OFFICIAL REPORT
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Economy and Fair Work Committee

Wednesday 17 December 2025

Session 6

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ECONOMY AND FAIR WORK COMMITTEE
36th Meeting 2025, Session 6

CONVENER

*Daniel Johnson (Edinburgh Southern) (Lab)

DEPUTY CONVENER

*Michelle Thomson (Falkirk East) (SNP)

COMMITTEE MEMBERS

*Sarah Boyack (Lothian) (Lab)
*Willie Coffey (Kilmarnock and Irvine Valley) (SNP)
Murdo Fraser (Mid Scotland and Fife) (Con)
*Stephen Kerr (Central Scotland) (Con)
*Gordon MacDonald (Edinburgh Pentlands) (SNP)
*Lorna Slater (Lothian) (Green)
*Kevin Stewart (Aberdeen Central) (SNP)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Kieran Burke (Scottish Government)
Fraser Gough (Scottish Government)
Liam Hepburn (Scottish Government)
Richard Lochhead (Minister for Business and Employment)
Emma Phillips (Scottish Government)

CLERK TO THE COMMITTEE

Anne Peat

LOCATION

The James Clerk Maxwell Room (CR4)

Scottish Parliament

Economy and Fair Work Committee

Wednesday 17 December 2025

[The Convener opened the meeting at 09:30]

Digital Assets (Scotland) Bill: Stage 1

The Convener (Daniel Johnson): Good morning, and welcome to the 36th meeting in 2025 of the Economy and Fair Work Committee. We are holding our final stage 1 evidence session on the Digital Assets (Scotland) Bill. We have received apologies from our colleague Murdo Fraser.

I welcome to the meeting Richard Lochhead, the Minister for Business and Employment, and his officials from the Scottish Government: Kieran Burke, bill team leader; Liam Hepburn, senior policy official; Fraser Gough, parliamentary counsel; and Emma Phillips, who is from the legal directorate.

I invite the minister to make a short opening statement.

The Minister for Business and Employment (Richard Lochhead): Good morning. I appreciate the opportunity to speak to the committee today about the Digital Assets (Scotland) Bill. The bill will implement key recommendations that were made in 2023 by the digital assets in Scots private law expert reference group, which was chaired by the Rt Hon Lord Hodge. The purpose of the bill is to clarify Scots law by confirming that digital assets are capable of being objects of property.

Digital assets have become an increasingly important component of financial services and economies across the globe, and the proliferation of digital assets is continuing at pace. Those assets, which are often recorded on and transferred through distributed ledger technology, such as a blockchain, provide significant economic opportunities. It is estimated that the value of the blockchain technology market to Scotland is likely to reach £4.48 billion by 2030. Wider adoption of the technology is expected to bring about improvements in supply chain activities, healthcare systems and financial transactions.

The Scottish Government places importance on supporting a business-friendly environment and economic growth, including across specialist digital asset trading businesses, the asset management sector and the financial technology sector, which is also known as fintech.

Individuals—not just businesses—are using digital assets for payment and investment purposes. Bitcoin, the most well-known cryptocurrency, traded at just under £300 about 10 years ago. At the start of this week, that same asset traded at just under £65,000. In addition, in 2024, consumer research by the Financial Conduct Authority showed that 12 per cent of United Kingdom adults—in other words, about 7 million people—hold crypto assets. On that basis, the estimated figure for Scotland is around 540,000 adults. With that figure expected to grow, it is appropriate that our legal system provides greater legal certainty for our citizens when it comes to the assets that they are increasingly choosing to use for payments and savings.

As the committee will be aware, digital assets are not readily incorporated by the existing classifications of property under Scots law, which creates legal uncertainty. The bill will address that by providing the necessary legislative foundation for Scots law to accommodate modern business practices. Like most of the witnesses that you heard from, I think that we have achieved that legislative foundation.

The bill is a deliberately short piece of legislation with a narrow scope of application. It is restricted to providing certain digital assets with the status of property. It will achieve that by confirming what is meant by a “digital asset” for the purposes of the bill, by categorising digital assets as incorporeal moveable property and by establishing basic rules on the acquisition and transfer in ownership of digital assets.

Scotland is not unique in needing to reform its laws to better accommodate digital assets. Many jurisdictions are legislating so that their legal systems and property laws appropriately incorporate these new technologies. However, the bill approaches the changes that are required from the unique perspective of Scots law, and I am glad to introduce a bill that will bring our legal system into line with developments across the UK and internationally towards recognising certain digital assets as objects of property.

I have read with interest the evidence that was provided to the committee. I am pleased that there has been broad consensus on the general purposes of the bill. I look forward to working with the committee as the bill progresses, and my officials and I are ready to do our best to answer your questions—especially my officials, given that there are important legal aspects to the topic.

The Convener: Thank you very much, minister. What are your and your team’s reflections on that evidence? To summarise the evidence, there has been broad agreement that we must incorporate digital assets into Scots law. The framing of the bill has received broad support, but there have been

questions, in broad terms, about the clarity, and what may or may not be captured at the margins, of the definitions. I note that that is not necessarily a universal view.

Those are some of the points that have been raised. What are your broad reflections on the evidence that the committee has heard?

Richard Lochhead: I listened to a lot of the witnesses who you heard from, and a lot of important and pertinent points were made not only about what is in the bill and the purposes of the legislation, but about some of the wider issues that arise from it.

There were legal voices, as well as other voices offering a more technological perspective. It is important to note that those from the expert reference group who gave evidence, as well as those from the Law Society of Scotland and the Faculty of Advocates, who were focused more on the legal aspects of the bill—the bill has a limited scope and focuses on giving legal certainty to digital assets as property—felt, virtually unanimously, that this is an important bill, that there is a need for it and that it achieves what it is setting out to achieve.

Some of the other issues that were raised were addressed by the witnesses who support the bill. However, there might be a wider debate beyond that. The bill cannot deal with everything, as it has a narrow focus. There were lots of issues to do with blockchain technology and all manner of issues on the margins, and that there might also be debates that arise on the margins of the bill. However, as I mentioned, I think that that was more of a debate around technology and the bill is not an appropriate place to address some of those issues.

The Convener: I will probe some of those points, especially around the fundamental definitions. The bill is framed in terms of things that arise from electronic systems that are "rivalrous" and "immutable". The legal witnesses said that those last two concepts were clear but that they are not long-standing features of Scots law.

