

# Pure

Scotland's Rural College

## Adoption of greenhouse gas mitigation in agriculture: an analysis of dairy farmers' perceptions and adoption behaviour

Glenk, K; Eory, V; Colombo, S; Barnes, AP

*Published in:*  
Ecological Economics

*DOI:*  
[10.1016/j.ecolecon.2014.09.027](https://doi.org/10.1016/j.ecolecon.2014.09.027)

Print publication: 01/01/2014

*Document Version*  
Peer reviewed version

[Link to publication](#)

### *Citation for published version (APA):*

Glenk, K., Eory, V., Colombo, S., & Barnes, AP. (2014). Adoption of greenhouse gas mitigation in agriculture: an analysis of dairy farmers' perceptions and adoption behaviour. *Ecological Economics*, 108, 49 - 58. <https://doi.org/10.1016/j.ecolecon.2014.09.027>

### **General rights**

Copyright and moral rights for the publications made accessible in the public portal are retained by the authors and/or other copyright owners and it is a condition of accessing publications that users recognise and abide by the legal requirements associated with these rights.

- Users may download and print one copy of any publication from the public portal for the purpose of private study or research.
- You may not further distribute the material or use it for any profit-making activity or commercial gain
- You may freely distribute the URL identifying the publication in the public portal ?

### **Take down policy**

If you believe that this document breaches copyright please contact us providing details, and we will remove access to the work immediately and investigate your claim.

**Adoption of greenhouse gas mitigation in agriculture: an analysis of dairy farmers' perceptions and adoption behaviour**

Klaus Glenk<sup>a\*</sup>, Vera Eory<sup>a</sup>, Sergio Colombo<sup>b</sup>, Andrew Barnes<sup>a</sup>

*<sup>a</sup> Scotland's Rural College (SRUC), Land Economy & Environment Group, King's Buildings, West Mains Road, EH9 3JG, Edinburgh, United Kingdom*

*<sup>b</sup> Department of Agricultural Economics, Agroecosost Group, IFAPA, Centro Camino de Purchil, Camino de Purchil, s/n, 18004, Granada, Spain.*

*\* corresponding author; email: [klaus.glenk@sruc.ac.uk](mailto:klaus.glenk@sruc.ac.uk); phone: +44 131 5354176*

## **Abstract**

The agenda towards greenhouse gas mitigation within agriculture implies changes in farm management practices. Based on a survey of Scottish dairy farmers, this study investigates farmers' perceptions of how different GHG mitigation practices affect the economic and environmental performance of their farms, and the degree to which those farmers have adopted those practices. The results of the farm survey data are used to identify promising mitigation practices for immediate policy support based on their potential for additional adoption by farmers, their perceived contribution to the farm's financial and environmental performance and information on their cost-effectiveness. The study demonstrates the usefulness of including adoption behaviour and farmers' perception of mitigation practices to inform early stages of policy development. This would ultimately contribute to the robustness and effectiveness of climate change mitigation policies in the agricultural sector.

## **Keywords**

Climate change; Mitigation; Best-Worst-Scaling; Stated preferences; Technology adoption; Dairy farming

## **Highlights**

Best-Worst-Scaling is used to identify promising climate change mitigation practices

Preference data needs to be combined with information on current adoption patterns

The suggested practices in the dairy sector do not match current policy support

Best-Worst-Scaling is a useful tool especially in early stages of the policy planning process

## 1 **1. Introduction**

2 There has been an increasing policy interest in reducing greenhouse gas (GHG) emissions  
3 from agriculture in recent years (European Commission, 2008; Gerber et al., 2013; Scottish  
4 Government, 2009, 2013b; Smith et al., 2008; UNFCCC, 2008). This can be attributed to the  
5 contribution of the agricultural sector to GHG emissions globally and nationally, and to the  
6 cost-effectiveness of agricultural GHG mitigation relative to emission reductions in other  
7 sectors (DECC, 2013). Policy makers face a challenge to develop and implement effective  
8 GHG abatement strategies for agriculture. This requires identifying those mitigation practices  
9 that are cost-effective and promise considerable potential for abatement, followed by a choice  
10 of suitable policy mechanisms to encourage their uptake.

11 A key tool for prioritising mitigation measures for policy support are marginal abatement cost  
12 curves (MACCs) for agriculture (Moran et al., 2011), combining both information on cost-  
13 effectiveness and abatement potential of a large number of mitigation practices. MACCs  
14 show the cost of reducing GHG emissions by one additional (marginal) unit as total GHG  
15 abatement increases. Therefore, mitigation practices are arranged in the order of their cost-  
16 effectiveness. The abatement potential is estimated against a baseline that represents  
17 business-as-usual adoption of mitigation practices. Despite recent methodological  
18 refinements (Eory et al., 2012), MACCs developed at the national scale often draw on  
19 aggregate information and are therefore mainly useful to provide rankings of mitigation  
20 practices that can inform high-level strategic decisions and provide a rationale for  
21 investments in GHG abatement within a particular sector of the economy. For example, the  
22 MACCs developed for the UK model large regions as one farm and thus largely ignore  
23 heterogeneity between farms and farm types. Further, outcomes of MACCs are sensitive to a  
24 large number of assumptions made via scientific expert judgment, for example regarding  
25 adoption rates, effectiveness and costs (Eory et al., 2014a under review). There is likely to be

26 significant heterogeneity of adoption patterns, effectiveness and costs across farms, which  
27 can influence overall cost-effectiveness depending on their distribution around the mean  
28 values applied in MACCs (De Cara and Jayet, 2000, Vellinga et al., 2011). Another result of  
29 MACC analysis is the significant mitigation potential of practices identified to have negative  
30 cost. These have been referred to as ‘win-win’ mitigation practices, the result of which has  
31 influenced several policy and industry documents (DSCF, 2008; TSB, 2013). These  
32 mitigation practices would be expected to be adopted by profit-maximising farmers without  
33 requiring any incentive as they reduce the cost burden of production. However, the lack of  
34 uptake of practices with negative costs suggests that adoption behaviour is driven by a more  
35 complex set of motivating factors (Barnes et al., 2009; Barnes and Toma, 2012; Moran et al.,  
36 2013) not accounted for in the MACC approach. Further, the currently developed MACCs  
37 only comprise a subset of the potential mitigation practices available in agriculture.

38 Accordingly, when advancing agricultural mitigation policy, MACC approaches may be of  
39 limited use as they are based on strong assumptions regarding current adoption rates and  
40 largely lack up-to-date information on farmers' views regarding the farm management  
41 practices. Consequently, the main aim of this paper is to contribute to filling the gap between  
42 national strategy development and implementation in agricultural GHG mitigation by  
43 complementing and substantiating the information entailed in MACCs with information on  
44 adoption rates and on farmers' views regarding the farm management practices that are  
45 expected to result in considerable GHG emission reductions. Such information is important  
46 for informing targeting and for prioritisation of GHG mitigation practices for policy support,  
47 either via awareness raising campaigns or as part of positive financial incentive schemes  
48 within the agricultural policy architecture.

49 Given the large number (>100) of potential GHG mitigation practices in the agricultural  
50 sector (Weiske, 2005), and the heterogeneity in farming systems, it is difficult to obtain

51 comprehensive information across the whole industry in a single study. The research  
52 presented in this paper thus focuses on GHG abatement in dairy farms in Scotland. Scotland  
53 provides an example of a country with highly ambitious GHG reduction goals (Scottish  
54 Government, 2009) relative to the rest of other developed country economies, and the  
55 dairying sector is more intensive and technically advanced (Barnes, 2008; Barnes et al., 2010;  
56 Hadley, 2006) and therefore indicate considerable GHG mitigation potential (Barnes and  
57 Toma, 2012).

58 This paper presents results of a survey of dairy farmers aimed at deriving a ranking of  
59 mitigation practices that may be associated with their likely adoption. The methodological  
60 approach used to obtain rankings of mitigation practices is Best-Worst Scaling (BWS). In the  
61 type of BWS study applied here, respondents are asked to repeatedly choose from subsets of  
62 four to five different mitigation practices those that are perceived to be ‘best’ and ‘worst’  
63 with respect to the farm’s financial and environmental performance. The suitability to  
64 accommodate a large number of mitigation practices (Louviere et al., 2013) is a main reason  
65 for using BWS in this study – direct rankings of a large number of items can be too difficult  
66 for respondents to perform. BWS has been shown to have a number of other advantages over  
67 alternative rating and direct ranking techniques. For example, BWS does not suffer from  
68 rating scale bias (Auger et al. 2007) and is likely to better discriminate among objects that are  
69 perceived to be of similar importance (Lee et al. 2007). However, some respondents may  
70 dislike having to make repeated trade-offs (Hein et al. 2008), i.e. to repeatedly select the  
71 ‘best’ and ‘worst’ from different subsets of mitigation practices.

72 In recent years, Best-Worst Scaling (BWS) has been applied in a range of contexts related to  
73 food choice and agricultural management to derive rankings of long ‘lists’ of objects (Cross  
74 et al., 2011; Erdem et al., 2012; Jones et al., 2013; Lagerkvist et al., 2012; Lusk and  
75 Briggeman, 2009). This study therefore contributes to the increasing body of literature

76 applying BWS to understand and inform agricultural decision making, and assesses the  
77 usefulness of the BWS methodology to identify priorities for policy support, especially at  
78 early stages of planning when policy makers are faced with a choice amongst a large number  
79 of options. To our knowledge, only one study that applied BWS was concerned with GHG  
80 mitigation options (Jones et al., 2013). The authors investigated perceptions of Welsh sheep  
81 farmers regarding the effectiveness and practicality of GHG mitigation options. A key  
82 advance of our study on Jones et al. (2013) is the explicit consideration of current adoption  
83 rates in the BWS choice model, which is expected to be of high significance for policy  
84 implications drawn from results.

