Environment and Rural Development Committee

5th Meeting, 2006

Wednesday 8 February 2006

The Committee will meet at 11.00 am in Committee Room 4

1. **Subordinate legislation:** The Committee will consider the following negative instrument—

   the Older Cattle (Disposal) (Scotland) Regulations 2006 (SSI 2006/4).

2. **Public petitions:** The Committee will consider the following petitions—

   Petition PE 653 on issues relating to the Scottish Agricultural College;
   Petition PE 749 on the spreading of sewage sludge to agricultural land; and
   Petition PE 804 on control over the Scottish fishing industry.

*Not before 11:30am*

3. **Food Supply Chain Inquiry:** The Committee will take evidence from—

   Ross Finnie MSP, Minister for Environment and Rural Development; and
   Allan Wilson MSP, Deputy Minister for Enterprise and Lifelong Learning.

4. **Food Supply Chain Inquiry:** The Committee will decide whether to consider the evidence received to date on the inquiry in private at its next meeting.

Mark Brough
Clerk to the Committee
Direct Tel: 0131-348-5240
The following papers are attached:

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SSI DESIGNATION FORM

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<tr>
<td>Responsible Minister</td>
<td>Ross Finnie, Minister for Environment and Rural Development</td>
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<td>Standing Order</td>
<td>Affirmative 10.6.1(a) Negative 10.4 ✓ 10.6.1(b) 10.5 10.6.1(c) Other NL NP</td>
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<tr>
<td>Purpose of Instrument</td>
<td>These Regulations provide for the enforcement of certain requirements of Commission Regulation EC 716/96 in relation to authorising the UK to purchase cattle born before August 1996.</td>
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<td>Laid Date</td>
<td>10th January 2006 40 day date 27th February 2006</td>
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<td>1st SLC Meeting</td>
<td>17th January 2006 20 day date 30th January 2006</td>
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<td>Lead Committee Report Due</td>
<td>20th February 2006 Other Committee Report Due</td>
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<tr>
<td>SE Contact</td>
<td>Aileen Bearhop, ext. 46403</td>
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<td>Committee Contact</td>
<td>Mark Brough, 85240</td>
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For SLC Use Only:

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<th>Article 10 Compliance</th>
<th>Breaks 10(1) rule</th>
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Subordinate Legislation Committee

5th Report, 2006 (Session 2)

Subordinate Legislation

The Committee reports to the Parliament as follows—

The Older Cattle (Disposal) (Scotland) Regulations 2006, (SSI 2006/4)

1. The Committee raised a number of points with the Executive in relation to this instrument. Firstly, the Committee asked for clarification as to why there is a reference to “the standard scale” in regulation 10(a), given that that regulation relates to an offence triable either summarily or on indictment.

2. The Executive has indicated that the drafting approach was adopted in view of the phrasing of the limits on the power in section 2(2) of the European Communities Act 1972, which is limited by a reference to the standard scale. It is the Executive’s view that, in the event that the statutory maximum was to be raised, the \textit{vires} under the 1972 Act would not be exceeded.

3. The Committee acknowledges that in respect of offences created by regulations under section 2(2) that are triable only summarily, the Executive is correct and the maximum fine that can be imposed is level 5 of the standard scale. However, it is open under section 2(2) to create offences that are triable either on indictment or summarily or on indictment only and in such circumstances paragraphs 5 and 6 of the Criminal Procedure (Consequential Provisions)(Scotland) Act 1995 have no application. The relevant provision in these circumstances is paragraph 7 of Schedule 2 to this Act, in particular sub-paragraph (1) of that paragraph. This states that, in those circumstances, the maximum penalty that may be imposed in exercise of the power is the statutory maximum. Therefore the Committee considers that the maximum penalty should be the statutory maximum, not the standard scale. Whilst level 5 on the standard scale and the statutory maximum are currently the same, this might not always be the case.

4. The Committee therefore reports the instrument on the grounds of defective drafting. The Executive has indicated that it will bring forward an amendment to rectify this matter and this is brought to the attention of the lead Committee and Parliament.

5. The Committee also asked for clarification of the wording of regulation 9(1), particularly in relation to regulations 5(4) and 7(2). In particular, the Committee asked whether it is intended that breaches of these provisions should be a criminal offence and whether breach of a notice under regulation 7 should be an offence.

6. The Executive has acknowledged that the wording of regulation 9(1) has unintended consequences and has undertaken to bring forward an amending
instrument to rectify this. The Executive, however, considers that failure to comply with a notice served under the Regulations would be a failure to comply with a provision of the Regulations, namely regulation 7(1) and that it is therefore an offence. However, the Committee does not agree that regulation 7(1) as drafted fulfils the policy intention of creating an offence of failing to comply with a notice.

7. **The Committee draws the instrument to the attention of the lead Committee and Parliament on both of these points on the grounds of defective drafting.**

8. The third point raised by the Committee was to ask for an explanation of why the term “operator” has been used in the Schedule to the Regulations rather than the term “occupier” as used in both the definitions provision and regulation 4.

9. The Executive has indicated that it is grateful to the Committee for bringing this error to their attention. The Executive does not consider that the error is likely to affect the validity of the instrument or raise difficulties in interpretation but has undertaken to rectify the error in the amending Regulations to be brought forward.

10. **The Committee draws this point to the attention of the lead Committee and Parliament on the grounds of defective drafting.**

11. In relation to the drafting approach taken to the Regulations, the Committee asked why a different approach had been adopted than was used in the equivalent UK Regulations.

12. The Executive has indicated that, although not the same, the approach to the drafting of these Regulations and the equivalent UK Regulations is broadly similar and that certain differences are necessary as a result of the differences between the Scottish and English legal systems.

13. The Committee notes the explanation provided by the Executive but considers that in this instance, aside from the necessary differences to take account of different legal systems, the drafting of certain aspects of these Regulations could have been improved if the example of the UK Regulations had been followed. **The Committee draws the explanation provided by the Executive to the attention of the lead Committee and Parliament for information.**

14. Finally, the Committee noted that the equivalent UK Regulations did not breach the 21 day rule and asked the Executive why it was therefore necessary for these Regulations to breach the rule.

15. The Executive has explained that the Commission Regulation implemented by these Regulations was not made available until 22 December 2005. In relation to the 21 day rule, the Executive has explained that, in contrast to the position in Scotland, the period of Christmas recess counts towards the 21 day period.

