Scottish Salmon Producers Organisation

Visit to Scottish Salmon Producers Organisation
14 November 2016

Meeting hosted by: Scott Landsburgh, Chief Executive

Members in attendance: Gillian Martin

Scottish Salmon Producers Organisation (SSPO) is the trade association for the salmon farming industry. Its members are responsible for 95% of Scottish salmon production.

The Scottish farmed salmon was the first fish and first non-French product awarded the Label Rouge quality mark, for making a product to a superior level than other salmon producers.

Market
There is currently an international deficit for salmon protein, with demand outstripping supply. As such, the industry is in reasonably good health.

The USA is the largest nation that the SSPO export to, primarily New York and Miami, followed by Chicago and Boston. The SSPO think in terms of cities rather than nations when they export. France is the second largest export nation, with the other BeneluX nations making up the rest of EU exports. The most important market for Scottish salmon is the UK.

Labour Market
Members of the SSPO employ between 1,200 to 1,400 people. The main concern is having an available workforce. The work itself has evolved over time and is now more scientific, involving greater monitoring and requiring more analysis.

Regulation
The Scottish salmon industry’s success comes from selling a high-quality product, adhering to EU Regulation’s ensures its reputation and the water environment. In addition to environmental controls, employment regulations guarantee that SSPO members avoid international scrutiny.

SSPO have benefitted from protected geographical indication (PGI), farming "conventionally and organically" on the west coast of Scotland, the Western Isles, Orkney and Shetland.

Brexit
The SSPO are working on the principal that there will be a hard Brexit.

The WTO favoured nation status tariff (the status Scotland/UK will have post Brexit) is 2% for fresh salmon and 13% for smoked salmon. They do not expect tariffs to have much of an impact on the industry.

EU membership makes transportation easier, the SSPO estimate a 2% saving over Norway in transport costs. They expect that leaving the EU will markedly increase the amount of paperwork.

Politicians need to manage expectations; both Liam Fox and Andrea Leadsom have been very positive but have offered no guarantees. The SSPO are looking for clarity on WTO trading arrangements.
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The SSPO cautioned against a rush to Brexit, suggesting interim membership of the EEA.