When I look at how other jurisdictions have sought to capture similar concepts, I see that they have gone about it in a slightly different way. That is notwithstanding the other elements, which are part of the wider scope of that legislation. Just in terms of the narrow definitions, the Australian bill, for example—the Corporations Amendment (Digital Assets Framework) Bill 2025—talks about

"an electronic record that one or more persons are capable of factually controlling".

The bill goes on to describe that "factually controlling" an electronic record means that those people, either solely or jointly, are capable of transferring the electronic record. That captures a similar concept to rivalrousness, but it perhaps does so in plainer language.

Is there a potential issue in relation to using concepts such as rivalrousness and immutability, which are maybe less clear in terms of everyday speech, even if legal experts would claim that they are clear—especially if those terms are novel in Scots law?

Richard Lochhead: Scots law is distinctive, and I think that if you were to look at many Scots acts of Parliament, you would not recognise a lot of phrases. I am not sure that there is anything unusual in having some obscure phrases, as far as the general public is concerned, in our legislation. Clearly, the expert reference group felt that the terms were appropriate. "Rivalrous" is a commonly used concept in economics and business, so the group felt that it was appropriate.

With regard to coming up with legislation that deals with the modern world of digital assets, being "immutable", which means that the records cannot be changed, is important for being "rivalrous", in that only one person can use the digital asset. A second person cannot use it, because one person is already using it. Therefore, the two concepts are closely interlinked. We have to define property in a digital world, and the expert reference group took the approach that this was the appropriate way in which to do it.

A lot of jurisdictions have been taking forward similar legislation. I do not pretend to know what is in other countries' legislation, because a lot of countries have been legislating on the issue. We have to take our guidance from the expert reference group, which explained its rationale as to why this was the best way forward when it gave evidence to the committee.

The Convener: Was there a particular reason why it was more appropriate to use the terms in the bill, as opposed to language similar to that used in the Australian bill? Was there a specific reason why Scots law needed those discrete terms rather than a broader description of what rivalrousness or exclusive control might look like?

Richard Lochhead: My understanding—from the expert reference group and from the evidence that was given to the committee—is that the tight definitions that you referred to were in order to differentiate between types of electronic documents, as not all electronic documents are defined as property. We have to define property, as well as other types of electronic documents.

Examples that were given to the committee, and that were given by the expert reference group, include that a digital image or an electronic document—such as an email—is not defined as

property in Scots law. We therefore have to differentiate between types of electronic documents, and that is why definitions such as “immutable” or “rivalrous” come into play. They are to differentiate between what can and cannot be easily copied and what is and is not property.

The Convener: My question was not really about whether we need to do that; that need is relatively clear, for exactly the reasons that you set out. My question was more about why the bill uses the term “rivalrous” rather than using language such as “exclusive control”. Was there a particular reason for using that novel term, which is certainly not in common usage, as opposed to using a slightly longer-form but plainer-language definition to cover the point that it belongs to one person who controls what happens to it?

Richard Lochhead: I will bring in Fraser Gough to explain the legal background.

Fraser Gough (Scottish Government): I will respond to the convener’s question about the Australian bill to begin with. As Greg McLardie said last week, ours is a very different bill for a different purpose. As Professor Fox said in the first session, referencing certain electronic financial regulations, there is a danger in looking at other legislation that is crafted for different purposes, picking out a hotchpotch of terms and asking, “Why have you not used this word that this other act uses?” when that act was created for a totally different purpose. It is hard to go through all the other words that people might have used around issues and say why another word is better.

The brief for this bill was to give effect to the expert reference group’s recommendations. I cannot speak to whether the legislation of any other jurisdiction would or would not have given effect to those recommendations as effectively.

On the convener’s question about the term “rivalrousness” and its obscurity, I note that, when it comes to legislation, one must always think about the audience and for whom a term is obscure. If one is writing for a particular expert audience, using language that is not the language that they use is perhaps more obscure for them, because one is defining in ordinary language things for which they have single words that could readily get them over the difficulty.

In the course of drafting the bill, once you start to read the literature about the law, and the problem that the law has to solve, the word “rivalrousness” very quickly becomes less obscure to you; it becomes a word that you find in every other paragraph. It is very much the terminology that is used. Using that word in the bill makes it easier, in some ways, for the court to pick up on the intellectual inheritance behind the bill. When the court goes to look for extraneous sources to aid its interpretation of what the overall policy intent was, having a bill that speaks very directly to the wider legal debate has its utility.

09:45

That is not to take away from the issue of accessibility of the law, which we take extremely seriously. On that point, I make the observation that rivalrousness is, in effect, used as a label in section 1(1). The very next subsection—section 1(2)—tells us in far starker terms precisely what it means for something to be rivalrous, so nobody is expecting anyone to come to this with their own definition or conception of rivalrousness.

We are just using it as a label in subsection (1) because it is the shorthand with which people who have been looking at this area are most familiar. For those who are not familiar with it, the very next subsection explains what it means. It works in much the same way as the statutes on exclusive control. Those use “exclusive control” as a label, but exclusive control does not at all mean what one might think that it means, because it is defined at some length further on in the statute.

The Convener: Similarly, there is also the concept of immutability. We heard from Professor Fox that the bill may not require absolute immutability. In the most fundamental sense, we are talking about virtual things that exist as electrons in hard disk memory banks and in a distributed way, so they are not, therefore, in an absolute sense, immutable at all.

Is it problematic that we are talking about hard immutability, either physically or conceptually? Professor Fox said that absolute immutability may not be required—as a practical approach, if these things are operating as they should be, they are unchangeable. Is the problem that there is a fuzzy margin in the concept of immutability with regard to the bill?

Richard Lochhead: I noted the points that the witnesses made, but they also said that they felt that the approach was satisfactory. Clearly, that is linked to avoiding double selling—there must be safeguards in place to avoid double selling and therefore the systems that are used must be immutable so that records cannot be changed.

Ultimately, it will be for courts to decide, should they have to look at the matter in detail. However, anyone who is reading this will know what is being asked of the legislation and what it means with regard to not tampering with records and the fact that we cannot allow a system that permits double selling.

The Convener: With that, I bring in my colleague Sarah Boyack.

Sarah Boyack (Lothian) (Lab): Several witnesses from the technology sector have given evidence to the committee, and their view was that the concept and the definition were not easily recognised by those working in the field. The committee was given several suggestions in that regard, such as producing guidance or statutory guidance, or adding further clarification in the explanatory notes on the bill.

How does the Scottish Government intend to bridge that gap?

