Orkney Islands Council obviously supports the position that the UK Government has to honour its outstanding financial commitments to the EU post Brexit, however we would like to take this opportunity to raise our concerns regarding the source of these funds and strongly support the continuation of funding within the current Programme period of 2014 to 2020, for all EU funding including European Regional Development Fund (ERDF), European Social Fund (ESF) and support to the Agricultural Sector. Reducing spend in these Programmes up to 2020 to reduce the financial burden on the UK Government should not be an option.

Orkney has benefited from Regional Policy from the late 1980s with substantial capital investment in roll on roll off facilities (including piers and ferries) transforming the lives of islanders, more recently harbour infrastructure for the marine renewables sector has been constructed, a new college has been built enabling residents to further their education on the islands and culture and leisure facilities such as the multi-purpose Pickaquoy Centre and the Orkney Theatre have benefited both locals and tourists to the islands.

Orkney’s food processing sector has benefited from Agriculture and Fisheries funding towards new business premises for Orkney Meat, Orkney Cheese and a new Auction Mart and as an aside we obviously support the continuation of protected geographical indication (PGI) for our islands’ produce.

In addition to the Orkney Islands Council supporting no reduction in current 2014 to 2020 Programmes, we also strongly support similar funding being available to the area once funds are repatriated to the UK and would be looking for a territorial dimension to Regional Policy which takes into consideration insularity and rurality. In addition, under the principle of subsidiarity, we propose that decisions on projects to be funded by Regional Policy post 2020 should be taken by those in the Highlands and Islands, as was the case prior to the 2014 to 2020 Programme.

Continuation of funding to the agricultural sector is of utmost importance to the Orkney economy as currently this sector receives approximately £16M of agriculture support annually, which not only is of importance to the sustainability of the farmers’ businesses, but also to the wider economy as these funds assist both upstream and downstream businesses such as the local farm suppliers, vets, hauliers, auction mart and the wider tourism businesses. There are limited diversification options available to Orkney farmers, therefore continued support for the production of essential food products is imperative post Brexit.

Although the Orkney Agricultural sector does not rely on workers from the EU for their labour force any reduction in the citizens’ rights amongst the EU 27 citizens post Brexit will have an impact on Orkney’s food producers, where workers from the EU are employed in our fish processing factories and local bakeries. In addition the care sector and tourism sector would suffer if there was a reduction in available workers from the EU. In a small island economy with low unemployment levels there is a limited pool of available replacement workers to step in to the void which may be left if conditions for workers from the EU 27 is not favourable to them working in the UK.