85 Specifically, this study aims to address the following questions. How do farmers rank  
86 mitigation practices with respect to their farm's financial and environmental performance?  
87 How does current adoption affect rankings? How do rankings based on farmers' perceptions  
88 of the impact of mitigation practices on their farm's financial and environmental performance  
89 compare to cost-effectiveness and rankings in MACCs? In combination with available  
90 information on cost-effectiveness, the information on rankings of mitigation practices and  
91 adoption behaviour can be used to evaluate plans for policy support that are currently in  
92 development. Practices ranked highly by non-adopters with fairly low current adoption rates  
93 but high effectiveness should be considered for immediate policy support. Other, less  
94 preferred practices that are still deemed to be cost-effective may benefit from continued  
95 awareness raising campaigns, and may still be relevant to particular sub-groups of farmers.

96 The paper proceeds with a description of GHG mitigation options in dairy farms and how  
97 GHG mitigation is embedded in the current policy framework and ongoing developments.  
98 This is followed by an introduction to BWS and the modelling approach taken. After  
99 describing the case study of Scottish dairy farms, the survey and the sampling procedure, we  
100 report the results of the survey data analysis and BWS modelling. We discuss the findings in

101 the light of the current policy framework, develop policy recommendations based on the  
102 study's results and reflect on how rankings derived through BWS compare to previous  
103 MACC analyses.

104

## 105 **2. GHG mitigation and dairy farms: policy context**

106 Scotland is committed to GHG emission reductions of 42% by 2020, and an 80% reduction  
107 by 2050 compared to the 1990 baseline. Agriculture contributes approximately 20% to total  
108 emissions (Scottish Government, 2013a), and abatement in agriculture is pivotal for  
109 achieving this target: an emission reduction of 1.2 Mt CO<sub>2</sub> equivalent by 2020 is expected for  
110 the agricultural sector (Scottish Government, 2013b). Climate change mitigation has also  
111 been highlighted to be a key part of the multi-functional role Scottish agriculture is expected  
112 to play (Pack, 2010), which is in line with general direction the Common Agricultural Policy  
113 (CAP) post-2013 is expected to take (EC, 2010).

114 Dairy farming is an important agricultural activity both globally and in Scotland, and its  
115 importance is going to increase as per capita consumption of fresh milk and milk products is  
116 projected to grow by 10% in the next 10 years. This is more than the consumption of any  
117 other agricultural product group, including cereals, sugar, meat or fish (OECD-FAO  
118 Agricultural Outlook 2013-2022 database). In Scotland dairy farms occupy 4% of the  
119 agricultural land area (Shepherd et al., 2007), and fresh milk and milk products account for  
120 13% of the total Scottish agricultural output of £2.8 billion (Scottish Executive, 2013). At the  
121 same time, the dairy sector's contribution to global warming is also notable: globally 4% of  
122 the total anthropogenic GHG emissions originate in the dairy product chain (Gerber et al.,  
123 2010). Although the per litre GHG emissions of milk produced in Western Europe is only  
124 two-thirds of the global average (Gerber et al., 2010), the dairy product supply chain is



125 responsible for 3% of the total Scottish GHG emissions (Scottish Government, 2013a;  
126 Sheane et al., 2011). Importantly, dairy farming is well-placed to offer many opportunities to  
127 reduce GHG emissions.

128 GHG emissions arising from land management associated with dairy farming can be reduced  
129 by altering nitrogen fertilisation practices, soil management, or crop types and varieties. The  
130 feed composition is another focal point of GHG mitigation efforts in the dairy sector:  
131 methane emissions from the rumen and both methane and nitrous-oxide emissions from  
132 manure can be significantly decreased by modifying the ration or by using feed additives (e.g.  
133 probiotics). Housing dairy cattle provides the basis for a set of GHG mitigation interventions  
134 related to improving manure management to reduce methane and nitrous-oxide emissions.  
135 Finally, the health and productivity of the animals and the herd structure affects the overall  
136 input use - milk production ratio, and therefore the GHG emissions embedded in the product.  
137 Dairy farmers represent the most technically advanced producers within the Scottish  
138 agricultural sector (Barnes et al., 2010) and not much is known regarding their current  
139 behaviour and preferences regarding management practices aimed at climate change  
140 mitigation (Vellinga et al., 2011).

141 Currently there are three main pathways to provide policy support for increasing GHG  
142 abatement in the Scottish agricultural sector, using a mix of extension and awareness raising,  
143 regulation, and positive financial incentives. Farming for a Better Climate (FFBC) is an  
144 initiative aimed at increasing voluntary uptake of GHG mitigation and adaptation practices  
145 and is funded by the Scottish Government. The nitrogen use regulations in the designated  
146 Nitrate Vulnerable Zones (NVZs) are mandatory elements of cross-compliance under the  
147 CAP Single Farm Payment Scheme. They provide co-benefits in terms of N<sub>2</sub>O emission  
148 reduction. Finally, the Scotland Rural Development Programme (SRDP) is the discretionary

149 application of CAP Pillar 2 funds for financial support, and includes some measures with  
150 potential GHG co-benefits.

151

### 152 **3. Methodology**

153 BWS is based on respondents repeatedly choosing the best and worst object from ‘lists’ of  
154 objects that vary following an experimental design. The frequency of best and worst choices  
155 is indicative of the relative ‘importance’ respondents place on each object along a latent  
156 dimension of interest (utility scale). In this study, the objects are management practices that  
157 have been identified as GHG mitigation options in dairy farms, and the latent utility scale is  
158 the contribution of each GHG mitigation practice to the farm’s financial and environmental  
159 performance. The data on repeated best/worst choices of management practices allows us to  
160 derive ‘impact scores’ for each management practice on a 0-100 point scale. These scores  
161 reflect the farmers’ evaluations of mitigation practices with respect to their contribution to the  
162 farm’s performance. The interpretation of the scores is straightforward. If, for example,  
163 practice  $j_1$  receives a score of 5 and practice  $j_2$  a score of 10 for an individual, we can say that  
164  $j_2$ ’s contribution to the farm’s performance is perceived to be twice as large as  $j_1$ ’s  
165 contribution – the probability of  $j_2$  being chosen as best is twice as large as those of  $j_1$ . In  
166 deriving the ‘impact scores’, we consider that farmers differ regarding their perceptions of  
167 management practices. Some of this heterogeneity in perceptions can be explained by  
168 whether or not farmers have adopted a management practice at the time of the survey. This  
169 information is used to identify those practices that are ranked highly by non-adopters and  
170 exhibit fairly low current adoption rates and thus a relatively large potential for additional  
171 GHG mitigation.

172 In what follows, we provide a detailed description of the methodology and modelling  
 173 approach used. BWS has been introduced by Jordan Louviere in 1987 (Flynn and Marley,  
 174 2012) and can be related back to Thurstone's (1927) method of paired comparison. Following  
 175 random utility theory, the utility respondent  $n$  derives from choosing a mitigation practice  $i$   
 176 from list  $t$  with  $j = \{1, 2, \dots, J\}$  practices can be decomposed into an observed or deterministic  
 177 component,  $V_{ni,t}$ , and an unobserved random error term  $\varepsilon_{ni,t}$  assumed to be identically and  
 178 independently distributed (iid) across the sample population and related to the choice  
 179 probability with a type I extreme-value distribution with constant error variance  $\pi^2/6$ .

$$180 \quad U_{ni,t} = V_{ni,t} + \varepsilon_{ni,t} \quad (1)$$

181 In our case, the deterministic part is specified to include the mitigation practice's contribution  
 182 to the latent utility scale and an interaction effect capturing differences in utility due to  
 183 current adoption:

$$184 \quad V_{ni,t} = \alpha_{ni}I_{ni,t} + \gamma_{ni}I_{ni,t}A_{ni} \quad (2)$$

185 where  $\alpha$  and  $\gamma$  are parameters to be estimated,  $I_{ni,t}$  is an indicator variable for mitigation  
 186 practice  $i$  being present in choice set  $t$  shown to farmer  $n$ , and  $A_{ni}$  is a dummy variable taking  
 187 one if farmer  $n$  currently adopts a mitigation practice, else zero<sup>1</sup>. The coefficient  $\alpha_{ni}$   
 188 represents the utility that the mitigation practice  $i$  provides to farmer  $n$ .  $\gamma_{ni}$  captures the  
 189 difference in utility obtained from mitigation practice  $i$  resulting from its adoption by farmer  
 190  $n$ .

---

<sup>1</sup> The dummy variables relate to practices that a farmer may have already adopted and as such may introduce an endogeneity bias on the coefficients. To test the effect of this bias empirically we estimated both conditional logit and mixed logit models without the dummy variables for adoption. The population means for mitigation practices derived from these models were very similar to the ones that include the adoption dummies. This indicates that endogeneity – if present – has little impact on coefficients.

