

RURAL ECONOMY AND CONNECTIVITY COMMITTEE

SALMON FARMING IN SCOTLAND

SUBMISSION FROM THE SCOTTISH SALMON COMPANY

The Scottish Salmon Company (SSC) produces fresh quality Scottish Salmon with over 60 sites across the remote and rural communities on the West Coast of Scotland and the Hebrides. Our focus is on steady and sustainable business growth, developing exports and retaining value and employment in the rural communities in which we live and work.

Our People and our Communities

We employ a team of over 500 staff across the Highlands and Islands with our Head Office in Edinburgh. People are paramount to our business, as is their development. Over a fifth of our employees have worked with the Company for over 10 years, we provide steady year round employment. We provide a diverse range of interesting careers across our supply chain including; brood stock, freshwater, marine, processing, technical, nutrition, biology, environmental, planning, engineering, finance, sales, HR, marketing and IT.

Salmon farming has transformed the Scottish food sector and the rural communities across the Highlands and Islands with jobs, investment and business opportunities. Families are able to live and work in the communities where they were brought up, supporting the traditional rural way of life. We respect our responsibility to our communities and the environment. We appreciate and understand the necessity for coexistence with the many users of our seas and the importance of working together in partnership.

We are committed to sourcing locally and creating value in our communities. In 2017, SSC spent about £100m with over 550 Scottish suppliers and invested £15m locally with increased investment planned for this year and going forward.

Growing Exports is Fundamental to our Strategy

We produce over 26,500 tonnes annually of fresh high quality Scottish Salmon and export over half to 26 countries around the world with a focus on North America and the Far East. Demand remains strong and growing exports is fundamental to our strategy. This is underpinned by our commitment to Scottish provenance and quality.

Quality Scottish Salmon depends on environmental stewardship and good fish health

Our focus is on producing world class quality salmon which takes about three years. Integral to this is husbandry and rearing healthy fish in a high-quality environment. Our staff are custodians of that environment and live and work in locally.

Our Biology department provides site-specific veterinary health planning, in-house veterinary diagnostic services and professional health checks to promote optimal health and welfare for the salmon in our care. Together with audited schemes this ensures that there are high standards of fish husbandry and independent monitoring. In addition, our Environmental Management Plans (EMPs) set out the methods of good husbandry for each of our sites and details the measures that should be considered should an increased impact be detected and in a way that is transparent for the planning authorities, SEPA and Marine Scotland (see further our response to question 5 below). In addition, all new sites undergo a thorough Environmental Impact Assessment (EIA) process. The EIA process is central to the planning regime and is a method of identifying significant environmental impacts and agreeing mitigation. These agreed mitigation measures represent the method and control designed to avoid, lessen and remedy any significant adverse environmental effects as identified through the EIA and planning process.

We work to the independently audited 'Code of Good Practice for Scottish Finfish Aquaculture' (CoGP) for the Scottish industry. This addresses over 500 compliance points covering all aspects of salmon farming, the environment and processing. In addition, SSC has further ensured standards are exceeded by achieving internationally recognised certifications and accreditations including; 'Best Aquaculture Practice' (BAP), 'GlobalGAP', 'Label Rouge' and 'Friends of the Sea'. Audits and fish health inspections are carried out almost every week of the year by Scottish Government Fish Health Inspectors, CoGP and our customers. We also carry out daily health checks on all our farms, supported by our in-house specialist team of biologists, fish vets and nutritionists.

Committed to Working Collaboratively

We are committed to working collaboratively with academics and industry partners to develop long term solutions to tackle industry wide challenges. Challenges that can adversely affect the welfare of the salmon are arising from the marine environment, with increased water temperature and associated occurrences of jelly fish and algal bloom. New problems such as gill diseases have emerged and require treatment alongside the management of sea lice, a naturally occurring parasite affecting both wild and farmed salmon globally. Improved management techniques are being developed including a programme for use of cleaner fish and substantial investment in alternative mechanical methods for lice removal.

As members of the SSPO (Scottish Salmon Producers' Organisation) and in partnership with Scottish Government, we are working to develop the 'Farmed Fish Health Framework'. This will set out the strategic framework for fish health objectives for the next 10 years to underpin sustainable growth of the sector.

Innovative Native Hebridean Broodstock Programme

Our innovative Native Hebridean Broodstock Programme has taken our commitment to Scottish provenance one stage further by guaranteeing unique Hebridean origin and heritage. Descended from Hebridean stock originally sourced locally in Uist, this unique strain of salmon is reared in the Hebrides. This programme has been in development in Uist over a number of years. To date we have invested over £3m which includes the development of a specialist freshwater facility, creating specialist skilled long-term employment in an area classified by Highlands and Islands Enterprise (HIE) as economically fragile. This award winning salmon was introduced to the market recently and has already gained international recognition for its quality and for our commitment to sustainability and creating economic value in our rural communities. Through this programme we have worked collaboratively for many years with local parties to support their wild fish re-stocking programmes.

Working in partnership with the Scottish Government and other key stakeholders will help ensure our business, and the food and drink sector more widely, continues to deliver real benefit for both the local communities in which we live and work and Scotland as a whole.