Richard Lochhead: We will reflect on that, and in particular on the point about the explanatory notes and so on. Some witnesses said that they would be reluctant for guidance to be issued because they are content that there is certainty in the bill. They said that they wanted the bill to be technology neutral, and pointed out that the world will change and that we cannot predict what those changes will be, so the more prescriptive we are, the more issues that could cause in the future.

I am happy to reflect on the evidence. Again, I noticed that there was a slight differentiation between the evidence from those who were coming at this from a legal perspective and the evidence from those who had a wider technology interest. Those who wanted the law to be clear as to the property status of digital assets were content. Obviously, however, there is a wider debate about some of the issues that other witnesses mentioned.

Sarah Boyack: I suppose that the challenge is that we need to get all of it right at the same time and think about how we future proof the bill.

In evidence to the committee, Professor Robbie highlighted the power of property rights and the risk of unintended consequences if certain items were given property status without our thinking through what the impact could be.

You have just talked about thinking ahead to the future, but there is nothing in the bill about how the legislation will be future proofed. How is that going to happen? It is not addressed in the policy memorandum. Will the Scottish Government commit to undertaking an audit of the potential impact of the bill across Government and non-Government activities?

Richard Lochhead: I am happy to consider that. The committee will publish its report, and we will treat its recommendations very seriously.

There is a whole debate about providing more certainty on what is excluded from the bill—perhaps through carve-outs, which have been mentioned. Some witnesses said that we should not go down that road and that they were content that what was in the bill was defensible and that it achieved the right balance.

I cannot give you a categorical answer, but we will reflect on what the committee says about the need for further clarification.

Sarah Boyack: I suppose that we have to think about the bill from those two different perspectives. We have to consider how the bill will operate and how tech will change over time.

This morning, I was reading through the supplementary evidence from Greg McLardie following his evidence to the committee last week. He referred to Professor Robbie's evidence and talked about a potential financial risk to the Scottish Government in relation to carbon credits, the woodland carbon code and the peatland code.

There are high-level issues, but witnesses have also given detailed evidence about their concerns. I was hoping that the minister would pick that up. We cannot make everything perfect, but, given that witnesses are raising concerns at this point, we need to tease out the issues in respect of what is in the guidance or the policy memorandum. Do you agree?

Richard Lochhead: I will reflect on that. Whether carbon credits or anything else will be identified as property will come down to how the bill is interpreted. The bill is there to lay down the key principles of what would define digital assets as property, so the consideration of carbon credits or anything else will depend on the definition of property in a digital world.

With regard to future proofing, some witnesses—perhaps Lord Hodge or Professor Fox—made the point that, to a certain extent, we can deal only with the here and now. Technology is changing quickly, and we cannot really future proof something when the world is changing so fast and we do not know where we will be in 10 or 20 years' time. I think that there was an acceptance that Parliament might have to deal with that once it becomes clearer, but the bill is really about dealing with the here and now.

I know that this is an open-ended debate and people will have their own views on it, but the witnesses made some good points in that regard.

Sarah Boyack: That goes back to my question about whether the Government will consider undertaking an audit of the potential impact of the bill across Government and non-Government activities. Perhaps you will reflect on that.

Richard Lochhead: I will reflect on that. Again, if the committee recommends that, we will take the recommendation on board.

Sarah Boyack: Thank you. Back to you, convener.

The Convener: I have a brief supplementary to that. Professor Robbie made a point about

whether carbon credits should be specifically carved out in the bill. Her point was that, once you have created something as property, it makes it very difficult for the Government to exercise control, because of the nature of property rights.

I am certainly not expecting an answer this morning, but I would like to know whether the Government is reflecting on that specific point about carbon credits, given that it was raised by Professor Robbie.

Richard Lochhead: I noted that evidence, so we will reflect on that. That is all that I can say at this point.

The Convener: Thank you. With that, I will bring in the deputy convener, Michelle Thomson.

Michelle Thomson (Falkirk East) (SNP): Good morning, and thank you for joining us. Following on from what has just been said, the potential exclusions include not only voluntary carbon credits; electronic trade documents and securities traded on the certificateless registry for electronic share transfer—CREST—system have been excluded, because there is already legislation in place that deals with those.

How confident are you that you have captured everything in terms of exclusions? As a counter to your comment that we need to start somewhere, are you sure that you have managed to exclude everything with regard to other types of vehicles? We want to ensure that greyness does not creep in as a result of the bill.

Richard Lochhead: We are confident. The aim of the expert reference group was to establish key principles and reflect them in this short bill, which defines what would be counted or classified as property in terms of digital rights. That is there, so we can start working up lists of what is excluded. That is a different approach altogether. It is like a devolution argument—what is reserved and what is devolved, and we just leave everything devolving. That is the approach taken by the expert reference group. We are content to lay down the key principles in law of what defines digital assets as property. If something does not reach those thresholds, it will fail the test.

Michelle Thomson: I fully accept that we need to start somewhere, and we all understand that we cannot start with perfection. However, given the legal complexity and the fact that the potential interface with a number of different laws will start to be fleshed out and deepened as we go forward, are you happy that you have the right threshold to allow that to happen?

I fully accept that there will be things that none of us know and that we cannot be expected to know—that is okay—but we are having to hazard an educated guess, given what we know at the moment, in order to make sure that we get the balance right. Are you confident about that?

Richard Lochhead: The approach that we are taking is the correct one. Commercial activity is already taking place out there and the purpose of the bill is to recognise that. We therefore have to give legal certainty to it. The third-last Lord Advocate, or whoever it was, commissioned the expert reference group in the first place, because this is already happening in society. We need to give legal certainty to the trading of digital assets and recognise them as property in the way that we recognise other assets. That is what the bill deals with.

Some of the witnesses who the committee heard from, including members of the reference group, said that things will change in the future and the Parliament will have to return to the issue. However, at the moment, there is a requirement to deal with this specific issue, and the bill does the job.

Michelle Thomson: I have a question about tokenisation, which you might have seen come up quite a lot in our discussions. The bill is silent on it, but we know that it is a growing area. I think that the point that we stopped at is that it is not always clear that transferring ownership of a digital token is transferring the underlying asset. What is your thinking about how that issue might be approached, because it is fundamental to the approach to tokenisation in law? Scotland's place in utilising tokenisation is important, and we are already there. It could bring greater value to the economy and so on.

I appreciate that that is quite a technical question, so if you want to bring in somebody else, I will be quite happy.