191 Under these assumptions, the probability that farmer  $n$  chooses mitigation practice  $i$  from  
 192 choice set  $t$  with  $j = \{1, 2, \dots, J\}$  practices is described by a conditional logit model and has the  
 193 following expression (McFadden, 1974):

$$194 \quad L_n(y_{best} = i | \alpha_n, \gamma_n, t) = \frac{\exp(\lambda V_{ni,t})}{\sum_{j=1}^J \exp(\lambda V_{nj,t})}. \quad (3)$$

195  $\lambda$  is a scale term inversely proportional to error variance and normalised to one.

196 Equation (3) can be used to model ‘best’ choices. Different models can be used to jointly  
 197 model ‘best’ and ‘worst’ choices, each implying different ways of how respondents process  
 198 information and proceed through the BWS task (Louviere et al., 2013). In this study we  
 199 employ a model specification that assumes a sequential decision process with best choice  
 200 being followed by worst choice as proposed by Lanscar (2009) and first applied in Lanscar  
 201 and Louviere (2008). The sequential process is more likely to follow the ‘true’ decision  
 202 process and is therefore the preferred choice in the context of this study<sup>2</sup>. The sequential CL  
 203 model entails a product of logit probabilities with each factor being a CL model of the best or  
 204 worst choice in the sequence of best-worst choices.

205 Let  $b$  be the mitigation practice chosen as ‘best’ with respect to the farm’s performance ( $y_{best}$   
 206 =  $b$ ) from choice set  $t_1$  with  $j = \{1, 2, \dots, J\}$  practices, and  $w$  be the mitigation practice  
 207 subsequently chosen as ‘worst’ ( $y_{worst} = w$ ) from choice set  $t_2$  containing the remaining  $J-1$   
 208 elements. The logit probability of observing this sequence can be expressed as (Lanscar et al.,  
 209 2013):

$$210 \quad L_n(y_{best} = b, y_{worst} = w | \alpha_n, \gamma_n, t_1, t_2) = \frac{\exp(V_{nb,t_1})}{\sum_{j=1}^J \exp(V_{nj,t_1})} \times \frac{\exp(-V_{nw,t_2})}{\sum_{j=1}^{J-1} \exp(-V_{nj,t_2})}. \quad (4)$$

---

<sup>2</sup> The most common model is known as maxdiff (Sawtooth Software, 2007). In this model, respondents are assumed to evaluate all possible pairs of best-worst combinations, from which they choose the one that maximises utility on the unobserved utility scale. Results obtained from the maxdiff model specification are very similar to the ones described in this paper.

211 Of course, farmers may have different views regarding the contribution of mitigation  
 212 practices to their farm's performance. To accommodate this heterogeneity, we employ the  
 213 mixed logit (MXL) model (McFadden and Train, 2000). In this model, each farmer has his or  
 214 her own parameter  $\tilde{\alpha}_{ni}$  which deviates from the population  $\bar{\alpha}_i$  by the quantity  $\eta_{ni}$  ( $\tilde{\alpha}_{ni} =$   
 215  $\bar{\alpha}_i + \eta_{ni}$ ).  $\eta_{ni}$  is a random term, which introduces the heterogeneity in  $\alpha$  by varying  
 216 according to a random distribution  $f(\eta_{ni} | \Omega)$ <sup>3</sup>.

217 The unconditional probability of choosing practice  $b$  as 'best' and subsequently practice  $w$  as  
 218 'worst' is the integral of the logit probabilities in equation 4 over all possible values of  $\alpha$ .

$$219 \quad P_n(\alpha_n | \Omega) = \int_{\alpha_n} L_n(\alpha_n | \eta_n) f(\eta_n | \Omega) d\eta_n \quad (5)$$

220 This integral does not have a closed form and thus requires approximation through simulation  
 221 (Train, 2003), in our case using 1,000 Halton draws.

222 Using information from repeated best-worst choices of the same individual, we can obtain  
 223 'individual-specific' parameter estimates from the individual's conditional distribution based  
 224 on their (sequence of) choices using Bayes Theorem as described in Hensher and Greene  
 225 (2003). Rather than representing unique sets of parameters for each individual, 'individual-  
 226 specific' parameter estimates reflect the mean (standard deviation) estimate of those sub-sets  
 227 of the sample that made the same choice facing identical choice sets. The 'individual-  
 228 specific' parameter estimates can be used to investigate differences in rankings of mitigation  
 229 practices at the individual level.

230 Sample-level or individual-specific coefficients indicate the relative impact of a management  
 231 practice to be chosen as best and worst in the BWS task. These coefficients consist of both

---

<sup>3</sup>In the application reported in this paper, we use a normal distribution. We tested several distributional forms, amongst them triangular and uniform distributions, but normal distribution yielded the highest Log-Likelihood values. More complex distributional forms such as  $S_b$ -Johnson that allows for bimodality were considered, but models did not converge.

232 positive and negative values, and indicate impact relative to one management practice that  
 233 has been omitted for model identification purposes. Interpretation of these coefficients does  
 234 not follow intuitively. Therefore, they are converted to ratio-scaled probabilities (% of times  
 235 a management practice is chosen as best) or impact scores using the probability-based  
 236 rescaling procedure described in Sawtooth Software (2007) and the following equation:

$$237 \quad \text{Ratio – scaled impact score}_i = \frac{\exp(V_i)}{(\exp(V_i) + J - 1)} \quad (6)$$

238 where  $V_i$  is the zero-centred utility weight for management practice  $i$  derived from the MXL  
 239 model, and  $J$  equates to the number of practices shown in each task. The thus converted  
 240 scores are then scaled on a 0-100 point scale that can be interpreted as described above.

#### 241 **4. Case Study**

242 The data used in this paper is based on a mail survey of Scottish dairy farms. The  
 243 questionnaire administered to respondents consisted of three parts. The BWS choice tasks  
 244 were followed by a question on current adoption of the management practices and finally  
 245 collected a range of farm and farmer characteristics. As a first step towards developing the  
 246 survey instrument, a long list of potential GHG mitigation practices in dairy farms was  
 247 identified (N=85). Using expert advice of scientists and managers of educational dairy farms,  
 248 we subsequently narrowed down the number of practices based on whether an option can be  
 249 readily implemented by farmers at present and whether it has a large technical potential for  
 250 GHG emission reductions in the dairy industry. This excluded practices that are currently not  
 251 possible due to legal restrictions (e.g. growth hormones), practices that require further  
 252 research or technological advances (e.g. vaccination against methanogens), and practices that  
 253 are a relatively minor source of GHG emissions with regard to the dairy farm (e.g.  
 254 compaction of farm yard manure or using cover crops). The short list of 20 practices (Table  
 255 1) can be grouped into practices associated with animal nutrition, animal productivity, soil

256 and fertiliser management or manure storage. All identified mitigation practices may,  
257 depending on the circumstances, enhance the farm's financial performance due to reductions  
258 in input costs and/or enhanced productivity. Only a sub-set of the practices are considered in  
259 the current policy framework and are proposed for future policy support<sup>4</sup>.

260 Table 1 contains descriptions of the short-listed management measures, which were tested for  
261 understanding and refined in a series of focus groups with dairy farm researchers and dairy  
262 farmers. Participants of pre-tests confirmed that all included descriptions were clear and  
263 associated with concrete management actions on the farm. In this process, specific attention  
264 was given to the choice of the latent dimension used to frame best-worst choices. An obvious  
265 candidate was 'likelihood of adoption'. However, it became evident that most farmers  
266 actually adopted at least one of the 20 measures at present, and could thus not discriminate  
267 between two (or more) measures adopted at present when being asked about the highest  
268 likelihood of adoption. Several different formats were tested with the aim of capturing the  
269 farmers' genuine evaluation of a particular measure in terms of being beneficial to the farm's  
270 business. As discussions revealed, this objective could not be equated with maximising  
271 financial profits. Interestingly, several farmers stated that environmental considerations  
272 increasingly play a role in their investment decisions, motivated to a large degree by  
273 increasing demands of large buyers, including supermarket chains. In the final survey,  
274 farmers were therefore asked to choose the best or worst measure in terms of their farm's  
275 performance, which included both economic and environmental considerations. It was also

---

<sup>4</sup> Information on current policy support draws on the Farming for a Better Climate website ([www.sruc.ac.uk/info/120175/farming\\_for\\_a\\_better\\_climate](http://www.sruc.ac.uk/info/120175/farming_for_a_better_climate)), the Scottish Rural Development Programme website ([www.scotland.gov.uk/Topics/farmingrural/SRDP](http://www.scotland.gov.uk/Topics/farmingrural/SRDP)) and the Nitrate Vulnerable Zones website ([www.scotland.gov.uk/Topics/farmingrural/Agriculture/Environment/NVZintro/NVZGuidanceforFarmers](http://www.scotland.gov.uk/Topics/farmingrural/Agriculture/Environment/NVZintro/NVZGuidanceforFarmers)).

Information on proposed policy support is based on Scottish Government (2013b) and relates to the time period 2013-2027.

276 clearly stated that the management practices extend beyond minimum requirements for cross-  
277 compliance under the Single Farm Payment scheme.