Development Going Forward

1. General Views of the Salmon Farming Sector

In 2016, the 'Aquaculture 2030' was announced to deliver an ambitious and collaborative plan for sustainable steady growth across the entire aquaculture value chain in Scotland. The feedback that followed from the report was focused towards the potential growth of the sector, doubling in value. From 2002 to 2016, salmon farming in Scotland grew by only 13%, from 144, 589 tonnes in 2002 to 162,817 tonnes in 2016. Therefore doubling capacity in the next 12 years would be unrealistic as this would only be four generations of salmon production. Therefore the focus for the sector should be to create a more realistic target to achieve steady sustainable growth.

There are many misconceptions about salmon farming and we welcome the opportunity to explain developments in this young and developing sector.

2. Action to help the Sector Grow in the future

Responsible and sustainable growth is fundamental for the sector. We would welcome the opportunity to consider a process to review site locations and potentially move

underperforming sites, releasing environmental headroom, to develop in more suitable alternative locations. Under current planning processes it typically takes three years to complete each application. It is envisaged that this collaborative approach could benefit the environment and shorten the planning process.

We encourage and welcome further collaborative development for connectivity, skills and innovation which is key for the development of rural communities and operations.

3. Management of a range of fish health and environmental issues

- a. Environmental risk-management solutions, for example, Environmental Management Plans.

See our response to question 5.

- b. Areas Management Agreements (AMA)

SSC remain committed to the intent of the previously established Area Management Agreements. We interact with neighbouring farms and other stakeholders in the shared aquatic environment to facilitate complimentary fish health strategies and preservation of the integrity and biodiversity of the natural environment that supports our farming operations. We will actively support the work of stakeholders who constructively engage in meaningful activities to conserve and restore wild salmonid populations.

- c. Marine Protected Areas (MPA)

Biodiversity of our land and sea is the main purpose of an MPA. It is important that the management options are appropriate and relevant for the aim of the specific MPA.

4. Collection of data

We support accurate and transparent reporting of data throughout the industry. We currently report in line with requirements from Marine Scotland, SEPA and SSPO. Further development of data collection and reporting is a key objective of the 'Farmed Fish Health Framework', which is currently being developed by the industry in partnership with Scottish Government and will set out fish health objectives for the next 10 years to underpin sustainable growth of the sector.

We therefore consider that the national collection of data is adequate for salmon operations, fish health and related matters. It is key to ensure that data is available from all users and the data is then used transparently and productively.

5. Sufficiently Robust Regulatory Regime

- a. Regulation

We view the regulatory regime as being sufficiently robust. The regulations form a base line and responsible regulations must be robust, proportionate and attainable. The Code of Good Practice and standards must complement regulations and exceed regulatory standards. Regulations are continually reviewed and updated by EEC, UK and Scotland and the Code of Good Practice must be reviewed to remain in line.

b. Planning and Consents Framework

The current planning and consents framework is complex, cumbersome and not always conducive to developing practical solutions. The need for a fit for purpose regulatory system is fundamental for the continued sustainable growth and development of the industry and to support the broader Scottish economy. Salmon farming is regulated through a range of regulatory regimes and currently administered by different public bodies including; Local Authority Planning Department, Marine Scotland, Marine Scotland Science, SEPA and SNH. Co-ordination through one body with a solution driven ethos would streamline activities and ensure effectiveness, supporting growth of the industry and the development of Scotland as a whole, including all users of the sea and land. An overarching streamlined framework for aquaculture development is required with an integrated planning approach for site development.

c. Mitigation and Precaution

We recognise that our commitment to sustainable business growth means taking a precautionary approach to development. However, 'precaution' can be a misused and misunderstood concept. Taking a precautionary approach is about balancing benefits / risks, and managing environmental risks through proportionate mitigation measures. Sustainable development and the precautionary principle are already enshrined in Scottish Planning Policy (SPP) and underpinned by a cascade of legislation¹, applicable to fish farms. SPP cautions that the precautionary principle should not be a reason to impede development without justification. In our view, development which accords with current policy and legislation and includes proportionate mitigation and monitoring, such as Environmental Management Plans, can clearly be both sustainable and precautionary.

For example, Environmental Management Plans were proposed and secured by planning conditions in recent consents granted for two of our sites in Loch Fyne. We consider that Environmental Management Plans can be flexible and adaptive, so long as basic fairness is met by avoiding unknown retrospective

¹ For example, at the highest level of protection, a prospective fish farm must prove, taking account of mitigation measures, it will not adversely affect any European site (unless imperative reasons of overriding public interest are shown). See also the biodiversity duty.

measures. They are an important risk-management tool to ensure a precautionary approach to development and achieving sustainable growth.

6. Impact of the UK's Departure from the European Union

Brexit presents an opportunity to drive export growth out with Europe. The Scottish Government needs to lobby to ensure Scottish Salmon is high on the negotiating agenda as UK's largest food export and worth over £600m to the economy.

Reputation and Scottish Provenance are key to the sector and the Inquiry has resulted in major disruption for the positioning both in the UK and export markets. This will take considerable time and investment to re-build. Scottish provenance and food origin labelling must also be high on the agenda to guarantee country of origin and protect the quality and integrity of Scottish produce. This is particularly important as the reputation and demand for Scottish Food and Drink increases internationally.

Scottish Salmon Company
April 2018