Richard Lochhead: I am going to bring in colleagues. I know that Kieran Burke was keen to come in on your previous point, so if I can bring him in to talk about the policy perspective, we will come back to your point on tokenisation.

Kieran Burke (Scottish Government): You mentioned carve-outs and we heard from some witnesses that there would be a preference that certain things get carved out. The approach that has been taken in the bill is to have a broad-brush and open definition to help with the future-proofing aspects, because the pace of change is rapid.

On the evidence that you heard about whether things such as electronic trade documents should be carved out, a broad assumption has been made that it might be appropriate to carve those out, but we have not heard the detail about why or about what the particular issues are in relation to any conflict in what the bill is seeking to do.

As a note of caution, I would add that, if we could hear what the specific issues are and what any potential conflict would be in that regard, we could consider it further. However, it seems that there is an assumption that there might be a problem without articulating what the actual problem to be addressed would be and, therefore, how the bill could address it.

Michelle Thomson: I am sure that, just as you watched the previous evidence sessions, our previous witnesses will also be watching this session, so I reiterate that clear call to people to provide more information, although they will need to do it quickly because we are up against time, as I understand it. What are your thoughts about the question of tokenisation?

Richard Lochhead: Fraser Gough can come in on the legality around that.

10:00

Fraser Gough: Having listened to some of the evidence on tokenisation, I want to say that the bill is attempting a very specific fix to Scots law. There are things out there now that, to all intents and purposes, work very much like corporeal property, as we have always understood it, but they are not corporeal—they lack a corpus; they are intangible. The bill is fixing that by saying that it does not really matter that they lack a body, as long as they meet this other condition that makes them rivalrous, which is one of the things that having a body provides. You cannot double spend a coin, because it is a physical thing; here, the blockchain effectively operates the same way and prevents you from double spending. We are saying that, because a technology has solved that issue for those intangible things, we are happy for the law to treat them as property, like corporeal things.

When the law came to recognise corporeal things as objects of property, we did not begin by asking, "What could you tokenise these things to be?" We cannot deal with the law almost backwards, by saying, "I am refusing to recognise a piece of paper as an object of property, because you might tokenise that piece of paper to represent a debt obligation, or to represent a carbon credit." That would be a very strange way of going about it. If you are interested in regulating carbon credits, or anything else that you might care to tokenise, you deal with the tokenisation of the thing as a separate legal topic. You do not deal with the thing that you are capable of using as a token. It could be a digital asset or it could be a marble—it does not really matter.

On the bill's silence on tokenisation, I am not really sure what the bill could meaningfully and usefully say about tokenisation. You might or might not think that it is appropriate to, for example, transfer property via the blockchain instead of on the land register, and to use digital tokens instead of an entry in a physical register. You could certainly have that debate, but surely it is one to be had in the context of a land registration act that goes into the details and nuances of land registration, rather than trying to deal with the tokenisation of anything and everything that could conceivably be tokenised as a digital asset through a digital assets statute. It is too abstract.

Michelle Thomson: What you are saying makes sense, and you are applying understood principles. It touches on the merging of the understanding that digital guys have of how things operate and the core principles arising from historical property law.

I understand that, but the example that I asked about in the first evidence session on the bill was what happens where there is generative artificial intelligence and you may have an amorphous entity—a thing—that is constantly evolving. The AI is so advanced that it is constantly rewriting itself. Trying to fix on what that thing is might inevitably lead to it being defined by its token. I am slightly embarrassed to say that, because I am sure that some of the tech guys will say "No, Michelle, you have not got it quite right", but nobody has said that to me thus far in any of the evidence sessions.

I do not necessarily disagree with you, but I am not convinced—maybe I am not educable enough to be convinced—that there will not be situations like that and that, very soon, the only pivot that we will have is a digital token, if that makes sense. Therefore, have we really bottomed out the consideration of why tokenisation is so important?

Richard Lochhead: From my limited knowledge of what other jurisdictions are doing, I think that all countries and jurisdictions are facing these dilemmas. We do not have a solution in the bill to that potentially growing and futuristic problem. The bill sets down thresholds or tests for what would be deemed a digital asset or property. If someone were to make a challenge along the lines of what you are speaking about in relation to AI and what may be deemed property that is produced by AI, it would be up to the courts to see whether that passed the test that this legislation sets. Those are big issues for the future.

Michelle Thomson: Do you want to add anything, Fraser?

Fraser Gough: As Lord Hodge and Professor Fox said in the first evidence session, AI will undoubtedly present a challenge to the legal system in all kinds of respects. There will no doubt have to be an AI statute, or many AI statutes, to

deal with that in particular contexts, of which this is merely one.

Willie Coffey (Kilmarnock and Irvine Valley) (SNP): I would like to hear your reflections on where Scotland stands in comparison with other jurisdictions. We have had a brief discussion about what other countries are doing. Where does the bill stand? Are we playing catch-up or are we ahead of the game? Some of those who gave evidence in recent weeks described the bill as being particularly elegant, so I want to get a flavour of where you see it in relation to the law in other jurisdictions.

Richard Lochhead: We are one of many jurisdictions that is trying to modernise property law to take into account digital assets. Some other jurisdictions have passed laws in recent months—the United Kingdom law is pretty fresh—so we are not behind, but we must modernise our law. That is the purpose of the bill. The economy is changing fast and I am confident that we are moving at a reasonable pace.

Willie Coffey: There is an international and global dimension, with many countries having peculiar and specific legal frameworks. How will problems and disputes be resolved if jurisdictions take different approaches to what are essentially global digital commodities?

That may be a question for Fraser Gough.

Richard Lochhead: You are looking at Fraser, but I do not know whether he wants to answer that.

Fraser Gough: The international private law challenges are undoubtedly acute. The Law Commission for England and Wales is currently looking at that, as I think Lord Hodge mentioned, and plans to report next year on how all that will be managed.

This may be a case of new things but old problems. The international flow of things, the rules of international private law and what the law governs have long been issues. A lot of that takes us into reserved territory, because we are dealing with things furth of Scotland. In the first instance, it will be a case of seeing what the Law Commission recommends at UK level and then looking at where Scotland wants to position itself relative to that.

Willie Coffey: Do you consider that Scots law will have to develop beyond this bill to deal with issues such as disputes about debt, who owes whom what and who has used someone else's property illegally? The bill will help to define that framework, but will we need another bill to take us into the spheres of international and personal debt and dispute? Will we require that in the next session of Parliament?

Richard Lochhead: I was going to say, "That's not my problem." [*Laughter.*]

The Convener: I am sure that your ministerial colleagues would love that response.