16. The Committee notes the differing positions in relation to the calculation of the 21 day period but remains concerned that, while the UK Government was able
to lay the UK Regulations on 23 December 2005, the Executive was not similarly able to lay the Regulations prior to the Christmas recess.

17. The Committee draws the attention of the lead Committee and Parliament to the instrument on the grounds that further information was requested from, and supplied by, the Executive.
The Older Cattle (Disposal) (Scotland) Regulations 2006, (SSI 2006/4)

On 17 January 2006, the Subordinate Legislation Committee, having considered the above instrument, sought an explanation of the following matters:-

1. Clarification as to why there is a reference to “the standard scale” in regulation 10(a), given that that regulation relates to an offence triable either summarily or on indictment.

2. Clarification of the effect of the wording of regulation 9(1), in relation particularly to regulations 5(4) and 7(2). In particular, the Committee asked whether it is intended that breaches of these provisions should be a criminal offence and asked whether it is intended that breach of a notice under regulation 7 should be an offence, as it is the Committee’s view that this has not been achieved.

3. The reason the term “operator” has been used in the Schedule to the Regulations, given that the definitions provision and regulation 4 employ the term “occupier”.

4. The reason for a different approach being adopted to the drafting of these regulations from those laid before the UK Parliament. In this regard, the Committee considered that the style of the English Regulations was to be preferred as it avoided the difficulties noted in their letter.

5. Finally, the Committee noted that the English regulations did not breach the 21 day rule and therefore asked why it was necessary for the Scottish regulations to breach this rule.

The Scottish Executive responds as follows:-

1. The Executive welcomes the opportunity to provide clarification in relation to the matters raised in the Committee’s letter.

   The first question

2. Regulation 10 specifies the penalties which may be imposed on a person guilty of an offence under the Regulations. This approach was adopted in view of the phrasing of the limits on the power in section 2(2) of the European Communities Act 1972, which is limited by a reference to the standard scale (paragraph 1(1)(d)). In the event that the statutory maximum were to be raised, the vires under the 1972 Act would not be exceeded.

   The second question

3. Regulation 9(1) makes it an offence to contravene or fail to comply with any provision of the Regulations. The Executive is grateful to the Committee for drawing to its attention the unintended consequences of this provision in relation to regulations 5(4) and 7(2). In the circumstances, the Executive intends to bring forward an amending Regulation in early course to rectify the position. The
Executive considers that failure to comply with a notice served under the Regulations would be a failure to comply with a provision of the Regulations, namely regulation 7(1), and is therefore an offence.

The third question

4. The Schedule to the Regulations makes reference to Commission Regulation (EC) No 716/96 so as to require an “occupier” to comply with certain provisions of the Community Regulation – those provisions are identified by article number in the left hand column of the table in the Schedule, whilst the right hand column of the table describes the subject matter of each article of the Commission Regulation. The Executive notes that the term “operator” has been used in the Schedule in place of “occupier” and is grateful to the Committee for bringing this error to their attention. Whilst unfortunate, it is not considered that this error is likely to raise real difficulties in interpretation. Nevertheless, the Executive will take steps to rectify the position in the amending Regulations.

The fourth question

5. The approach to drafting the Regulations and the equivalent English Regulations is broadly similar but not the same. Certain differences (such as for example the specific provision relating to a Scottish partnership in regulation 9(2)) are necessary as a result of differences between the Scottish and English legal systems. Others simply reflect minor differences in approach by the person drafting the Regulations. Whilst the Executive considers that it may be desirable that legislation implementing EU obligations is where possible drafted in a broadly similar manner both north and south of the border, it is considered that it is the effect of the instrument which is of greatest importance.

The fifth question

6. Both the Regulations and the English Regulations required to be made to a very tight timescale as the Commission Regulation which they implement (2109/2005) was not published until 22 December 2005. However, in contrast to the position in Scotland, at Westminster the period of the Christmas recess counts towards the 21 day period. Therefore, whilst both instruments were made at about the same time and come into force on the same date (23 January 2006), the English Regulations were able to meet the 21 day rule.
Our Ref: II/ew

21 December 2005

Dear MSP/MP

SAC Transformation Plan

You will be aware that SAC announced plans in 2004 to re-configure its estates holdings in Ayr (Auchincruive) and Aberdeen (Craibstone) in order to develop its Education delivery, on a partnership basis, with Paisley University and the Robert Gordon University respectively.

Over recent months SAC has gone through a Development Brief and Open Tender process to select preferred development partners for each site. Following a meeting last week, the SAC Board has decided to enter into final negotiations with:

AWG Property Group Ltd (Glasgow) for Auchincruive
CALA Homes (East) for Craibstone

We expect to move to final agreements with the preferred partners over the next three to four months.

It is our intention that SAC will retain full control of the properties throughout the development process.

Yours sincerely

Ian Ivory
Chairman
Environment and Rural Development Committee

PE653 – SCOTTISH AGRICULTURAL COLLEGE

Background

1. Petition PE653 by Charlotte Gilfillan on behalf of students and staff of the Scottish Agricultural College (SAC) called on the Scottish Parliament to consider the issues surrounding the Scottish Agricultural College Board’s decision to relocate its Education and Research Services to Edinburgh, contrary to the Scottish Executive’s policy of jobs dispersal out of Edinburgh and to the detriment of the college’s ability to provide services for rural communities throughout the whole of Scotland.

Progress of Petition

2. At its meeting on 25 June 2003, the Committee took evidence from interested parties, and wrote to the Minister for Environment and Rural Development and the SAC Board expressing a number of concerns. The Minister had also expressed concerns and had asked the SAC Board to re-examine its plans.

3. At its meeting on 19 November 2003 the Committee reviewed progress and noted that, following publication of a further study by Deloitte and Touche, the Board of SAC had concluded that some revisions to the rationalisation proposals should be adopted and that a phased approach would be appropriate. Members further noted that the SAC would prepare a business plan and keep the Minister fully informed of the details. The Committee agreed that it may seek to reconsider the petition following publication of the business plan.

4. The SAC published its Business Transformation Plan in September 2004. The Executive Summary can be found at:

http://www1.sac.ac.uk/info/External/Publications/SACTRANSFORMATIONPLAN.pdf.

5. The Plan sets out the Board’s proposals for the redevelopment of Auchincruive and Craibstone estates and the provision of education facilities at the former by Paisley University and the latter by Robert Gordon’s University.
6. At its meeting on 14 September 2005 the Committee agreed (in preparation for its scrutiny of the Executive budget, including the provision of agricultural education, advice and science) to write to the Minister and petitioner seeking their views on the SAC’s current position.