278 The experimental design for the BWS tasks was a Balanced Incomplete Block Design  
279 (BIBD) that contained 29 choice tasks that were blocked into 3 versions. One block contained  
280 9 BWS choice tasks, of which 4 sets comprised 5 management practices (objects), while the  
281 remaining sets featured 4 practices. The remaining 2 blocks included 10 choice tasks with 4  
282 practices per task. Across the whole design, each item is shown 6 times, and each pair of  
283 items appears together once. Each item appears twice within each block. The number of  
284 repetitions of each item within a block is relatively low. A larger number would have been  
285 desirable, but would have required more BWS tasks, likely resulting in respondent fatigue  
286 and potentially lower response rates. To avoid that an item appears in the same position in  
287 consecutive tasks, and to minimise the occurrence of the same item in consecutive tasks, the  
288 order of items in each task was randomised. An example of a typical BWS choice task is  
289 shown in Figure 1.

290 The sample drew on the June Agricultural Census database (RESAS, 2012). The census is  
291 administered every year in Scotland and covers the 50,000 plus holdings registered with  
292 agricultural land, of which 1,650 were classified as specialist dairy or mixed dairy farming in  
293 2012. To be classified as a specialist dairy farm, at least two thirds of its income must come  
294 from the dairy enterprise (RESAS, 2012). In the census, a mixed dairy farming type is  
295 identified simply by the presence of dairy cows, even if their contribution to the farm's  
296 income is marginal. However, mixed farms with a substantial herd size can contribute  
297 significantly to climate change mitigation. Therefore, we included mixed farms, but omitted  
298 those farms holding less than five dairy cows, resulting in an effective sample size of 1,290.  
299 The majority of more intensive dairying units tends to concentrate in the South-West of  
300 Scotland, where naturally conducive biophysical conditions prevail.



301 A mail survey was administered between November 2012 and February 2013, following best  
302 practice on follow-ups and reminders as detailed in Dillman (2000). The survey was carried  
303 out in two waves, with approximately 5 weeks between each wave. However, based on  
304 advice from focus group participants, we abstained from sending out further reminders, being  
305 mindful of the large amount of postal information and survey requests received by Scottish  
306 farmers. Farmers were given the opportunity to opt-out after the first wave. A total of 327  
307 farmers responded (25%). Six farmers made use of the opt-out without stating further reason,  
308 while 36 opted out because of having recently given up dairy farming, or because they do not  
309 consider themselves as a dairy farmer. We received 285 questionnaires (22%), of which 36  
310 contained BWS tasks that were either incomplete (N=14) or showed more than two choices  
311 (one 'best' and one 'worst') in some or all of the tasks (N=22) despite having received a  
312 carefully worded guide to completing the tasks. Of the remaining 249 farmers, 14 returned  
313 incomplete responses regarding current adoption of management practices, leaving data from  
314 235 questionnaires (18%) for final analysis. These were evenly distributed across the  
315 experimental designed blocks (Block 1: N=80; Block 2: N=83; Block 3: N=73).

316 The data were cleaned and compared with sample statistics for the whole population, as  
317 provided by the June Agricultural Census. These proved to be similar (at 5% levels of  
318 significance) using a two-sample t-test with respect to area ( $t = 0.95$ ), standard gross margins  
319 and economic size unit to reflect economic factors ( $t = 0.74$  and  $t = 0.74$  respectively). In  
320 addition, standard labour requirements were similar across the census and the sample ( $t=1$ ).  
321 Table 2 shows the key indicators of the dairy farmers in the sample compared to the June  
322 Agricultural Census.

323

## 324 **5. Results**

325 Table 3 reports the stated adoption rates for the 20 practices included in the BWS choice  
326 tasks. There is a lot of heterogeneity in the level of stated current adoption within the sample.  
327 Current stated rates of adoption are greater than 80% for six of the practices (P5, P6, P11,  
328 P12, P13 and P14). At the other end of the spectrum, P3, P9, P19, P16, and P20 all have  
329 adoption rates below 10%. Adoption levels are considerably higher in three out of the four  
330 domains (nutrition, productivity, soil and fertiliser management). Practices related to manure  
331 management have lower adoption rates and therefore a relatively large potential for further  
332 GHG reduction. On average, a respondent has reported to currently have adopted nine of the  
333 20 practices (standard deviation 2.2), with significant heterogeneity in the patterns of adopted  
334 practices across respondents.

335 A probit regression model was run on the 20 separate mitigation practices, using structural  
336 and activity based factors from the survey and the matched census data. A surprisingly low  
337 and inconsistent number of explanatory factors were found across the 20 different mitigation  
338 practices. For example, age, education and the experience of farmers were only significant  
339 for four of the practices (P8, P11, P18, P16). Accordingly, whilst some studies do infer a  
340 relationship between adoption of on-farm environmental practices and these common factors  
341 (Vanslebrouck et al., 2002; Prokopny et al., 2008), the adoption of technologies related to  
342 carbon reduction may have different underlying and social motives, such as farmer  
343 networking and attitudes towards climate change (Barnes et al., 2013).

344 The CL and MXL model estimates are shown in Table 4. All mean parameter estimates are  
345 relative to the base effect of mitigation practice P17 (Lower N-requiring crops), which was  
346 left out in order for the model to be identified. An increase in the value of the log-likelihood  
347 function by over 200 points for the MXL model compared to the CL model confirms the  
348 presence of substantial unobserved heterogeneity in the probability of choosing a mitigation  
349 practice as also confirmed by the magnitudes and statistical significance of all standard

350 deviations of the random parameter distributions except for P15 (controlled/slow release  
351 fertiliser). All interaction terms with the dummy variable capturing differences in utility due  
352 to current adoption are positive and significantly different from zero. This demonstrates that  
353 stated current adoption had a large influence on the probability of choosing a practice as  
354 'best'.

355 Table 5 reports the ratio-scaled impact scores for the sample average. It is apparent that  
356 impact scores tend to be highest for those practices that have the highest adoption rates. For  
357 example, the average impact scores for the five most adopted practices (P5, P6, P11, P13 and  
358 P14) is nine, while it is three for practices with the lowest adoption rates (P3, P9, P16, P19  
359 and P20). Therefore, farmers perceive that the five most adopted practises contribute three  
360 times more to the farm's performance than the five least adopted practices.

361 In addition to scores for the sample average, we report scores for a stylised 'adopter' and  
362 'non-adopter', assuming  $A_i$  in equation 2 is one for all practices, i.e. that all of the practices  
363 have been reported to be currently adopted ('adopter'), and assuming  $A_i$  is zero for all  
364 practices ('non-adopter'). These scores serve to illustrate overall differences in farmers'  
365 evaluation of the practices as a result of adoption. The model results (Table 5) generally  
366 suggest a positive influence of adoption on impact scores, but this influence may be stronger  
367 or weaker across the practices. General patterns in impact scores between a stylised 'adopter'  
368 and 'non-adopter' are similar. However, there are some notable differences. An 'adopter' has  
369 lower impact scores than a 'non-adopter' for five of the practices (P1, P12, P14, P15, P17).  
370 This means that for these practices adoption has had a less than average influence on farmers'  
371 perception of the contribution of mitigation practises on farm performance. Conversely,  
372 higher scores for an 'adopter' compared to a 'non-adopter' are found for four of the practices  
373 (P5, P9, P13, P19). In these cases, the influence of current adoption on farmers' perception of  
374 the contribution of mitigation practises on farm performance was greater than average.

375 Table 5 reveals how mitigation practices have been evaluated at the sample level, and can  
376 guide some general recommendations for promising further mitigation action in the dairy  
377 sector. However, the scores for stylised ‘adopters’ and ‘non-adopters’ do not reveal the  
378 heterogeneity of adoption patterns in the actual sample and hence the resulting heterogeneity  
379 in scores for the mitigation practices across the sample well. For example, a high score for a  
380 particular practice may be driven by a few observations of non-adopters with a very positive  
381 evaluation of that practice’s contribution to their farms’ performance. Given the significant  
382 amount of unobserved heterogeneity in the MXL model, a low score may mask a  
383 considerable proportion of non-adopters who perceive a particular practice as beneficial to  
384 their farms’ performance. This is important, because additional emission reductions can only  
385 be achieved by current non-adopters.

386 We therefore estimated individual-specific parameter estimates based on MXL model results,  
387 and subsequently calculated ranks of non-adopted measures for each individual. The results  
388 of ranks of non-adopted practices are shown in Table 6. Because all respondents have  
389 reported to currently adopt at least one of the practices, the table only includes ranks from  
390 one to 19. In addition to considering the impact scores, Table 6 reveals a set of practices that  
391 have both considerable rates of non-adoption and thus further potential for mitigation, and  
392 have a high density at the top of the distribution of ranks and thus are promising prospects for  
393 policy support to stimulate uptake. These practices are i) P1 (High sugar content ryegrass); ii)  
394 P8 (Sexed semen); iii) P10 (High-clover swards); iv) P15 (Controlled/slow release fertiliser);  
395 and v) P17 (Lower N-requiring crops). P12 (Manure management plans) is ranked highly, but  
396 has limited potential for further adoption with stated current adoption being 80%. P9 (3 times  
397 milking per day) has a very wide distribution of ranks and an overall low impact score for a  
398 stylised ‘non-adopter’, but approximately 25% of the 212 non-adopted recorded for this  
399 practice rank it in the top-three non-adopted practices. This result may be related to farm-

400 specific labour constraints that are less restrictive for farmers who see an increase in the  
401 milking frequency as a particularly beneficial practice. P7 (Semen from high PLI indexed  
402 bulls) and P16 (Nitrification inhibitors) may show some potential that can be developed. Both  
403 have the mode of the distribution of ranks within the top five of non-adopted practices.  
404 However, any decision related to supporting the uptake of particular practice should  
405 additionally consider the practice's (cost-)effectiveness.