Richard Lochhead: The situation is evolving fast and the law will have to be agile in future because we can see where the world of technology and digital transactions is going. I cannot sit here and predict what the big issues will be in the next few years, but there will be greater need to understand the implications for Scots law, as Fraser Gough said. This is a global phenomenon and Governments around the world are wrestling with it.

Willie Coffey: In your opening remarks, you spoke about the bill being deliberately narrow in scope. Is that the particular strength of the bill? You have heard the discussion about what more should be added to it and what should perhaps be removed from it. Are you content that the correct approach has been taken with the scope of the bill?

Richard Lochhead: I remind the committee that there is a lot of support for the bill and for its short, sharp focus. There are other debates at the edges about what changes to technology will mean for the future, and many witnesses spoke about that, but there is a lot of support for the bill and for the need to have it now.

Kieran Burke: We undertook consultation to help to develop policy in relation to the bill, and the questions that were asked included, "Do we need a piece of legislation at all?" and "Should we have a narrowly focused piece of legislation to deliver greater legal certainty around digital assets?" A total of 88 per cent of respondents were in favour of the legislation, and 66 per cent supported the idea of keeping a narrow focus in relation to what the legislation should contain. The policy has been developed, and the bill has been produced, on that basis.

Stephen Kerr (Central Scotland) (Con): Minister, I think that we are fellow graduates of the University of Stirling, but neither of us did law.

Richard Lochhead: I certainly did not.

Stephen Kerr: No—and I certainly did not. My background, like yours, is certainly not in law. In all honesty, it makes me somewhat uneasy to hear the kinds of things that Fraser Gough has presented to us this morning. The bill is written in the language of legal experts, as it were, but in terms that laypeople—as I will call us—will not readily understand or recognise. That leads to concerns about how people will operate within a law that they do not really understand.

One area of concern relates to acquisition. The bill protects acquirers "in good faith", but it does

not say what “good faith” means. I apologise to the minister, because—with great respect to him—I am almost looking past him, towards Fraser Gough, when I ask my question. The bill does not say what “good faith” means and it does not talk about due diligence at all. Why, in drafting the bill, did you go down that route? I put the question to the minister, but I am sure that he will want to refer it to others.

Richard Lochhead: The bill arises from Scots law, which has been around for centuries as part of our distinctive legal system. The bill will be recognised by the legal profession, at whom it is primarily aimed, and by the courts—it is for the courts as well. The issue that you raise, regarding ensuring that laws are accessible and use language that the public understands, applies to many acts of Parliament. I can sympathise with that, but, at the same time, legislation must be legally sound.

We will ensure that the explanatory notes, which are more likely to be used by the public than the act of Parliament would be, are very clear in explaining what everything means.

I ask Fraser Gough to come in on the point about acquisition.

Stephen Kerr: My point is specifically about “good faith” and what that means, and the issue of due diligence, particularly with regard to incorporeal assets.

Fraser Gough: There is a drafting question, as well as a slight policy question.

On the drafting point about what “good faith” means, and whether it is a term that is readily understood by the average citizen, is that a particularly abstruse idea? I do not know that being “in good faith” about something is a more obscure phrase than “due diligence”.

Undoubtedly, though, it is about the target audience. If there were a legal dispute about the ownership of something, the matter will end up in the courts, so, as the minister said, it is important to ensure that the bill is written in a register that will enable the courts to apply the law in the way that was intended.

The way that is intended here is that the innocent acquirer rule will operate in the same way that other innocent acquirer rules in the law operate. For example, in the Civic Government (Scotland) Act 1982 and in the Bills of Exchange Act 1882, “good faith” is simply the expression that is used to deal with the good-faith acquirer rule. The bill replicates the words because we mean to replicate the effect. If we used different words, the court would have to ask itself why we did not express that idea in the same way as all the other good-faith acquirer protection rules in other laws have been articulated.

Stephen Kerr: Would that not be because we are talking about something that is an intangible? If you were buying an object, such as a house or whatever, you would have it in front of you. As digital assets are intangible, do they not require an additional layer of protection for buyers?

10:15

Fraser Gough: That brings us to the further policy question, which is not merely why we use the expression “good faith” but whether there should be some additional requirement, such as due diligence. In some ways, good faith sidesteps that.

Lord Hodge answered that during the first evidence session, when he made the point that the purpose of the innocent acquirer rule was to promote confidence in the new—as they were when the rules first started to emerge—paper bills of exchange. People needed to be able to trust that, if they had been given a bill of exchange, it was theirs and that they did not have to look terribly far behind it. Therefore, it would undermine the policy if there was a requirement for a lot of due diligence to be done.

As Lord Hodge said, the expert reference group’s recommendation was to take essentially the same approach for essentially the same reason, which is that we want to promote market confidence. The difficulty with a due diligence requirement would not be fundamentally different because the assets are intangible. The house that is in front of you would no more bear a sign that says, “I’ve been illicitly acquired” than a digital asset would. The provenance, and how the owner or the person who purports to be transferring the property to you has come to have it, is always, in a sense, intangible. The intangibility of the asset does not raise any particular new or acute problems.

If you went down the road of explicitly requiring due diligence, the challenge is that blockchain assets are often being traded very quickly—even more quickly than paper bills of exchange. When you are 10 layers of transfer down and, somewhere at point 9 on the block, someone did not have the proper title, you would have to unstitch quite a long transfer chain. You might think that the equity of the situation demands that the original person who lost the asset should get it back. However, that goes to the policy rather than the mode of expression.

Stephen Kerr: You introduced the idea of protections for the original owner in case of theft or, indeed, of fraud. Under the bill, how is it

expected that the original owners would obtain effective redress?

Richard Lochhead: That would be a case for the wider legal system. All that the bill is dealing with is identifying what is property. If you sell something to Willie Coffey that belongs to Lorna Slater, Willie Coffey would own the property. You would have sold it when you should not have; therefore, in theory, you could be sued for damages by Lorna Slater. That would be for the wider legal system; it is not for the bill to determine that. The bill simply determines what is property.

Stephen Kerr: There is no intention that there should be any particular redress mechanisms.

Richard Lochhead: The bill's purpose is not to solve disputes; it is to determine what digital property is. Other legislation deals with all those issues, but the bill identifies or classifies digital assets as property.

Stephen Kerr: Is there no intention that the bill would provide protection to the original owner?

Richard Lochhead: The bill determines what is classified as digital property. Other legislation deals with other issues, such as people being conned out of money and the law being broken.