Current Developments

7. The original petitioner has now left the SAC. However, correspondence received from a colleague now suggests that the Committee examines the undernoted issues related to SAC’s Business Transformation Plan:

- plans to vacate land and buildings at Auchincruive and Craibstone estates;
- staff and student numbers, by campus, since 2000 and how this relates to the achievements made to date under the business transformation plan; and
- the way in which the education partners for both Craibstone and Auchincruive will impact on SAC retaining its separate identity for delivering education and training via rurally-based vocational courses.

8. The Minister wrote to the Committee on 26 October 2005 giving the latest information on SAC’s proposals. A copy of this letter is attached. The Minister states that the process of consolidation at both Auchincruive and Craibstone has been essentially completed and that SAC is in the process of considering a number of development proposals for both sites. SAC’s aim is to continue to provide services on existing sites in the medium term before moving education services to partners’ locations by the end of the decade. The Minister states that he is content with the progress that SAC is making.

9. The SAC issued a statement on 21 December 2005 advising that it has decided to enter into final negotiations with AWG Property Group Ltd (Glasgow) for Auchincruive and CALA Homes (East) for Craibstone. It expects to move to final agreements over the next 3 to 4 months and intends to retain full control of the properties throughout the development process. An extract from the Business Plan, showing the expected timetable for redevelopment, is attached.

10. The Committee may wish to consider whether the issues set out in this petition have now been fully addressed, and whether the petition can therefore be formally closed.
Thank you for your letter of 22 September asking for an update on the implementation of the Scottish Agricultural College’s business plan in relation to Petition 653.

As you know, since the petition was lodged just over 2 years ago, I approved SAC’s business strategy in September 2003 and the business plan to implement the strategy in September 2004. You will recall that the main thrust of SAC’s strategy was to reduce considerably the size and cost of its campus estate while continuing to provide education to HNC/HND level on a geographically dispersed basis.

Implementation of the business plan was to comprise 3 main steps: the consolidation of activity at Auchincruive and Craibstone campuses so that surplus accommodation could be let or mothballed; the preparation in partnership with others of development plans to facilitate the disposal and redevelopment of the majority of both campuses; and, in parallel, securing replacement teaching capacity in partnership with Robert Gordon’s University at Garthdee and with Paisley University and Ayr College at Craigie.

I understand from SAC that implementation of the business plan is on track. It has essentially completed the process of consolidation at both Auchincruive and Craibstone and is in the process of considering a number of development proposals for both sites. SAC’s aim is to continue to provide services on existing sites in the medium term before moving education services to partners’ locations by the end of the decade. Development of these partnerships is progressing well.
SAC is also working with the SEERAD’s other main research providers to supply positive solutions to the research strategy I published at the beginning of the year. SAC will have a particular role in the provision of knowledge transfer services through its consultancy and education functions to Scotland’s rural communities and is continuing to carry out research which is of use to those communities.

In the meantime, I also understand that SAC has stabilised its financial position with the results for 2004-05 showing a positive operating margin for the second successive year. Furthermore, student numbers increased at all campuses in 2004-05 and overall numbers are up again for 2005-06 by another 4% and farmer subscriber numbers have increased for the first time in five years and client surveys are yielding very positive responses.

While there is a considerable way to go before SAC will have completed the implementation of its business plan I am content with the progress it has made so far and, more generally, the contribution that it is making.

ROSS FINNIE
Environment and Rural Development Committee

PE749 – SEWAGE SLUDGE

1. Petition PE749 from Geoffrey Kolbe, on behalf of Newcastleton and District Community Council, calls for the Parliament to seek a moratorium on the spreading of sewage sludge pending a full inquiry into its safety by a parliamentary committee and, depending on the outcome of that inquiry, as a minimum, initiate legislation at the earliest opportunity to discontinue the current exemptions for spreading sewage sludge and to ensure that it is subject to planning control, including a public local inquiry.

Background

2. The petition was lodged with the Public Petitions Committee in June 2004 and that Committee undertook a preliminary examination of the issues before referring it to the Environment and Rural Development Committee for further inquiry in November 2005. The PPC also referred the petition to the Communities Committee.

3. At its meeting on 16 November 2005 the Environment and Rural Development Committee considered the petition and agreed that it would delay any further consideration of it until the results of the review of Scottish Water’s sewage sludge disposal strategy are known.

4. At its meeting on 7 December 2005 the Communities Committee considered the petition and agreed to take no further action on the petition on the basis that planning-related issues raised during consideration of the petition by other parliamentary committees could be included in its consideration of the Planning etc. (Scotland) Bill.

Current Developments

5. Scottish Water launched a consultation on 25 January 2006 seeking comments on a draft Environmental Report which it has prepared as part of a Strategic Environmental Assessment for the strategy (letter attached). The 12-week consultation period will close on 21 April. Scottish Water then intends to publish a revised environmental report and a national sludge strategy later in 2006.

6. Scottish Water indicates that it favours a long term strategy of recycling highly treated sludge to agricultural land and, where such land is not available, it prefers an energy-from-waste solution. Other options to be...
used to a limited extent are land reclamation and forestry. Any sludge so used will be treated. It intends to end the recycling of untreated sludge to land and states that it has already significantly reduced the quantity of untreated sludge that goes to land reclamation.

Recommendation

7. The Committee is invited to note the launch of Scottish Water’s consultation on a National Sludge Strategy and Strategic Environmental Assessment and to consider the petition again following the conclusion of the consultation.
25 January 2006

Mark Brough
Clerk
Environment and Rural Development Committee
Scottish Parliament
Edinburgh
EH99 1SP

Dear Sir

National Sludge Strategy and Strategic Environmental Assessment

Scottish Water launched a wide ranging consultation on the recycling of Scotland’s sludge on 25th January 2006.

All customers and stakeholders are being invited to participate in the consultation and work with Scottish Water to decide the best long term and secure strategy to deal with the increasing amount of this by-product of our treatment processes.

Scottish Water is using the Strategic Environment Assessment and the consultation process as a framework for public engagement and whilst not yet a statutory requirement, this provides a mechanism for the assessment of the environmental aspects of the Sludge Strategy.

Scottish Water proposes that it should favour a long term strategy of re-cycling highly treated sludge to agricultural land. Where there is not a suitable land bank available, an energy from waste solution will be preferred. A number of additional options will continue to be required in some areas albeit on a minimal basis, such as land reclamation and forestry. However any sludge used will be treated.

