General Comments

- The overarching priority for effective use of budgetary powers must be to focus on economic growth.
- SSPO member companies have relatively small access to the public funding allocated across the overall Scottish Government and agency budgets.
- There are valuable spending commitments in the area of skills, international trade development, innovation and support via Enterprise Agencies.
- The salmon sector requires no direct subsidies to operate and has a relatively limited demand on EU/Scottish structural funds.
- The EMFF fund has been beneficial for supporting the salmon sector, including support services. The future of this sort of structural funding post 2020 needs to be planned out and supported by SG.

Skills and Training

- The salmon industry requires ongoing commitment from Skills Development Scotland (SDS) funding of the Modern Apprenticeship programme. We would wish to see further development of appropriate vocational qualification and the recent commencement of the Level 4 SVQs in Aquaculture Management is seeing strong demand.
- It is essential that a proportion of MA funds is allocated for uptake by the Over 25s, as the salmon industry needs to upskill the existing workforce as well as attracting new entrants across a wide range of age groups.
- The salmon industry has a strong demand for engineering qualifications, both vocational and higher degree level. This is strategically significant as we invest in large scale Recirculating Aquaculture System (RAS) facilities for production of juvenile salmon (smolts). These new facilities will require specialist engineering and technician training and will offer career opportunities in some of Scotland’s rural and remote regions.
- Key areas of skills development such as technical and fish health specialists are required. There is currently a shortfall that needs to be addressed.

National and International Trade Development

- SSPO sees good value in the support for Scottish Development International (SDI) and the strong presence at international trade events as a platform for Scottish companies increasing the export markets for food and drink.
- Retaining the services of the in-market specialists is important in developing new markets. This will become more important as a contingency for moving from our traditional EU-centric markets.
- The ambitious 2030 Food & Drink targets will require strong financial support in order to grow output for both domestic (rUK) and international markets. Scotland Food & Drink should be funded to a level that supports that
ambition and allows for targeting resources toward the key sectors that can achieve expected growth.

- SSPO see the involvement of Highlands and Islands Enterprise and Scottish Enterprise as fundamental in supporting growth businesses to develop their products and markets.

Innovation

- SSPO were at the forefront of promoting the creation of the Scottish Aquaculture Innovation Centre (SAIC) and the commitment of £11 million of overall funding for the first 5 years of its operation has been strategically important. We would wish to see a higher level of future funding commitment for the next 5 -10 years, in order to support industry growth aspirations. A bid for future funding is in process (£24M for the next phase). Brexit / funding options may be challenging.

Additional key areas that require extensive strategic investment in support of salmon farming:

1. Transport infrastructure:
   a. The ferries network for the whole of the West Coast and the Northern Isles requires investment in vessels and routes, with sufficient capacity to support the growth aspirations of the sector. This is an essential lifeline component of the access to market for our goods (an extension of the motorway network in effect).
   b. Roads infrastructure – particularly in the west coast of Scotland. A85 upgrade is a high priority, as is A82 and A830 Mallaig to Fort William.

2. Digital and mobile connectivity remains a massive challenge for the entirety of the west coast and islands of Scotland. We are in the dark ages compared to other regions and other nations with whom we compete, such as Norway and the Faroe Islands. Unless there is a National Plan to take control of the provision of this infrastructure, we will struggle to attract large scale investment and commitment in these areas.

Scottish Salmon Producers Organisation’s
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