Kieran Burke: I will come in, if it is helpful. In relation to some of the evidence that you have heard from other witnesses, I think that they said that the ordinary civil remedies that are available would apply in relation to the bill. There has been some discussion about whether the court rules need to be looked at and updated. That was not specifically discussed in relation to digital assets, but it was discussed in terms of how diligence acts more broadly in relation to persons unknown, which I think is the example that was given. The bill does not seek to bring any new remedies into play, because the existing legal system accommodates that.

The Convener: Minister, Emma Phillips wants to come in. Would you like to bring her in?

Richard Lochhead: Yes.

Emma Phillips (Scottish Government): I reiterate Kieran Burke's point that defining digital assets as objects of property, as they are defined in the bill, will result in the existing Scots law rules on remedies available applying to digital assets as appropriate. The bill does not need to make specific provision for that because the effect of the bill is to apply those rules, as they exist already, to digital assets, so it is not necessary to make further provision. As my colleague said, the committee has heard evidence that reflects that the existing remedies are already sufficient in that respect.

Stephen Kerr: That is quite clear. I do not know why I said that, because nothing is quite clear about this bill, but, in this instance, I think that it is.

Lorna Slater (Lothian) (Green): The subject of my first question has already been touched on, but I will ask the minister to extrapolate a bit. It is about what regulations or legislation might be needed to apply to digital assets in the future, in order to protect institutions such as banking systems, to support Scottish or European Union interests, to hinder bad-faith actors, to protect investments and so on. As I understand it, the bill simply makes digital assets exist in Scots law; it does not provide any further regulations for the protection of anybody. What intentions does the Scottish Government have to consider such regulations in the future?

Richard Lochhead: My colleagues will correct me if I am wrong, but my understanding is that some work is being done at the United Kingdom level to look at other issues arising out of digital assets and the digital world. I do not think that I will be in a position to answer that question until we see what those reviews are looking at and what they come up with.

However, just as a chain of events led to the need for the bill in Scotland, there might well be a requirement for more bills in the future. The legal profession is looking at a number of issues, particularly in England and Wales, and, as some of the witnesses said, we will take that into account in Scotland.

It is likely that more legislation will be required in the future as the situation develops globally and the implications of it and the impact that it will have on Scotland and Scots law become clearer. At the moment, however, it is difficult to say exactly what will be required.

Lorna Slater: It is a fast-changing and dynamic playing field, as it were. Would it therefore make sense to put regulation-making powers in the bill, so that the Scottish Government can react more flexibly and use secondary legislation to keep up with things, instead of having to go to primary legislation to make such regulations in the future?

Richard Lochhead: There is an ability to make regulations in the bill, so that option is open to us in the future. We cannot say in advance what the need for that will be, but the ability is there in the bill.

Fraser Gough: The bill contains an ancillary power that will allow us to make modest adjustments in other areas as a consequence of what the bill does—which is recognise that digital assets are objects of property.

More thorough-going regulation of particular areas of the economy as a consequence of the

recognition of digital assets might be beyond the scope of that power, and it might also be beyond the scope of the Parliament. In my previous answer, I tried to say that there might be a danger in thinking too much about the regulation of digital assets qua digital assets, as opposed to thinking about the sectors with which we are concerned. If we are concerned about regulating the financial services sector, it might be that we are really interested in regulating particular financial instruments. The fact that they have been tokenised and made into digital assets is almost by the by. That is an example of something that is likely to be outwith the competence of the Parliament, and it could not be regulated here.

A similar issue that has been touched on in previous evidence sessions is the question of carbon credits. One might well want to regulate the carbon credit sector, but is that a question about the fact that the things that are being used to tokenise the carbon credits are digital assets as opposed to marbles? Not really.

There might be two tracks. One would be the regulation that is needed because a specific sector needs regulation in its own terms, whether or not it is using digital assets. The other track would be things that are peculiar to digital assets and may require changes to the law of the kind that Mr Coffey discussed. For example, questions about international private law might fall into that category, because they are specific to the unique question of non-corporeal things being recognised by the law, which is a particular issue and not a wider issue of regulation.

Lorna Slater: Thank you for that explanation. I understand that the regulation-making powers in the bill are relatively narrow in order stay within the scope of the bill. As you suggest, allowing powers to modify regulations that might affect the whole banking sector would not be within the competence either of this Parliament or of the bill. That is helpful. Thank you.

My second line of questioning is about environmental concerns. The generation of some digital assets requires an enormous amount of energy—for example, because of the amount of number crunching that is required to generate bitcoins. I realise that the bill would not, by itself, make digital assets exist, because they already exist and all that we are doing is recognising that. However, other stakeholders and witnesses have told us that they want the sector to grow and that recognising digital assets will prompt investment, which implies that there will be environmental overheads and an environmental impact from energy generation. Has the Scottish Government considered that? Where do environmental concerns sit in relation to digital assets?

Richard Lochhead: Those concerns do not have a direct relationship with this bill, but there is wider development of policy around data centres in Scotland, equipping Scotland for the future and the AI revolution. As you say, the more digital the world becomes, the greater the demand for energy. Our policy is to have green energy data centres in Scotland. We have already seen CoreWeave proposing to establish a data centre in Scotland, and we will see how that develops over time. The company chose Scotland because of our renewable energy potential and has said that publicly.

You are right that a wider digital revolution is taking place and that we must ensure, for environmental reasons, that we deal properly with that big energy footprint. You will be aware that that is a global issue and that a significant percentage of the world's energy is now being used for data centres. Our policy is to try to utilise our renewable energy potential to have green data centres, because we have that advantage.

Lorna Slater: Where does the environmental assessment for that sit? If we are working in bits and pieces, as Mr Gough suggests, with one bill creating digital assets, another bill regulating them in the banking sector and something else to regulate them elsewhere, and if we are seeing the growth of the data centres and computing power needed to manage all of that and to generate some of the assets, where is the environmental assessment happening? Things are growing behind the scenes, so where will we do the assessment to see how that fits into the Scottish economy?

Richard Lochhead: As you are aware, all developments are subject to environmental assessment, and that applies to data centres as much as to any other infrastructure for AI or for the digital revolution that is taking place. As the policy evolves, we will have to have more answers to those questions, because, if the demand for energy is going to get bigger and bigger as the years go on, we are going to have to calculate what that demand will be and what impact it will have on Scotland, and we will have to look at the environmental assessments to ensure that we are working within our limits.