Scottish Water proposes to move towards conventional treatment standards as a minimum for recycling of sewage sludge on land in Scotland. This will bring to an end the practice of recycling untreated sludge to land. In 2005 Scottish Water has already significantly reduced the quantity of untreated sludge going to land reclamation.

It is estimated that there will be a 17% increase in the amount of sewage sludge produced in Scotland over the next 20 years, due to tightening waste water treatment standards.

The proposals for managing this increase are outlined in Scottish Water’s Draft National Management Strategy and its accompanying Strategic Environmental Assessment. Full versions of the reports and supporting papers can be viewed at www.scottishwater.co.uk/publications.
The 12 week consultation period associated with the Strategic Environmental Assessment will close on Friday 21st April following which we will review all comments for relevance, and determine any changes to the draft Environmental report.

It is then intended we will publish a revised Environmental Report and National Sludge Strategy in late spring, early summer 2006.

I would appreciate an opportunity to provide the Environment and Rural Development Committee with further information regarding the progress of the Strategic Environmental Assessment and the formation of our National Sludge Strategy.

Arrangements can be organised by contacting Kenny Naylor, Scottish Water Public Affairs Manager on 01383 848240 to establish a suitable date.

Yours sincerely

[Signature]

Dr Jon Hargreaves
Chief Executive
Environment and Rural Development Committee

PE804 – Scottish fishing industry

1. Petition PE804 by Carol MacDonald and Morag Ritchie, on behalf of the Cod Crusaders, calls for the Scottish Parliament to use its influence to return control over its fishing industry to Scotland. It calls for withdrawal from the EU Common Fisheries Policy (CFP). The petitioners state that the petition was also presented to the European Parliament and the UK Parliament.

Background

2. This petition was considered by the Public Petitions Committee (PPC) over a number of meetings between 2 February and 7 December 2005. The PPC sought views from the Minister for Environment and Rural Development. Membership of the EU is a matter for the UK Government, and the PPC, therefore, also passed the petition, for information, to the House of Commons Environment, Food and Rural Affairs Committee, and the Department for Environment, Food and Rural Affairs.

3. The House of Commons Environment, Food and Rural Affairs Committee advised the PPC of its sub-committee report on *The Future for UK Fishing*, published on 24 March 2005. During that inquiry the sub-committee met in Aberdeen and Edinburgh and took evidence from Scottish fishing representatives and from Ross Finnie, Minister for Environment and Rural Development.

4. In his response to the PPC, the Minister emphasised the practical and legal implications of withdrawing from the CFP. He stated that this is undesirable and would not help restore fish stocks to sustainable levels. He also noted that issues relating to fisheries management have been examined by a number of other studies and reports, including by the Royal Society of Edinburgh and, on a UK-wide basis, by the Strategy Unit’s report *Net Benefits*.

5. The PPC also invited the petitioners to comment on the Minister’s response. They reaffirmed their view that the UK should withdraw from the CFP.

Progress of petition

6. At its meeting on 7 December 2005, the PPC formally referred the petition to the European and External Relations Committee, on the basis that the petition raises matters related specifically to the EU, and that it is that Committee’s remit to examine any EU issue. It was also noted that the
European Committee had produced a report on CFP reform in May 2001, which included recommendations on governance.

7. On 17 January 2006, the European and External Relations Committee considered the petition. That Committee agreed that, before proceeding further with the petition, it would write to the Environment and Rural Development Committee to ask whether it wishes to consider the petition.

Previous work on fisheries

8. In Session 1, the Rural Development Committee conducted a short inquiry in September 2002 on the European Commission's proposals for reform of the Common Fisheries Policy. The Committee made recommendations on priorities to be pursued by the Scottish Executive, in conjunction with the UK Government, in the reform negotiations.

9. In early 2003 the Rural Development Committee also conducted an inquiry on Issues Facing the Scottish Fishing Industry. As part of this inquiry, the Committee met in Aberdeen in February 2003 and took evidence from various interested parties including the Cod Crusaders. The Committee also took evidence from John Farnell (Director of Conservation Policy in the Fisheries Directorate-General of the European Commission), Ross Finnie MSP (Minister for Environment and Rural Development) and the then UK Fisheries Minister Elliot Morley MP (Parliamentary Under-Secretary of State, Department for Environment, Food and Rural Affairs). The inquiry report was published on 28 February 2003 and included recommendations on governance issues such as the process of negotiating fisheries management decisions and the role of regional advisory councils.

10. In Session 2 the Environment and Rural Development Committee has examined fisheries on several occasions as part of its regular consideration of EU issues, and has taken oral evidence from the Minister for Environment and Rural Development in connection with the December EU Fisheries Council each year.

Recommendation

11. A copy of correspondence relating to the petition is attached. The Committee is invited to consider how it wishes to respond to the letter from the European and External Relations Committee.
24th January 2006

Sarah Boyack MSP
Convener
Environment and Rural Development Committee

Dear Sarah,

**Petition by Carol MacDonald and Morag Ritchie calling for the Scottish Parliament to use its influence to return control over its Fishing Industry to Scotland (PE 804)**

The European and External Relations Committee considered this petition at its meeting on 17th January. At the same meeting, the Committee referred European document SP2964, EU - 15613/05, *Communication from the Commission to the Council and the European Parliament: 2006-08 Action Plan for simplifying and improving the Common Fisheries Policy* to the Environment and Rural Development Committee, as part of its regular sift process.

In light of the Environment and Rural Development Committee’s expertise in this area the Committee agreed to ask your Committee if it would consider the petition.

I am writing to inform your Committee of that decision and to ask if your Committee might be able to respond with a formal view in due course. We hope to consider your response at our meeting on 28th February 2006. I attach a copy of the petition for information.

Yours,

Linda Fabiani
Convener
European and External Relations Committee
14th November 2005

Dear Mr McMahon,

Petition PE804 by Carol MacDonald and Morag Ritchie re. withdrawal from the EU Fisheries Policy and calling for the Scottish Parliament to use its influence to return control over its Fishing Industry to Scotland.

Thank you once again for giving the fishing communities of Scotland an opportunity to put their case in front of the Committee to defend an industry which they rely on in order to function.

I understand from the Clerk to the Committee that you have requested that we give our views to the response you received from Ross Finnie, dated 13th October 2005.

There are vital negotiations taking place in Brussels next month. These are of the utmost importance to the Fishing Industry’s survival and its dependent communities. We hope therefore that the Committee will deliver a decision on the
petition before the negotiations, as that decision could be make or break for the industry.

