, acknowledges the demanding world of audits, legislation and the lively debate around farmers being paid for reducing their carbon:

“All businesses are overloaded by audits and legislation. At Glenmorangie, we have different bottles for different markets and within that different labels to meet variable regulations. All sectors are seeing more scrutiny to be eligible for Government funding and legislation to drive us to be carbon neutral, and there’s not yet a uniform measure. How much carbon is released to produce a bag of grain? At SWA, we are working very hard to understand what auditing process is right for the industry. Despite Scottish Government’s best intentions to meet environmental goals, the potential to undermine supply chains is very high if they are badly implemented. We all need to understand each other’s businesses.

“Standards set by SQC may have to change, most likely around carbon, but also agronomy and techniques, to maximise reach across global markets. It’s not about telling growers what to do, it’s SQC anticipating opportunity and creating a competitive advantage and access for Scotland’s growers.”

Managing Director of SQC, Teresa Dougall, said:

“Peter’s insights are an excellent reminder of the importance of quality assurance underpinning an industry and, significantly, how much it is valued by the supply chain. There always needs to be a recognised standard that buyers have confidence in, and quality assurance is a simple but powerful indicator of this.”

SQC is a stakeholder cooperative with seven representatives from organisations across the sector on its board, including AIC, NFUS, SWA, millers and maltsters, who advise the Chair, currently Fife farmer John Hutcheson. In line with the SQC Co-operative Rules, the Chair must always be a farmer - to ensure they are at the heart of the operation. Teresa has also created a Scottish Crops Supply Chain Hub since she took over as Managing Director, to bring even more knowledge and expertise into the organisation and to provide a platform for discussion of opportunities or issues which may arise that could affect the future of the assurance scheme or standards.

“We will continue to use the valuable insights from the different representatives on the board and the hub to keep a step ahead of the market and to evolve the standards to fit what the market wants. This is to ensure that Scottish grown crops remain top of the wish list for domestic and global markets – thus providing the broadest access to available markets for our assured members.”