406 The last column of Table 5 reports available estimates of a mitigation practice's cost-  
407 effectiveness. Six practices are associated with a negative cost-effectiveness estimate  
408 (P4 Adding live microbial feed supplement to diet; P7 Semen from high PLI indexed bulls;  
409 P8 Sexed semen; P11 Following fertiliser recommendations; P12 Manure management plans  
410 and P17 Lower N-requiring crops), which would suggest that on most of the farms these  
411 practices are associated with a (financial) gain and should thus have already been adopted by  
412 a large number of profit maximising farmers. However, only P11 and P12 show a very high  
413 adoption rate (87% and 80%, respectively) and a relatively high score at the sample average.  
414 P7 and P8 are reported to having been taken up by 50-60% of the sample and have mid-range  
415 impact scores. Due to their negative cost-effectiveness, however, they deserve further  
416 investigation regarding their inclusion into policy support measures. P4 and P17 have both  
417 been adopted roughly by fifth of the sample (21%), which might indicate the existence of  
418 non-financial barriers. The low scores assigned to P4 by non-adopters may be due to  
419 unfamiliarity with the novel practice of adding live microbial feed supplement. P17 has a  
420 relatively high score, signalling a potential for an increased uptake with additional policy  
421 support. For the majority of practices, lower cost-effectiveness tends to be reasonably  
422 associated with higher adoption rates and higher impact scores for the non-adopters, and vice  
423 versa.

424

## 425 **6. Discussion**

426 Jones et al. (2013) used BWS to inform decision making in GHG mitigation within the  
427 English and Welsh sheep industry. Their approach is similar to the one presented in this paper  
428 in that BWS was used to derive impact scores. Farmers are asked to evaluate 26 mitigation  
429 practices considering their ‘practicality’, while a sample of experts was used to provide  
430 impact scores regarding the practices’ ‘effectiveness’. For several of the mitigation practices,  
431 the distribution of the ‘practicality’ impact scores derived by Jones et al. (2013) is very wide,  
432 and often appears to be bimodal. This is an indication that current adoption rates may have  
433 played a significant role in farmers’ evaluation.

434 In this study, we collected information on adoption rates of proposed mitigation practices  
435 through a survey of Scottish dairy farmers, and considered how current adoption impacts on  
436 choices made in a BWS exercise. We found current adoption to have a significant positive  
437 impact on the probability to choose a practice as ‘best’. Not controlling for current adoption  
438 patterns in the choice model would have severely limited the usefulness of impact scores for  
439 deriving policy recommendations. For example, we would not have been able to investigate  
440 the relative ranking of non-adopted practices based on individual-specific impact scores,  
441 which, together with information on the level of uptake across the sample, form the basis for  
442 identifying promising mitigation practices. Information on current adoption should therefore  
443 be gathered and used in BWS studies aimed at informing policy support for further uptake of  
444 management practices.

445 Based on low or moderate rates of adoption and thus further potential for mitigation, and a  
446 high density at the top of the distribution of ranks of non-adopted practices, we were able to  
447 identify a number of candidates that should be considered for (further) policy support aimed  
448 at reducing GHG emissions. These practices are High sugar content ryegrass, Sexed

449 semen, High-clover swards, Controlled/slow release fertiliser, and Lower N-requiring crops.  
450 Additionally, there is limited potential for 3 times milking per day and Semen from high PLI  
451 indexed bulls. Importantly, only two of these promising practices are currently put forward  
452 for future policy support: Lower N-requiring crops and Semen from high PLI indexed bulls.  
453 Based on our findings, we suggest that the policy framework needs to be revisited and  
454 possibly be expanded to include the practices identified above. Of course, these practices  
455 should first be screened for effectiveness drawing on empirical research.

456 In addition, the transfer of information regarding these technologies may also benefit from  
457 recent discussions on future advisory service models, where there may be more of a focus on  
458 providing free public good advice on climate change topics (House of Lords, 2011). Further,  
459 the heterogeneity in adoption patterns and impact scores suggests that there is a need to  
460 remain flexible with respect to how GHG mitigation can be best achieved on individual  
461 farms. Therefore, it is important that information and advice platforms such as FFBC  
462 continue to promote a wider set of practices beyond those identified as promising in this  
463 study.

464 A comparison of adoption rate information with the currently available and planned policy  
465 support for management practices shown in Table 1 is also of interest to assess the potential  
466 of policy mechanisms to achieve further GHG emission reductions. It reveals that those  
467 practices that appear to have received the greatest policy attention thus far (P11 Following  
468 fertiliser recommendations; P12 Manure management plans) have a high rate of stated current  
469 uptake. Based on the results of the BWS study, P11 and P12 have relatively high impact  
470 scores, indicating that dairy farmers perceive them to be beneficial to their farms'  
471 performance. The high uptake may partially demonstrate the success of past initiatives and  
472 the regulatory environment in particular concerning NVZs, but it equally points to a limited  
473 scope for further emission reductions through these practices. P19 (Anaerobic digester) and

474 P20 (Covering the manure storage) are currently available for financial support via the SRDP,  
475 but have not been put forward for future policy support. Both show low levels of current  
476 uptake and hence theoretically large scope for further GHG reductions. Importantly, however,  
477 both practices' impact scores are at the lower end. In the case of P19, low rates of current  
478 uptake and low impact scores of non-adopters may be due to large capital investments needed  
479 for installing anaerobic digesters, constraints associated with the current system of managing  
480 the slurry or manure, and the quantity of slurry generated by a farm. Regarding the covering  
481 of the manure storage, however, it would be worth to further investigate the range of existing  
482 farm-specific barriers to uptake in order to possibly revise the future policy framework if  
483 barriers prove to be feasible to overcome.

484 The comparison of impact scores with cost-effectiveness estimates derived from MACC  
485 studies shows some consistency, although the derived rankings do not match well for all  
486 practices where cost-effectiveness information is available. The mismatch between adoption  
487 rate and cost-effectiveness scores in at least one of the cases with negative cost (P4 Adding  
488 live microbial feed supplement to diet) indicates that farmers' decision making may not be  
489 entirely driven by profit maximisation provided the assumptions made in the cost-  
490 effectiveness analysis apply. Alternatively, such a divergence may be related to farm specific  
491 production constraints, which include geographical dependencies, for example on the  
492 suitability of surrounding land to produce different types of fodder, and farm-specific  
493 constraints, for example with respect to labour or access to technology. The analysis of these  
494 limiting factors of uptake of cost-effective GHG reduction practices is a promising avenue of  
495 further research.

496 There are some limitations to our study that deserve to be pointed out. Although our sample  
497 matches well with key characteristics of Scottish dairy farms, a higher response rate would  
498 have been desirable. In the light of general time constraints faced by Scottish farmers and



499 frequent complaints about an increasing amount of administrative work, however, the  
500 achieved response rate is of a reasonable magnitude. Because our survey included 20  
501 practices, it was not possible to provide farmers with a very detailed account of each practice.  
502 While we took great care in generating clearly understandable descriptions of the mitigation  
503 practices, we cannot deny the possibility that some farmers' perceptions of the practices may  
504 have differed from our understanding, and that this influences both stated adoption rates and  
505 BWS impact scores. For example, P11 (Following fertiliser recommendations) describes the  
506 application of specific information packages on fertiliser use that have been developed by  
507 agricultural extension services and government bodies. However, some farmers may have  
508 perceived this to imply following generally known guidelines and legal restrictions (for  
509 example related to NVZs) for fertiliser application, although this was not the case in the focus  
510 groups preceding the survey. Further, both adoption rates and impact scores could have been  
511 affected by recent issues farmers faced. For example, 2012 was an unusually wet year in  
512 Scotland, causing concerns about drainage systems. Many farmers reacted to that, which is  
513 reflected in the high adoption rate and high impact score of P13 (Improve drainage on fields),  
514 even though this practice can be associated with high costs. We do not know, however,  
515 whether farmers' response implied a one-off intervention to prevent the worst, or whether  
516 they have been investing in the drainage systems' maintenance on a regular basis. Further, it  
517 is reasonable to assume that higher impact scores are associated with a greater likelihood of  
518 actual uptake. However, there is no guarantee that a practice that is evaluated as  
519 being relatively beneficial to the farm's environmental and financial performance will indeed  
520 be adopted in the face of a wide range of barriers to uptake and farm constraints. The above  
521 concerns imply that the results need to be carefully interpreted, and that our recommendations  
522 should be validated and investigated in greater depth, possibly through a combination of  
523 qualitative interviews and workshops with farm advisors and farmers.

524

525 **7. Conclusions**

526 The main purpose of this study is to inform decision making on policy support for  
527 management practices aimed at reducing GHG emissions from the dairy sector. The post-  
528 2014 CAP and Rural Development Programmes are under development, which makes this  
529 paper a timely and important contribution to help mainstreaming climate change  
530 considerations in European agricultural policies. Current adoption rates of potential GHG  
531 saving practices and perceptions of the contribution of the practices to the farm's  
532 performance amongst non-adopters are both important in this respect. Current adoption rates  
533 provide information on the effectiveness of current policy considerations, and are crucial in  
534 determining the potential for additional emission reductions over and above current levels.  
535 Using BWS in combination with information on farmers' current adoption patterns allowed  
536 the identification of a number of promising mitigation practice in the dairy sector.