If the Committee was to agree with 250,000 people who backed the petition's request to apply pressure on Westminster and free us from the rules of the Common Fisheries Policy (CFP), then Scotland would have a great bargaining tool at Brussels in December which could work for the Scottish fleet's benefit.

Mr Finnie maintains that Britain would incur legal, financial and economic costs if we were to withdraw from this policy, but as far as we see it we are experiencing all this and more by being part of it. See attached Annex

Daily costs to the fleet of hired days, quota and now heavy fuel costs are killing what is left of the remaining Scottish fleet. Communities are experiencing the aftermath of all this destruction, such as unemployment, raised crime figures, an increase in drug abuse.

I personally have lived through the nightmare dealing with increased debts due to the industry having to pay out more than it earns. The social aspects which all this disturbance has brought families for the past 30 years is heartbreaking; to witness families torn apart through unemployment, drug and drink abuse, has been horrifying, and all in the name of the CFP.

You will notice that I have provided you with an early reply to your request (indeed even before receiving your formal letter) with some help on statistics from a fishing organisation. This could not be said for Mr Finnie, who took 12 weeks to reply to your last letter, which had probably been passed from official to official in search for the politically correct answers to your requests.

This is no longer a game of politics. This is real life we are facing. We depend on the Scottish Parliament to stand up and back our request along side 250,000 other people who believe that it's the only way forward for the Scottish / British fishing industry to be viable and sustainable once again. That in turn will benefit our communities.

I hope the committee will consider this response at its next meeting.

Regards

Carol MacDonald
Cod Crusaders Campaign
Petitioner
Annex

The CFP has seen the reduction of 60 per cent in the Scottish fishing fleet since joining the CFP, with corresponding downstream effects on fish processing, boat building, etc. It is estimated that at the end of 2003 more than 1,080 boats will have been removed from the fleet. At current values (an average of the past five years) each of these sold or decommissioned boats would have grossed on average more than £310,000 annually from around 330 tons of fish. The annual loss of direct income to the catching sector is therefore a minimum of £334 million. Of this, £110 million would have been crew wages, with the remaining £224 million lost to the vessel services like fuel, repairs, gear, insurance, banks, groceries, harbours, etc.

Added value, fish processing and marketing, etc., raise the economic value of the annual loss considerably. The recognised GDP impact ratio for fisheries is 2.35 times the landed value. Thus the direct economic impact of the reduction of the Scottish fishing fleet in 1975-2003 (latest available figures) is now a current annual loss to the Scottish economy of a staggering £785 million. The costs to public funds of unemployment and other social benefits as well as the broader economic consequences, including loss of tax income, probably bring the total loss nearer to £900 million every year. This exceeds by a huge margin any economic benefits Scotland receives from the European Union.

The above effectively refutes Mr Finnie's stated view that Scotland's best interests are served by working within the Common Fisheries Policy (CFP).

He has also stated that the legal, financial and economic costs of withdrawal are too high. But he has not provided any evidence to substantiate that claim. Perhaps the Committee should request him to do so.

Where are the calculable benefits to Scotland of EU membership that could possibly compensate for these appalling figures? They represent nothing less than a national disaster, brought about for no better reason than the objective of implementing the real CFP of equal access to the common resource with other EU member countries.
Context

1. The food chain in Scotland is diverse with participants ranging from primary producers of agricultural, aquaculture and fisheries produce, through wholesalers and processors, to retailers and the food service sector, both private and public sector. Not all produce goes through each step of the chain. Some produce is sold direct to the public, for example through farm shops or farmers’ markets. Some produce arrives part way through the chain by means of imports. On the other hand, some products (such as livestock) may pass through every step in the chain within Scotland.

2. The Committee has indicated that this inquiry will focus on Scottish agricultural production and ways in which the Executive can address supply chain issues in order to encourage the development of sustainable relationships. In its report on CAP reform, the Committee recommended that “it is vital that the industry receives sufficient support and assistance while it adjusts to a more market-orientated future”. It also commented on the importance of developing high quality products and examining the benefits of co-operative development. These themes provide helpful context for this paper, which examines: the place of agriculture in the food chain and links with the wider rural economy; strengthening links with the food and drink industry; Enterprise Networks support; competition issues; and the way forward. (The paper does not cover the fishing and aquaculture industries – and is less comprehensive because of that – although they also make an important contribution to the Scottish economy and to sustaining rural and coastal communities: for example, fish products account for over half of Scotland’s food exports by value.)

The place of agriculture in the food chain and links with the wider rural economy

3. The food manufacturing industry in Scotland is dependent on Scottish agriculture for 36% of its inputs. There are also important links with the drinks industry and Scottish agriculture provides 24% of the inputs to the food and drink manufacturing industry combined. In its agriculture strategy, *A Forward Strategy for Scottish Agriculture*, the Executive made it clear that Scotland needs a successful and profitable farming industry that meets the needs of the wider food and drink industry and that farming is important to the prosperity of rural Scotland. Recent CAP reform has reinforced the importance of increasing the level of market-orientation in the industry. Considerable support is being given to the agricultural sector during this period of adaptation. Expenditure on Single Farm Payments is expected to be well over £400 million a year. In addition producers may also qualify for payments in recognition of work undertaken to deliver benefits such as environmental enhancement, improved recreational access or animal health and welfare. To help agricultural businesses to restructure or re-orientate their production and to support diversification activities, grants totalling around £34 million have been awarded since 2001 under the Farm Business Development Scheme and Agricultural Business Development Scheme. Help is also available for skills improvement: last year, over 1,800 farmers applied
for grants totalling £780,000. The Whole Farm Review Scheme provides grants to enable farmers to access business advice provided by accredited advisers; the Scheme was launched in July 2004 and over 1,000 farmers have so far taken part. With the Enterprise Networks the Executive has supported local initiatives aimed at improving farmers’ business and benchmarking skills. Funding of £2 million a year is available for these measures under the banner of FarmBASS (Farm Business Advice and Skills Service).

4. Farmers receive valuable assistance from the Scottish Agricultural Organisation Society (SAOS) which aims to strengthen the profitability, competitiveness and sustainability of Scotland’s farming, food and rural industries through the promotion and development of co-operation amongst farmers and rural businesses; by assisting implementation of the Forward Strategy for Scottish Agriculture and the Scottish Food and Drink Strategy; and by supporting and representing the interests of co-operative directors and member businesses. SAOS has undertaken valuable work to demonstrate the importance of collaborative supply chains in promoting innovation, competitiveness and market responsiveness. The Executive supports SAOS through grant assistance of some £320,000 a year.