10:30

Liam Hepburn (Scottish Government): I will add to your point about environmental considerations. We have spoken at length, across this evidence session and other sessions, about cryptocurrencies. Bitcoin usually gets a lot of the attention. For context, bitcoin takes up around 58 per cent of the total money in the cryptocurrency market. It is a very energy-intensive resource and it takes a lot of computational power, which we

recognise. The second-largest cryptocurrency, ethereum, which takes up about 12 per cent of the cryptocurrency market, uses around 99 per cent less energy than bitcoin does. We would always encourage businesses to use the optimal way to align with the environment, and in some cases that makes business sense in relation to environmental, social and governance considerations.

We recognise that that is a part of the puzzle, but we are also encouraged by other alternatives that are out there, which businesses can use as a consensus mechanism if they wish to.

Gordon MacDonald (Edinburgh Pentlands) (SNP): Good morning. I want to ask you about a panel of experts. Over the past few weeks, we have heard conflicting evidence about whether Scotland should have a separate panel of experts to provide guidance. It has been suggested that the guidance of the English panel, which has been established since 2020, is publicly available and is neutral to any legal system. However, others have highlighted that Scots property law is very distinct from English property law and that the focus south of the border is very much on financial services, and there are concerns about how people are appointed and about transparency and output. What is the Government's view on the establishment of a panel of experts? Should there be representation on the English panel, or should a distinct Scottish panel be created?

Richard Lochhead: I read some of the evidence that you got on that, so thanks for raising that. Absolutely—we could consider that issue further. As you say, there is a distinctive Scottish legal system and there may be distinctive Scottish considerations overall. Our position is that we are open minded to that. Clearly, if the committee has a view, we will take that on board. We read that evidence with interest and we have an open mind.

Gordon MacDonald: If we make a recommendation that the panel should be totally separate or that there should be representation on the English panel, how would that come about? Would there be an amendment to the bill, or would it require further legislation?

Richard Lochhead: Off the top of my head, I do not think that it necessarily has to be in the bill, but members often lodge amendments along those lines, so I am not saying that it is incompatible with the bill. Let me reflect on that, and the committee might want to reflect on how important that is. We have a lot of expertise in Scotland, so it is not as though we are short of people to give us advice or to put on an advisory committee or panel that was set up.

Gordon MacDonald: My final point is slightly different. Earlier, you said that Scotland and the UK are not behind the curve on this issue. However, this morning I read—I had better read this out properly—that HashKey Holdings Ltd in Hong Kong is the first crypto company to list in Hong Kong at $206 million. Is the UK not behind the curve? Those transactions are already taking place.

Richard Lochhead: The question that I got was in relation to this legislation being introduced as opposed to what is happening in the wider cryptocurrency economy. All that I can say is that I feel that we are producing this legislation in good time. The UK bill passed in the past few weeks, or in the past month or two, so I am quite content with where we are as a country.

Kevin Stewart (Aberdeen Central) (SNP): Good morning. I have some questions about acquisition and transfer. First, however, I want to clarify something. In some regards, folk watching the evidence sessions will be baffled by some of what is being said—that is the reality—but the simple fact is that the bill is designed only to ensure that digital assets are included in Scots property law. It is that simple, is it not, minister?

Richard Lochhead: That is the key point. Anyone listening will know that, in Scotland, we are modernising our property law to ensure that digital assets that people pay for are recognised as property, just as non-digital assets are. That is the key point to take away.

Kevin Stewart: We are having a discussion about what should be a simple bill, and I recognise that the tangents that we have gone off on concern issues that will inevitably crop up in day-to-day life as we move forward.

Gordon MacDonald raised the idea of having a panel of experts to provide guidance. A lot of witnesses have mentioned that and have talked about how it could be used. However, it occurs to me that the issue of how digital assets impinge on other policy areas or legislation is too large to be addressed simply by an expert panel and that what is required is a holistic Government approach. Let us take the carbon credits aspect. Last week, Professor Robbie was a bit exercised by the fact that the carbon credits aspect had been deemed to be out of scope of the Land Reform (Scotland) Bill. The Government will have to pay more attention to that as we move forward, will it not?

Richard Lochhead: I think that that is right. Some of the issues around carbon credits are pertinent, irrespective of whether they are tokenised and turned into digital assets. These debates are about whether they should be property, as opposed to whether they are a digital asset. The general point is correct in that this area will develop and become bigger. At the moment,

12 per cent of the population hold digital assets, so who knows where we will be in a few years' time and what the implications of that will be. We have to pay attention to that issue, as you say.

Kevin Stewart: Again, a lot of questions have arisen from our evidence sessions, but they are not necessarily matters for the bill, which is a simple bill.

I will now move on to the confusing bits about transfers and corporeal moveables. The bill will treat digital assets as corporeal moveables for the purpose of acquisition and transfer, and that will create a body of case law to support decisions in the area. Some respondents to our call for views have highlighted risks, including in relation to involuntary transfer and on-going legal arguments about whether new cryptocurrency is created with each transfer. What work have the Scottish Government and your team done to scope out the impact of treating digital assets as corporeal moveables in that way?

Richard Lochhead: The issue involves taking the key principles that we have in society for property and translating them into the digital world, so that those assets are recognised as property in the traditional way. That is why the bill contains the key principles that the expert reference group laid down: they are the key principles that we should follow when trying to classify something as property.

I am not sure what you mean when you talk about the arguments that the proposal would lead to the creation of more cryptocurrencies. I am just trying to get my head around that.

Kevin Stewart: We have heard about the on-going legal arguments about whether new cryptocurrency is created with each transfer. Again, that relates to the complexity in this area that has been raised by some technologists.

You might want to bring in your team to speak about this, but I think that my very complicated question can probably be answered simply by saying that we are bringing all of this into property law.

Richard Lochhead: Yes, because the purpose of all the key principles that we are speaking about relates to our attempts to stop double selling. If you were to say that every transaction would lead to more cryptocurrency, that would suggest that there is double selling, and the legislation is designed to avoid that happening.

Kevin Stewart: Would anyone on your team like to comment on that?

Richard Lochhead: I think that they want to comment from the policy and the legal sides. I will bring in the policy side first.

Kieran Burke: On the policy position, one of the recommendations of the expert reference group was that a transfer of ownership should be effective only where there is an intention to transfer control of the digital asset itself. That was well supported in the consultation exercise, and section 4 seeks to give effect to that proposal. I will ask my legal colleagues to fill in the gaps of the detail of how that works with regard to the analogy to corporeal moveable properties.