537 Our study therefore provides important insights for policy makers and farm advisory bodies  
538 in a domain that thus far has largely been reliant on scientific expert information. BWS, in  
539 combination with information on adoption rates, can serve as a useful tool especially at an  
540 early stage of a mitigation policy planning process. It complements information derived via  
541 MACCs and through expert opinion by providing a richer picture of farmers' perceptions of  
542 different mitigation practices and can therefore support the development of more robust  
543 agricultural climate change policies.

544

545

546

## 547 **Acknowledgements**

548 We acknowledge our financial supporters: the Scottish Government Rural and  
549 Environmental Science and Analytical Services division through ClimatexChange  
550 ([www.climatexchange.org.uk/](http://www.climatexchange.org.uk/)), the Scottish Government Rural Affairs and the Environment  
551 Portfolio Strategic Research Programme 2011-2016 Themes 3 and 4, and AnimalChange,  
552 financially supported from the European Community's Seventh Framework Programme  
553 (FP7/ 2007–2013) under the grant agreement number 266018.

554

## 555 **References**

- 556 Auger, P., Devinney, T.M., Louviere, J. J., 2007. Using best-worst scaling methodology to  
557 investigate consumer ethical beliefs across countries. *J. Bus. Ethics* 70(3), 299–326.
- 558 Barnes, A.P., 2008. Technical Efficiency Estimates for Scottish Agriculture: A Note. *J. Agr.*  
559 *Econ.* 59, 370–376.
- 560 Barnes, A.P., Willock, J., Hall, C., Toma, L., 2009. Farmer perspectives and practices  
561 regarding water pollution control programmes in Scotland. *Agr. Water Manag.* 96, 1715–  
562 1722.
- 563 Barnes, A.P., Revoredo-Giha, C., Sauer, J., Elliott, J., Jones, G., 2010. A report on technical  
564 efficiency at the farm level 1989 to 2008. Defra, London, 2010.
- 565 Barnes, A.P., Toma, L., 2012. A typology of dairy farmer perceptions towards climate  
566 change. *Climatic Change* 112, 507–522.
- 567 Barnes, A.P., Islam, M., Toma, L., 2013. Heterogeneity in Climate Change Risk Perception  
568 amongst Dairy Farmers: A Latent Class Clustering Analysis. *Appl. Geogr.* 41, 105–115.

- 569 Cross, P., Rigby, D., Edwards-Jones, G., 2011. Eliciting expert opinion on the effectiveness  
570 and practicality of interventions in the farm and rural environment to reduce human  
571 exposure to *Escherichia coli* O157. *Epidemiol. Infect.* 140, 643–654.
- 572 De Cara, S., Jayet, P.A., 2000. Emissions of greenhouse gases from agriculture: The  
573 heterogeneity of abatement costs in France. *Eur. Rev. Agr. Econ.* 27, 281–303.
- 574 DECC, 2013. Final UK greenhouse gas emissions. Available at:  
575 <https://www.gov.uk/government/publications/final-uk-emissions-estimates>. Last accessed  
576 10 February 2014.
- 577 Dillman, D.A., 2000. *Mail and internet surveys: The tailored design method*, John Wiley &  
578 Sons, Inc., New York.
- 579 Dairy Supply Chain Forum (DSCF), 2008. *The Milk Roadmap*. Defra, London.
- 580 Eory, V., Topp, K., Moran, D., 2012. Multiple-pollutant cost-effectiveness of greenhouse gas  
581 mitigation measures in the UK agriculture. *Environ. Sci. Pol.* 27, 55–67.
- 582 Eory, V., Topp, K., Butler, A., Moran, D., 2014a under review. Assessing uncertainty in the  
583 agricultural marginal abatement cost curves. *Agr. Ecosyst. Environ.*
- 584 Eory, V., MacLeod, M., Shrestha, S., Roberts, D., 2014b under review. Linking an economic  
585 and a life-cycle analysis biophysical model to support agricultural GHG mitigation  
586 policy. *Ger. J. Agr. Econ.*
- 587 Erdem, S., Rigby, D., Wossink, A., 2012. Using Best-Worst Scaling to Explore Perceptions  
588 of Relative Responsibility for Ensuring Food Safety. *Food Pol.* 37, 661–670.
- 589 European Commission (EC), 2008. *20 20 by 2020: Europe's climate change opportunity*.  
590 COM(2008) 30 final, Commission of the European Communities, Brussels, Belgium.

- 591 European Commission (EC), 2010. The CAP towards 2020: Meeting the food, natural  
592 resources and territorial challenges of the future. COM(2010) 672 final, Commission of  
593 the European Communities, Brussels, Belgium.
- 594 Flynn, T., Marley, A.J., 2012. Best Worst Scaling: Theory and Methods. Working Paper  
595 Series, No. 12-002, Centre for the Study of Choice (CenSoC), Sydney.
- 596 Gerber, P., Vellinga, T., Dietze, K., Falcucci, A., Gianni, G., Mounsey, J., Maiorano, L.,  
597 Opio, C., Sironi, D., Thiemé, O., Weiler, V., 2010. Greenhouse Gas Emissions from the  
598 Dairy Sector - A Life Cycle Assessment. Food and Agriculture Organization of the United  
599 Nations (FAO), Animal Production and Health Division, Rome, Italy.
- 600 Gerber, P. J., Steinfeld, H., Henderson, B., Mottet, A., Opio, C., Dijkman, J., Falcucci, A.,  
601 Tempio, G., 2013. Tackling climate change through livestock: a global assessment of  
602 emissions and mitigation opportunities. Food and Agriculture Organization of the United  
603 Nations (FAO), Rome, Italy.
- 604 Hadley, D., 2006. Patterns in technical efficiency and technical change at the farm-level in  
605 England and Wales, 1982-2002. *J. Agr. Econ.* 57, 81–100.
- 606 Hein, K.A., Jaeger, S.R., Carr, T.B., Delahunty, C.M., 2008. Comparison of five common  
607 acceptance and preference methods. *Food. Qual. Prefer.* 19(7), 651–661. Hensher, D.A.,  
608 Greene, W.H., 2003. The Mixed Logit model: The state of practice. *Transportation* 30,  
609 133–176.
- 610 House of Lords, 2011. Innovation in EU agriculture. 19th Report of Sessions: European  
611 Union Committee, HL Paper 171, The Stationary Office (TSO), Norwich.
- 612 Jones, A.K., Jones, D.L., Edwards-Jones, G., Cross, P., 2013. Informing decision making in  
613 agricultural greenhouse gas mitigation policy: A Best-Worst Scaling survey of expert and  
614 farmer opinion in the sheep industry. *Environ. Sci. Pol.* 29, 46–56.

- 615 Krinsky, I., Robb, A.L., 1986. On approximating the statistical properties of elasticities. The  
616 Rev. Econ. Stat. 68, 715–719.
- 617 Lagerkvist, C.J., Okello, J.J., Karanja, N., 2012. Anchored vs. relative best-worst scaling and  
618 latent class vs. hierarchical Bayesian analysis of best-worst choice data: Investigating the  
619 importance of food quality attributes in a developing country. Food. Qual. Prefer. 25, 29–  
620 40.
- 621 Lancsar, E., Louviere, J., 2008. Estimating individual level discrete choice models and  
622 welfare measures using best worst choice experiments and sequential best worst  
623 MNL. Working Paper Series, No. 08-003, Centre for the Study of Choice (CenSoC),  
624 Sydney.
- 625 Lancsar, E., 2009. New methods to estimate individual level choice models and Hicksian  
626 welfare measures from discrete choice experiments, PhD Thesis, University of Newcastle  
627 upon Tyne.
- 628 Lancsar, E., Louviere, J.J., Currie, G., Donaldson, C., Burgess, L.B., 2013. Best Worst  
629 Discrete Choice Experiments in Health: Methods and an Application. Soc. Sci. Med. 76,  
630 74–82.
- 631 Lee, J.A., Soutar, G.N., Louviere, J., 2007. Measuring values using best-worst scaling: The  
632 LOV example. Psychol. Market. 24(12), 1043–1058.
- 633 Louviere J., Lings I., Islam T., Gudergan S., Flynn, T., 2013. An introduction to the  
634 application of (case 1) best–worst scaling in marketing research. Int. J. Res. Market. 30,  
635 292–303.
- 636 Lusk, J.L., Briggeman, B.C., 2009. Food Values. Am. J. Agr. Econ. 91, 184–196.
- 637 McFadden, D., 1974. Conditional logit analysis of qualitative choice behaviour, in:  
638 Zarembka, P. (Ed.), Frontiers in Econometrics. Academic Press, New York, pp.105–142.