5. Each year the Executive commissions a programme of advisory services from the Scottish Agricultural College. This includes £3.5 million for the Veterinary Services programme to provide advice on a range of issues including animal welfare and biosecurity, which are crucial to consumer confidence in Scottish food. The Advisory Services programme (£2 million a year) provides advice on matters such as food marketing, organic farming and rural diversification.

6. These measures are all aimed at ensuring that Scottish agriculture is competitive in markets and contributes to local rural economies.

**Strengthening links with the food and drink industry**

7. The Partnership Agreement highlights the importance of building upon the Scottish food and drink industry’s reputation for high quality. There are specific Partnership Agreement commitments to ensure that more Scottish produce is processed in Scotland; to encourage localised food distribution systems involving more local processing of produce; to encourage greater sourcing and clear labelling of local food items and food produced by organic and sustainable farming methods; to support local marketing schemes; and to support regional marketing co-operatives.

8. The Scottish Food and Drink Strategy was launched in 1999. It provides the overarching strategic direction for the development of the food and drink industry, within the context of a Smart, Successful Scotland, and is being taken forward by an Industry Strategy Group (ISG) of senior figures in the industry. The ISG is currently working to ensure greater cohesion in the food and drink industry and to achieve ownership of a shared strategic vision by a broad spectrum of the food chain. The Strategy set ambitious targets for growth and identified six key action areas:

- to develop leading processors
- to exploit premium markets in the UK and internationally
- to increase competitive advantage by innovation and exploiting technology
- to develop an effective and efficient supply chain
- to develop the capabilities of our people
• to effectively communicate the benefits of collaboration.

9. There are about 1,400 food and drink manufacturing businesses in Scotland, employing over 50,000 people. About 40% of these jobs are in rural Scotland. Sales of food and drink were valued at over £6.5 billion in 2002 and the industry contributes £2.2 billion a year to the economy’s gross value added (GVA). It represents about one-fifth of GVA and of employment in Scottish manufacturing. It also accounts for 17% of Scottish manufacturing exports.

10. The recently published sustainable development strategy, Choosing our Future, explained that the Executive is working with the ISG to identify and address sustainable development priorities within the sector, mainly relating to the use of water and energy and production of waste (including packaging). It also explained that “food miles” are a source of greenhouse gas emissions and can be reduced by more efficient use of transport and noted the need to encourage the industry and consumers to increase the take-up of locally-produced food.

11. A range of support is available to the food and drink industry and the recipients include some on-farm food businesses. The Executive operates grant schemes to encourage Scotland’s primary producers and food processors to develop further innovative products, add value, co-operate to exploit new markets and shorten the food supply chain by linking producers with processors. A key criterion of eligibility is that the project should use Scottish primary produce, whether agricultural or fish. Since 2001, the Processing and Marketing Grant Schemes have awarded £56 million to food businesses which has delivered total new investment of over £250 million. Since 2000 more than £5 million has been awarded under the Marketing Development Scheme which aims to improve the efficiency of the food marketing chain. In addition to providing financial support, these grant schemes highlight innovative developments. This information can be made available to the industry – for example to retailers who are seeking new suppliers.

12. The Executive also encourages those companies with innovative products to apply for the Scottish Food and Drink Excellence Awards which recognise quality and innovation within the industry. Such awards can assist companies’ marketing efforts. Indeed, as part of the Executive’s SAC Advisory programme, courses are run in conjunction with the Royal Highland and Agricultural Society for Scotland to assist companies to use awards to increase their profile and achieve greater sales of their products.

13. A number of organisations, including voluntary interests, are involved in local food initiatives that form part of food supply chain development. These cross a range of Executive policy interests; for example the Health Department has encouraged Food For Life to make effective links with the local implementation of Hungry For Success where appropriate and where this can add value to local strategies.

14. Business opportunities also arise where processors import raw materials that could be sourced in this country. Farmers may be able to capture these potential markets from importers if they know what the processors, retailers and food service sector need in terms of product, quality, price and availability and can demonstrate their ability to meet that specification in order to persuade the buyers to source locally.
The food service sector is a fast growing market and it provides a major outlet for Scottish produce. One part of this sector caters for the tourism industry in Scotland. There is a target of generating a 50% increase in tourism revenues by 2015 and much of this will be spent on food, creating further market opportunities for Scottish producers. The Eat Scotland initiative is promoting higher standards in the catering industry and its aims include highlighting Scottish produce. Public sector food procurement is another important part of the food service sector with an annual spend of around £85 million. The Executive commissioned research to identify the opportunities for, and barriers to, Scottish suppliers accessing this public sector market more fully. Drawing on the conclusions of the research, regional seminars are being provided through the food forum network to bring together food suppliers and procurement contacts to improve knowledge of the market opportunities.

Vertical integration can play an important part in streamlining the supply chain and industry and government recognise its benefits. Grant assistance has been awarded under the Processing and Marketing Grants Schemes to assist companies in vertical integration. Cooperative activity can achieve vertical integration as can the strengthening of links between the agriculture and the food and drink industries.

**Enterprise Networks support**

Scottish Enterprise’s recent Clusters and Industries Review confirmed food and drink as one of six national priority industries. These industries are seen as those which should have the greatest economic impact for Scotland and in which Scottish Enterprise involvement can make a significant difference. Scottish Enterprise will tailor their approach to reflect the challenges and opportunities within the food industry and will work to disseminate best practice throughout the sector.

Scottish Enterprise account manage over 180 food and drink processing companies via their network of Local Enterprise Companies. It provides financial support and business advice on a range of topics, including strategy, marketing, innovation and workforce development. It has also funded research into supply chains, which could potentially form the basis of a framework to support supply chain development in the Scottish food and drink industry. Funding has also been committed in support of skills initiatives and to assist Quality Meat Scotland, the Soil Association (and the Seafish Industry Authority) to enable more direct retailing and improve the operation of the supply chain.

The Scottish Food and Drink Market Development Project, delivered by Scottish Enterprise, aims to help companies to achieve profitable and sustainable sales with the major UK retail and food service operators. The programme helps companies to understand consumer trends; to identify the best channels to market (such as major multiples, speciality businesses or the food service market); to understand the buying strategies of potential customers and details of the key decision-makers; and to improve the suppliers’ negotiation, marketing, research and presentation skills to increase their chances of securing profitable sales.