Fraser Gough: The point is well made that the bill is, in essence, simply trying to cause new digital things to be treated as though they were corporeal, despite their lack of a corpus, and to let all of Scots law click in around that. A wee bit of that goes back to the discussion with Mr Kerr about the audience for the bill and the fact that it is quite a dry, technical bill that just plugs into the legal system, rather than being a manual for people to use. We are not trying to restate all the common law and how it works for corporeals; we are basically making the only necessary substitution—in effect, saying that having exclusive control of an intangible thing is equivalent to physically possessing a thing—and letting the rest of the Scots legal system fit around that.

When you dig into the literature and textbooks on Scots corporeal moveables, one of the striking things is how resonant that body of work is with this language—for example, the concept of control being the dominant feature of possession comes up repeatedly.

In the course of developing the bill, we have done quite a lot of thinking about how the proposal would flow into Scots law. One of the reasons why it is such a succinct bill and just plugs things into the existing law framework is that it all aligns quite well with Scots law, and that gives the courts the latitude and scope to develop it.

As regards the debate on the extinction analysis versus the persistent thing analysis on whether the transfer of a bitcoin gives rise to a new bitcoin or whether it is the same bitcoin being passed backwards and forwards, as I have said before, there is a wee bit of "old wine in new bottles" here. The situation is similar to what happens when you get change: if you give somebody a £5 note and you get £3 back, is that notionally three of the same pounds you gave them, or are those three £1 coins completely different from the £5 note?

That is all addressed slightly in paragraphs 21 and 45 of the explanatory notes, where we touch on how the bill tries to make that question and debate irrelevant to the operation of the law. That is contra to, for example, the drafting used by the International Institute for the Unification of Private Law—Unidroit—which has quite a complex set of rules about treating the emergent bitcoin that is

the product of a transfer as the same thing in some sort of karmic rebirth of the same asset. We have not gone down that road. As I said, the explanatory notes touch on why we have not done so.

10:45

Kevin Stewart: It will not surprise anyone to hear that, like the vast bulk of the public, I have not read any of the textbooks on Scots corporeal moveables.

I will be honest with you. During the morning, I have had a discussion on WhatsApp with some anoraks about the use of some of the buzzwords—I do not think that we can call them buzzwords; I will call them technical terms—that we have used today, including "rivalrousness" and "immutables". None of that really matters to the folk out there, because the exercise that we are carrying out is simply to put digital assets into property law and to put protections in for people through our court system. It is that simple, is it not?

Richard Lochhead: As I have said before, yes.

Kevin Stewart: Thank you.

The Convener: I am tempted to ask Mr Gough more questions about the karmic nature of the law, but I will resist that temptation.

Richard Lochhead: That will be in the *Official Report.*

The Convener: Any Buddhist principles have been underexplored by the committee. I will ask a couple of additional questions, one of which draws on Kevin Stewart's line of questioning. The bill simply establishes that digital assets are property under Scots law. I wonder whether one of the dangers is perhaps that we think about the big concepts, such as big corporate transactions or the future of technology, but are there considerations on that?

The legislation might well end up being important for things such as civil disputes, probate and divorce settlements. Should some considerations be made because of the nature of digital assets, which are different? For example, it is more possible for someone to say that they have lost access to a digital asset, such as an access key or what have you. In a divorce case going through the courts, you can imagine scenarios in which people might try to claim that they do not have the assets that it is claimed they have because they have lost the ability to access their digital assets and all their wealth.

I am not asking that specific question, but is there a need to examine any safeguards, procedures or technicalities in relation to the application of civil disputes, probate and divorce settlements, or other things that we think of as the nuts and bolts of Scots law and civil law, if the subject of those proceedings will be digital assets?

Richard Lochhead: As you outlined in your opening remarks, the bill is trying to achieve a simple thing. Other legislation addresses many of the issues that you have mentioned in relation to divorce cases, or whatever. I am sure that members are familiar from their casework that, in divorce cases, things can be hidden that are not digital assets. That applies anyway; it is just part and parcel of the world that we live in, irrespective of whether something is a digital asset.

I am content that we can focus on the bill achieving what it sets out to achieve. Lots of other issues have been discussed, which is understandable because it is part of a wider debate that has come up in evidence to the committee and members are interested in it, but I make the point on behalf of the Government that I believe that the bill will achieve what it sets out to achieve.

The Convener: Our approach is that we want to be as diligent as possible and to pull that apart, which is why we have asked many of our questions.

Similarly, following on from Gordon MacDonald's line of questioning, we have talked a bit about what might happen in other jurisdictions, particularly across the rest of the UK. There has been discussion about an expert group being formed. What sort of dialogue has been established between the Scottish Government, the UK Government and the other jurisdictions in the UK about making sure that we keep pace and input, because there will be overlaps as we go forward?

Richard Lochhead: Officials and colleagues are well aware of what is happening elsewhere in the UK, so that is an important point, and we will make sure that that is the case going forward.

The Convener: Great. I have a final question. We have heard that law reform is urgently needed in other areas of Scots law, such as private international law and debt enforcement, to accommodate digital assets. That stands to reason. We might be talking about two people who are resident in Scotland exchanging an asset or being in dispute, but they are just as likely to be in different jurisdictions.

Private international law in and of itself might be at the frontiers of what we need to establish, but could the minister outline what the Government is thinking about how that work might be taken forward and what consideration is being given to it?

Richard Lochhead: I can bring the committee's views to the attention of the Cabinet Secretary for Justice and Home Affairs who will, no doubt, be looking at those issues. They are also issues for Scottish Law Commission advice, because many of the steps that we take are in response to recommendations from the Law Commission. I am happy to write to the committee on that.

The Convener: Finally—again—I recognise that the bill is unusual. It is focused and short, but some of the concepts that it deals with are expansive. Before we close the meeting, I invite the minister to say whether there are any issues or items that he wants to note that we have perhaps not touched on in the questions that we have asked.

Richard Lochhead: No, not really. I commend the committee for the three evidence sessions that it has had on the bill. Those have been quite comprehensive, and the evidence that the committee has received has been illuminating and interesting. I therefore commend the committee for its hard work on this.

The Convener: It therefore remains for me to conclude the public part of our meeting. I thank the minister and the bill team. The bill team has been diligent in paying attention to our evidence sessions—the committee has noted that and welcomes it. I just wanted to put that on the record. I thank you for this morning and for the on-going work.

10:52

Meeting continued in private until 12:04.

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