- 639 McFadden, D., Train, K., 2000. Mixed MNL models for discrete response. *J. Appl.*  
640 *Econometrics* 15, 447–470.
- 641 Moran, D., Macleod, M., Wall, E., Eory V., Pajot, G., Matthews, R., McVittie, A., Barnes,  
642 A., Rees, R., Moxey, A., Williams, A., Smith, P., 2008. UK Marginal Abatement Cost  
643 Curves for the Agriculture and Land Use, Land-Use Change and Forestry Sectors out to  
644 2022, with Qualitative Analysis of Options to 2050. Report to the Committee on Climate  
645 Change (RMP4950).
- 646 Moran, D., Macleod, M., Wall, E., Eory, V., McVittie, A., Barnes, A., Rees, R., Topp, C.F.  
647 E., Moxey, A., 2011. Marginal abatement cost curves for UK agricultural greenhouse gas  
648 emissions. *J. Agr. Econ.* 62, 93–118.
- 649 Moran, D., Lucas, A., Barnes, A., 2013. Mitigation win-win. *Nat. Clim. Change* 3, 611–613.
- 650 Pack, B., 2010. *The Road Ahead For Scotland: Final Report of the Inquiry Into Future*  
651 *Support For Agriculture In Scotland*. The Scottish Government, Edinburgh.
- 652 Pellerin, S., Bamiere, L., Angers, D., Beline, F., Benoit, M., Butault, J.P., Chenu, C.,  
653 Colnenne-David, C., De Cara, S., Delame, N., Dureau, M., Dupraz, P., Faverdin, P.,  
654 Garcia-Launay, F., Hassouna, M., Henault, C., Jeuffroy, M.H., Klumpp, K., Metay, A.,  
655 Moran, D., Recous, S., Samson, E., Savini, I., 2013. Quelle contribution de l'agriculture  
656 française à la réduction des émissions de gaz à effet de serre? Potentiel d'atténuation et  
657 coût de dix actions techniques. Synthèse du rapport d'étude, INRA.
- 658 Prokopy, L.S., Floress, K., Klotthor-Weinkauf, D., Baumgart-Getz, A., 2008. Determinants  
659 of agricultural BMP adoption: evidence from the literature. *J. Soil Water Conserv.* 63,  
660 300–311.
- 661 Rural and Environmental Science and Analytical Services division (RESAS), 2012.  
662 *Economic Report on Scottish Agriculture*. Scottish Government, Edinburgh, Scotland.

- 663 Sawtooth Software, 2007. The MaxDiff/Web v6.0 technical paper.
- 664 Scottish Executive, 2013. Economic report on Scottish agriculture - 2013 edition. Scottish  
665 Executive Environment and Rural Affairs Department, Economics and Statistics,  
666 Edinburgh, Scotland.
- 667 Scottish Government, 2009. Climate change delivery plan: meeting Scotland's statutory  
668 climate change targets. Scottish Government, Edinburgh, Scotland. Available at:  
669 <http://www.scotland.gov.uk/Resource/Doc/276273/0082934.pdf>. Last accessed 10  
670 February 2014.
- 671 Sheane, R., Lewis, K., Hall, P., Holmes-Ling, P., Kerr, A., Stewart, K., Webb, D., 2011.  
672 Identifying opportunities to reduce the carbon footprint associated with the Scottish dairy  
673 supply chain – Main report. Scottish Government, Edinburgh, Scotland.
- 674 Scottish Government, 2013a. Scottish Greenhouse Gas Emissions 2011. Scottish  
675 Government, Edinburgh, Scotland. Available at:  
676 <http://www.scotland.gov.uk/Publications/2013/06/1558>. Last accessed 10 February 2014.
- 677 Scottish Government, 2013b. Low Carbon Scotland: Meeting the Emissions Reduction  
678 Targets 2010-2022 - The Second Report on Proposals and Policies. Scottish Government,  
679 Edinburgh, Scotland. Available at:  
680 <http://www.scotland.gov.uk/Publications/2013/06/6387>. Last accessed 10 February 2014.
- 681 Shepherd, M.A., Anthony, S., Temple, M., Burgess, D., Patton, M., Renwick, A., Barnes, A.,  
682 Chadwick, D., 2007. Baseline Projections for Agriculture and implications for emissions  
683 to air and water. Defra SFF0601, 1-43, London, Defra, ADAS, SAC, IGER.
- 684 Smith, P., Martino, D., Cai, Z., Gwary, D., Janzen, H., Kumar, P., McCarl, B., Ogle, S.,  
685 O'Mara, F., Rice, C., Scholes, B., Sirotenko, O., Howden, M., McAllister, T., Pan, G.,  
686 Romanenkov, V., Schneider, U., Towprayoon, S., Wattenbach, M., Smith, J., 2008.  
687 Greenhouse gas mitigation in agriculture. *Phil. Trans. Roy. Soc. B*, 363, 789–813.



- 688 Technology Strategy Board (TSB), 2013. Feeding the Future - Innovation Requirements for  
689 Primary Food Production in the UK to 2030. TSB, Swindon.
- 690 Thurstone, L.L., 1927. A law of comparative judgment. *Psychol. Rev.* 34, 273–286.
- 691 Train, K.E., 2003. *Discrete Choice Methods with Simulation*, Cambridge University Press,  
692 Cambridge, MA.
- 693 UNFCCC, 2008. Challenges and opportunities for mitigation in the agricultural sector.  
694 Technical Paper FCCC/TP/2008/8, United Nations Framework Convention on Climate  
695 Change, Bonn, Germany.
- 696 Vanslebrouck, I., Van Huylenbroeck, G., Verbeke, W., 2002. Determinants of the  
697 Willingness of Belgian Farmers to Participate in Agri-environmental Measures. *J. Agr.*  
698 *Econ.* 53, 489–511.
- 699 Vellinga, T.V., de Haan, M.H.A., Schils, R.L.M., Evers, A., van den Pol-van Dasselaar, A.,  
700 2011. Implementation of GHG mitigation on intensive dairy farms: Farmers preferences  
701 and variation in cost effectiveness. *Livest. Sci.* 137, 185–195.
- 702 Weiske, A., 2005. Survey of technical and management-based mitigation measures in  
703 agriculture. Report of the EU 6<sup>th</sup> Framework Programme Project: Impact of Environmental  
704 Agreements on the CAP (MEACAP), document number: WP3 D7a.
- 705
- 706
- 707
- 708
- 709
- 710

Best for your farm's performance	Set 1	Worst for your farm's performance
<input type="checkbox"/>	Working with veterinary surgeons to optimise biosecurity, vaccination and herd health	<input type="checkbox"/>
<input type="checkbox"/>	Frequently (twice-a-week) removing manure from the cattle shed to outside storage (e.g. to manure heap; slurry tank or lagoon)	<input type="checkbox"/>
<input type="checkbox"/>	Using sexed semen to increase proportion of females born	<input type="checkbox"/>
<input type="checkbox"/>	Using the type of fertiliser that breaks down and releases nutrients slowly (controlled or slow release fertiliser)	<input type="checkbox"/>

711

712 Figure 1. Example of BWS choice task

713

714

715

716

717

718

719

720

721

722

723

724

725

726

727

728

729

730 Table 1. List of GHG mitigation practices used in BWS choice tasks

Measure	Description	Current policy support	Proposed policy support
<i>Animal nutrition</i>			
P1	Planting high sugar content (high WSC) ryegrass (e.g. Aber HSG)	-	-
P2	Reducing grass in the diet and feeding more concentrates/grains/total mixed rations	-	V
P3	Adding oily seeds (e.g. canola, sunflower) at 10% to the diet	-	-
P4	Adding a live microbial feed supplement (e.g. Lactobacillus sp.) to the complete diet directly	-	-
P5	Applying feed and ration management (including forage/fodder analysis) with a feed company or advisor involved to optimise nutrient use of animals	V	-
<i>Animal productivity</i>			
P6	Working with veterinary surgeons to optimise biosecurity, vaccination and herd health	V	-
P7	Using bull semen from high PLI indexed bulls	V	V
P8	Using sexed semen to increase proportion of females born	-	-
P9	Moving from 2 to 3 times milking per day	-	-
<i>Soil and fertiliser management</i>			
P10	Using high-clover swards (20% of dry matter)	V	-
P11	Applying fertiliser according to fertiliser recommendations	V, M	V, M
P12	Make manure management plans taking full account of nutrients available in the manure	V, M	V, M
P13	Maintaining old drainage system (or installing a new one if needed) to improve drainage on fields	V	-
P14	Preventing soil compaction (e.g. avoiding the use of heavy machinery and livestock poaching when soils are wet or saturated)	V	-
P15	Using the type of fertiliser that breaks down and releases nutrients slowly (controlled or slow release fertiliser)	-	-
P16	Using chemicals to prevent loss of N due to nitrification (nitrification inhibitors)	-	-
P17	Changing to crops which require less nitrogen fertilisation	V	V
<i>Manure storage</i>			
P18	Frequently (twice-a-week) removing manure from the cattle shed to outside storage (e.g. to manure heap; slurry tank or lagoon)	-	-
P19	Installing and using an anaerobic digester to treat animal waste	FI, V	-
P20	Covering the manure storage (e.g. straw, plastic film, tent, or lid in case of slurry and plastic film in case of farm yard manure)	FI, V	-

731 Note: V: voluntary (through FFBC), M: mandatory, FI: financial incentives

732

733 Table 2. Descriptive statistics of dairy sample compared to June agricultural census, mean  
 734 and standard deviation

	<b>Census (N=1,290)</b>	<b>Survey (N=235)</b>
Standard Gross Margin (k£)	167.5 (474.5)	168.2 (117.1)
Economic Size Unit (£/ha)	139.6 (395.1)	140.1 (97.6)
Standard Labour Requirement (Labour Units)	5.5 (4.3)	5.4 (4.1)
Area (Ha)	125.4 (98.7)	137.7 (103.9)