Scottish Enterprise meets the major retailers to raise the profile of Scottish food and drink processors and to identify potential opportunities for suppliers. It also provides financial and advisory support to Scottish food and drink producers to help them develop strong brands which will strengthen their presence in the marketplace; this often helps them to secure a better margin for their products and to build consumer demand and loyalty.
21. In the current year about £1.25 million of enterprise funding has been awarded in the Highlands and Island Enterprise (HIE) area to support projects in the food and drink industry, aquaculture, fisheries, shellfish and agriculture. HIE recognises the importance of promoting the region’s reputation for high quality products. HIE is also contributing to a number of national programmes alongside Scottish Enterprise and the Scottish Executive, and is supporting various local initiatives, including the Highlands & Islands Food and Drink Forum.

**Competition issues**

22. Supermarkets are a major force in the UK. Not only do they provide choice for Scottish consumers but they also provide a vital market for Scottish producers. All of the main supermarkets have a presence in Scotland but Tesco has the largest. To take an example, £166m of beef is sold through Scottish supermarkets and Tesco is the largest butcher in Scotland with 24% of meat sold through its stores. Publicity about the role of the major supermarkets has focused to a large extent on competition issues. The Office of Fair Trading (OFT) conducted an audit of compliance with the Supermarket Code of Practice in the light of the OFT’s remit for consumer and competition issues, which are reserved matters. They found that by and large supermarkets were complying with the Code and found no evidence that disputes between supermarkets and suppliers were leading to any significant impact on competition in this market. The Competition Appeal Tribunal has asked the OFT to reconsider the decision not to refer the grocery market to the Competition Commission for investigation. It is understood that the OFT hope to publish a draft decision in March.

23. There are concerns about the growing dominance of supermarkets, and their treatment of suppliers, and about the effectiveness of the Supermarket Code of Practice. The Executive recognises producer concerns over farm-gate prices and their wish to secure a fair return for their efforts. This can be helped through open and honest dialogue between all elements of the supply chain. In meetings with the major retailers and other businesses in the supply chain, Ministers continue to emphasise how seriously the Executive views the importance of maintaining a sustainable food chain with healthy trading relationships between suppliers and retailers.

24. There are also concerns about the perceived attitude of the competition authorities towards the dairy sector, given the need to restructure and develop to compete better on European and world markets. Proposed mergers and acquisitions are matters for the competition authorities and the Executive does not determine individual cases. The Executive, however, maintains dialogue with Whitehall counterparts. More generally Ministers continue to encourage all parts of the dairy industry to explore opportunities for increased collaboration and greater vertical integration.

**The way forward**

25. The Executive is working with stakeholders to update the agriculture strategy. The Agriculture Strategy Group has a vision of a prosperous and sustainable farming industry, one of Scotland’s success stories, which benefits all the people of Scotland. Detailed work on the updated strategy has been carried out by three sub-groups, focusing on food production and marketing; rural development; and environment and communications. The Agriculture Strategy Group and the Scottish Food and Drink Strategy Group are working closely together.
to ensure that actions in support of the updated agriculture strategy and the Food and Drink Strategy maximise the opportunities for both sectors.
The Scottish Executive's firm view is that the practical and legal implications of withdrawing from the Common Fisheries Policy (CFP) of the European Union render this course of action undesirable. Moreover, the Scottish Executive sincerely believes that withdrawal from the CFP would do nothing to restore fish stocks to sustainable levels.

The health of our stocks depends on responsible fishing by all parties, both in UK and other Community waters. Acting from within the CFP greatly enhances our ability to argue successfully for policy reforms to, for example, control and enforcement methods, the regulation of fishing gear and fisheries subsidies. There is also no guarantee whatsoever that negotiating alone with Norway and the other Northern States, rather than as part of the EU, would deliver anything significantly different to the status quo. Norway has a higher compliance rate with EU regulations than any Member State, compliance with the regulations being a condition of Norwegian access to European markets under the EEA agreement. If the UK was outside the CFP it would also still need to comply with its requirements to access valuable European markets.

Fish stocks cannot be conserved by unilateral measures alone. Conservation can only be achieved through concerted management measures agreed amongst all the countries who exploit a given fish stock. Leaving the CFP would only create a necessity to negotiate a whole series of separate agreements whose combined effort would look remarkably similar to the CFP and there is no guarantee that we would be able to secure terms any more advantageous than those currently achieved.

The UK shares almost all of its key stocks with at least one other country, including North Sea cod (which is known to spawn in German waters), Channel sole (which we share with France), North Sea Haddock (concentrations of which are found Danish waters), Western Mackerel (which is found
across a wide area, from the Norwegian Sea to the Bay of Biscay, Irish Sea whiting (which, we share with Ireland), Northern Monkfish (which is found across the North Sea) and North Sea herring (which is managed as a single stock found also in Dutch waters).

Of all our most valuable stocks, only Nephrops, crabs and scallops have the potential for autonomous management. Being largely inshore fisheries these are already managed – for the most part – through instruments of domestic legislation, with the significant exception being gear and TAC regulations applying to the offshore Nephrops fishery.

It is important to remember that the UK is allocated the largest share of quota for the key species targeted by UK vessels. The Community allocates the fishing opportunities available according to the principle of ‘relative stability’. This takes into account the fishing patterns of each Member State over an agreed reference period. Each Member State is then allocated a proportion of the Total Allowable Catch based on their historical track record.

For example, the UK has about 90% of the Community’s Norway lobster (prawns) quota in the North Sea and over 97% in the waters west of Scotland; we have around 78% of the haddock quota in the North Sea and around 75% in the waters to the west of Scotland; around 80% of the Northern monkfish quota; around 47% of the cod quota in the North Sea and Arctic and around 60% in western waters; and around 55% of the North Sea whiting quota and 65% in west of Scotland waters and the North Atlantic. Our pelagic fleet targets stocks such as mackerel, herring and blue whiting. These stocks are more mobile than demersal species and migrate in and out of UK waters during the course of the year. Nevertheless, the UK receives around 78% of the western Mackerel quota, 55% of the Western Herring quota, 20% of the North Sea herring quota and 22% of the Western Blue Whiting quota. It is difficult to see how it could be changed without prejudicing the reciprocal rights that UK fishermen have to fish in the waters of other Member States.

Leaving aside the significant advantages to be gained from managing the marine biological resource at a European level, significant legal problems would need to be surmounted before the UK could withdraw from the CFP. The UK is a signatory to the Treaty Establishing the European Community (TEC), Articles 32-38 of which establish the Common Fisheries Policy. The terms of the UK Treaty of Accession 1972 provide for the Council of Ministers’ exclusive competence over the conservation of living marine resources. As signatories to the TEC and the Treaty of Accession, the UK is bound by any of the provisions and obligations of these Treaties. The UK would have to renegotiate the Treaties with the other Member States (with unanimous agreement) in order to withdraw from the CFP at an EU level.

The UK could unilaterally repeal all or part of the 1972 European Communities Act, but this would not alter the UK’s obligations under the TEC or the UK Treaty of Accession. So, repealing the 1972 Act would have the effect of disapplying the Treaties domestically but, if obligations were disapplied domestically, the UK would be in breach of the Treaties and therefore Community law. If the UK were in breach of Community law, infraction proceedings could be commenced. These could lead to a judgment against the UK in the European Court of Justice and, if the breach were not remedied, the UK would incur a fine on a daily basis while the breach continued.

Legally, if we were to withdraw from the Common Fisheries Policy, we would still be obliged to seek fisheries management agreements in Regional Fisheries Organisations (RFOs) with other relevant nations under the terms of the United Nations’ Law of the Sea (UNCLOS) and the United Nations Fish Stocks Agreement (UNFA). While we are keen to see improvements in the Common Fisheries Policy, it does offer us a more effective mechanism for reaching such agreements and making them work.
Finally, withdrawal from CFP would not solve the fundamental problem of very low fish stocks and the tough conservation measures required to restore them to healthy levels. The cuts in fishing effort and quotas are required in order to ensure a sustainable fish stock and thus a sustainable future for the fishing industry. The extremely poor state of fisheries resources means that failure to tackle the structural problems in the industry now, is likely to lead to stock collapses (possibly sequentially) and far more detrimental socio-economic effects in the future.

Yours sincerely,

ROSS FINNIE
25 February 2005

Michael McMahon Esq MSP
Convener of the Public Petitions Committee
The Scottish Parliament
Parliamentary Headquarters
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Scottish Parliament Public Petitions Committee - Consider of PE480

Thank you for your letter of the 11 February inviting my Committee to respond to the petition, a copy of which you kindly sent.

As you may know the Committee is currently carrying out a major investigation into UK Fishing Policy and so I will pass on a copy of your letter and petition to Austin Mitchell MP who is chairing the sub-committee undertaking this work.

It may well be that he would wish to submit the final report of our Committee on this subject as a contribution and response to the term of the petition. That said I will put your letter and its request in front of the main Committee in due course and we will respond to you.

However, I would have to say that our Agenda is currently very crowded as we attempt to complete a large amount of work prior to Parliament’s Easter Recess and I hope you will bear with us should it be the Committee’s wish to respond to your petition.

The Rt Hon Michael Jack MP
Chairman - Environment, Food and Rural Affairs Select Committee

cc: Matthew Hamlin
Thank you for your letter of 18 August 2005, relating to Petition PE804 on withdrawal from the European Union Common Fisheries Policy (CFP). In your letter, you asked me to comment on the issues raised in the Committee’s discussion on 28 June and for an indication of what input the Scottish Executive intends to have to the UK government’s response to the Westminster Environment, Food and Rural Affairs (EFRA) Committee report, The Future for UK Fishing.

On that last point, Defra have already responded to the EFRA Committee. They did not ask for a contribution from me. That does not mean that we have not had an input on some of the issues covered in the response. The UK Fisheries Administrations have jointly addressed many of the issues concerned in some depth in the response to the Net Benefits report, Securing the Benefits which was published in June 2005 as well as in country specific documents, notably our own newly published Sustainable Framework for Scottish Sea Fisheries. I enclose some copies of the latter document for information. I also made a personal contribution towards the EFRA Committee’s discussions earlier this year by meeting a delegation from the Committee in Edinburgh in January. You may also wish to note that the EFRA Committee was not looking specifically at CFP withdrawal in their report, but rather the future for UK fishing within the European Union.

Turning to the other issues raised by this petition and your Committee’s discussions on it, as you are aware from my earlier submission to you, the Scottish Executive has a clear position on withdrawal from the CFP which is that we believe that Scotland’s interests are best served by working within the CFP. The legal, financial and economic costs of withdrawal are too high, and there is no certainty of any benefit for Scotland’s fishing communities. We have stated this clearly in Securing the Benefits and our strategy document, A Sustainable Framework for Scottish Sea Fisheries. It may also be worth noting that both Net Benefits and the Royal Society of Edinburgh report into the future of Scottish fishing concluded that remaining within the CFP provided the best long-term prospects for Scotland’s fishing industry.
However, I do have sympathy with many of the issues raised with the Committee by the petitioners in February. Indeed my new Sustainable Framework is designed to address them. I do not accept that the CFP is the cause of these problems. The policies set out in the Sustainable Framework will, I hope, help the sector become profitable, sustainable and well managed, so it can support thriving communities, leading to a situation where these communities can plan further into the future, using the resources of the sea for their long-term social and economic success. I appreciate that fluctuating stocks, quotas and the approach to managing fishing effort all lead to severe problems in adjustment in the fishing industry. This is why I am so keen to move towards a more sustainable and stable approach to fish stock management.

I am aware of the United Fish Industry’s Alliance’s document (UFINA) on the way that fisheries could be managed from outside the CFP that Richard Lochhead mentioned at the Committee’s June meeting. The proposals do not alter the Executive’s basic policy position on the CFP as described above. The Committee may like to note that I have invited the Fishermen’s Association Ltd (FAL), who are a member of the UFINA to assist me with the implementation of my Sustainable Framework by sitting on my implementation Advisory Group. This will enable FAL to put forward for implementation some of the ideas and suggestions contained in the document other than those relating to the CFP.

I am pleased to note that the Committee and Petitioners are aware of the developing role of Regional Advisory Councils (RACs) in decision making in the CFP. Since the Public Petitions Committee met in June, the North Sea RAC have produced advice on the Shetland Box, which the European Commission proposes to follow, and RACs have been set up for the North Western Waters and Pelagic stocks. The Executive will support these RACs to ensure that their meetings are successful, their advice is of a high quality and that the advice can be implemented at the European level. Most importantly the Executive will ensure that representatives of Scottish fishing communities are included in the RAC discussions and can play a full part in shaping the future of fisheries management.

Yours etc.

ROSS FINNIE