735 Note: Standard deviations in parentheses

736

737

738

739

740

741

742

743

744

745

746

747

748

749

750

751

752

753

754

755

756 Table 3. Stated current adoption rates of practices

<b>Measure</b>	<b>Short descriptor</b>	<b>Currently adopted (%)</b>
<i>Animal nutrition</i>		
P1	High sugar content ryegrass	51.9
P2	Reducing grass and more concentrates in diet	30.2
P3	Adding oily seeds to diet	3.8
P4	Adding live microbial feed supplement to diet	20.9
P5	Applying feed and ration management	94.9
<i>Animal productivity</i>		
P6	Working with veterinary surgeons	93.2
P7	Semen from high PLI indexed bulls	60.4
P8	Sexed semen	51.9
P9	3 times milking per day	9.8
<i>Soil and fertiliser management</i>		
P10	High-clover swards	34.9
P11	Following fertiliser recommendations	86.4
P12	Manure management plans	79.6
P13	Improve drainage on fields	89.4
P14	Preventing soil compaction	92.8
P15	Controlled/slow release fertiliser	26.8
P16	Nitrification inhibitors	4.3
P17	Lower N-requiring crops	20.9
<i>Manure storage</i>		
P18	Frequent removal of manure	46
P19	Anaerobic digester	0.9
P20	Covering the manure storage	3.8

757

758

759

760

761

762

763

764

765

766

767 Table 4. CL and MXL model results

	CL			MXL			Standard deviation of random parameters
	Base effects	Interactions with stated adoption dummy		Base effects	Interactions with stated adoption dummy		
P1	-0.15		1.46 ***	-0.07		1.81 ***	0.96 ***
P2	-1.77 ***		1.96 ***	-2.37 ***		2.74 ***	1.14 ***
P3	-1.39 ***		1.17 **	-1.89 ***		1.67 ***	0.70 ***
P4	-1.46 ***		1.3 ***	-1.90 ***		1.81 ***	0.86 ***
P5	0.4		2.59 ***	0.41		4.09 ***	2.42 ***
P6	0.86 **		1.57 ***	1.18 **		2.28 ***	1.67 ***
P7	-0.9 ***		2.03 ***	-1.06 ***		2.61 ***	0.86 ***
P8	-0.25		2.08 ***	-0.32		2.87 ***	1.43 ***
P9	-1.48 ***		4.09 ***	-2.13 ***		6.81 ***	2.85 ***
P10	-0.05		1.96 ***	-0.05		2.63 ***	1.01 ***
P11	-0.52 *		2.11 ***	-0.74 **		2.82 ***	0.67 **
P12	0.92 ***		1.04 ***	1.26 ***		1.44 ***	1.08 ***
P13	0.52 *		2.48 ***	0.51		3.93 ***	1.96 ***
P14	0.78 **		1.39 ***	1.24 **		1.75 ***	1.52 ***
P15	0.02		1.13 ***	0.02		1.63 ***	0.13
P16	-0.92 ***		1.67 ***	-1.20 ***		2.56 ***	0.75 ***
P17	0 (fixed)		1.09 ***	0 (fixed)		1.48 ***	-
P18	-1.51 ***		1.62 ***	-1.91 ***		2.12 ***	1.03 ***
P19	-1.67 ***		2.14	-2.29 ***		4.97 ***	1.56 ***
P20	-1.48 ***		2.45 ***	-2.01 ***		2.84 ***	1.56 ***
Log-L	-3768.73			-3568.22			
AIC	1.68			1.6			
BIC	1.73			1.68			

768 Note: \*, \*\*, \*\*\*: significantly different from zero at 10%, 5% and 1% level

769

770

771

772

773

774

775

776

777 Table 5. Means and 95% confidence intervals for ratio-scaled impact scores

Measure	Short descriptor	Sample average	'Adopter'	'Non-adopter'	Cost-effectiveness
<i>Animal nutrition</i>					
P1	High sugar content ryegrass	4.6 (3.9;5.4)	3.2 (2.4;4.1)	6.3 (5.1;7.5)	not available
P2	Reducing grass and more concentrates in diet	1.0 (0.8;1.3)	1 (0.6;1.4)	1.0 (0.8;1.3)	++
P3	Adding oily seeds to diet	1 (0.6;1.5)	0.6 (0.2;1.3)	1.5 (1.2;1.9)	++
P4	Adding live microbial feed supplement to diet	1 (0.7;1.3)	0.6 (0.4;1)	1.5 (1.2;1.9)	-
P5	Applying feed and ration management	10.6 (8.7;12.3)	12.1 (11.1;13.1)	8.1 (4.3;11.8)	not available
<i>Animal productivity</i>					
P6	Working with veterinary surgeons	10.1 (8.4;11.6)	9 (7.8;10.1)	10.7 (7.9;13.2)	not available
P7	Semen from high PLI indexed bulls	3 (2.5;3.6)	2.8 (2.1;3.5)	3.2 (2.4;4)	-
P8	Sexed semen	5.7 (4.8;6.6)	5.7 (4.4;7)	5.4 (4.3;6.6)	-
P9	3 times milking per day	6.5 (4.8;8.8)	12.3 (9.1;14.3)	1.3 (0.9;1.7)	not available
<i>Soil and fertiliser management</i>					
P10	High-clover swards	6.1 (5.3;7.0)	5.8 (4.4;7.2)	6.4 (5.4;7.4)	+
P11	Following fertiliser recommendations	4.2 (3.3;5.1)	4.1 (3.3;5)	4.1 (2.7;5.7)	-
P12	Manure management plans	8.8 (7.8;9.8)	6.2 (5.1;7.3)	11.1 (9.5;12.6)	-
P13	Improve drainage on fields	10.7 (9.2;12.1)	12 (10.9;13)	8.5 (5.6;11.2)	++
P14	Preventing soil compaction	9.2 (7.5;10.9)	7.2 (6.1;8.3)	10.9 (7.9;13.3)	not available
P15	Controlled/slow release fertiliser	4.6 (3.8;5.4)	3 (2.1;4.0)	6.6 (5.7;7.6)	++
P16	Nitrification inhibitors	2.6 (1.7;3.8)	2.6 (1.1;4.7)	2.8 (2.3;3.4)	++
P17	Lower N-requiring crops	4.3 (3.5;5.1)	2.6 (1.7;3.7)	6.6 (5.7;7.5)	-
<i>Manure storage</i>					
P18	Frequent removal of manure	1.1 (0.9;1.4)	0.8 (0.6;1.2)	1.5 (1.1;2.0)	not available
P19	Anaerobic digester	3.4 (1.1;6.9)	6.7 (1;13.0)	1.1 (0.8;1.4)	++
P20	Covering the manure storage	1.5 (0.8;2.5)	1.7 (0.5;3.8)	1.4 (1.1;1.8)	++

778 Note: Based on 235 respondents. All impact scores based on MXL model results. 95% confidence intervals  
779 based on a Krinsky and Robb (1986) procedure with 2,000 draws in parentheses. Cost-effectiveness in £ (t  
780 CO<sub>2</sub>eq)<sup>-1</sup>: ++ ≥ 50; +: 0 to 50; - < 0. All cost-effectiveness estimates are based on Moran et al. (2008), Pellerin  
781 et al. (2013) and Eory et al. (2014b under review).

Table 6. Ranking of non-adopted practices based on individual-specific impact scores

Rank	Mitigation practice																			
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	P11	P12	P13	P14	P15	P16	P17	P18	P19	P20
1	20	0	0	0	3	8	0	28	28	35	0	30	8	10	37	1	19	1	1	6
2	24	1	1	1	3	2	5	22	12	24	2	13	5	4	46	5	59	0	2	4
3	15	0	1	1	2	3	10	15	13	34	5	1	4	0	41	19	52	2	6	11
4	26	1	3	9	0	0	11	9	11	26	5	2	1	1	29	44	33	1	12	11
5	12	7	34	16	1	1	19	8	6	18	7	0	1	1	14	41	17	4	8	20
6	6	11	28	27	0	1	11	6	9	6	8	1	3	0	4	43	4	17	27	22
7	4	13	40	25	1	1	14	6	12	6	3	1	2	0	1	22	2	23	29	27
8	2	29	40	31	1	0	9	6	14	1	1	0	0	1	0	23	0	22	24	21
9	3	24	27	27	0	0	8	4	19	3	0	0	1	0	0	16	0	14	32	30
10	1	29	24	21	0	0	4	1	19	0	1	0	0	0	0	5	0	16	30	21
11	0	19	14	11	0	0	0	5	23	0	0	0	0	0	0	4	0	14	28	18
12	0	11	9	9	0	0	0	1	19	0	0	0	0	0	0	1	0	5	14	21
13	0	5	4	2	1	0	2	0	15	0	0	0	0	0	0	1	0	5	12	7
14	0	10	0	5	0	0	0	1	4	0	0	0	0	0	0	0	0	0	2	5
15	0	3	0	1	0	0	0	1	4	0	0	0	0	0	0	0	0	1	3	0
16	0	1	1	0	0	0	0	0	3	0	0	0	0	0	0	0	0	1	1	0
17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	2
18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0
19	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0
Sum (# of non-adopters)	113	164	226	186	12	16	93	113	212	153	32	48	25	17	172	225	186	127	233	226