

# Rural Affairs and Islands Committee

## Inquiry on Salmon Farming in Scotland

### SEPA Evidence



# SEPA statement to support oral evidence at inquiry panel of 19<sup>th</sup> June 2024

## 1. Background

The Scottish Environment Protection Agency (SEPA) is one of three Scottish regulators of marine finfish aquaculture in Scotland. Our role is to protect and, where necessary, improve the marine environment. We do this by ensuring that the aquaculture industry meets environmental standards. The latter include biological and chemical standards that have been identified at UK level and then set out in Directions issued by Scottish Ministers; and standards that we have derived using the best available international scientific evidence. Our powers to deliver these functions are defined under the Water Environment (Controlled Activities) (Scotland) Regulations 2011 (CAR). Our responsibilities and those of others are set out in Table 1 in the Annex.

We maintain a high quality environment by setting permit conditions which limit the impacts associated with fish farms and then ensure that operators comply with these conditions. When determining applications for fish farm developments, we assess risks to the water environment, including to marine species and habitats that are protected under international and national legislation because of their conservation importance; and to the interests of other users of the water environment. Some basic facts about the number of locations and farms we regulate in the sector are set out in Table 2 in the Annex.

SEPA gave evidence to the Rural Economy and Connectivity Committee (RECC) as part of the 2018 inquiry into salmon farming. SEPA has a role in implementing 22 of the 65 recommendations made by the RECC following its inquiry. We have contributed towards the implementation of each of these 22 recommendations in so far as our role allows.

The principal recommendations for SEPA related to our implementation of an improved framework to deliver a significantly enhanced regulatory and monitoring regime under which we robustly and effectively enforce compliance with environmental standards and improve the compliance levels of the industry.

## 2. Progress in delivery since 2018

### Implementation of enhanced regulatory framework

In 2019, we introduced a new strengthened [Regulatory Framework](#). This framework includes:

- Enhanced risk assessments of development proposals.
- Early, upfront ([pre-application](#)) risk screening service. This provides spatial guidance to help developers match their development plans to the capacity of the environment to sustainably accommodate them. This process also considers the results of local engagement carried out by the developer as part of the pre-application work to capture local knowledge of potentially sensitive environmental features or other uses of the sea in the area that could be impacted.
- Establishment in SEPA of a dedicated marine modelling team and a permitting team to help deliver the framework's enhanced risk assessment and ensure robust and efficient permitting by experienced permitting staff.
- Introduction of a simple, fast-track process for authorising [changes to pen layouts](#) to facilitate installation of upgraded farm infrastructure.
- Enhanced environmental monitoring of the effects of farms on the seabed.
- The regulatory landscape has also been simplified. In 2020, regulatory responsibility for discharges of medicines from wellboats was transferred from Marine Directorate to SEPA, resulting in SEPA being the lead regulator for all discharges from fish farms. From February 2024, we are also now the lead regulator responsible for managing interactions between sea lice from fish farms and wild salmon.

Since the introduction of the framework in June 2019, all proposed new fish farms or expansions of existing farms have been assessed and - if subsequently granted authorisation - regulated under the new framework. We are currently completing the roll out of the framework to farms authorised prior to June 2019, with all the farms of several fish farm companies now transferred (see table 2), with those of other companies in process.

We are using centrally coordinated compliance assessment programmes to check and ensure compliance. These consist of three elements: site inspections; seabed environmental standard compliance surveys; and checks on data submissions from farm operators. The site inspections and environmental surveys include announced and unannounced work. Details of our inspection work are set out in Table 3 in the Annex.

### **Implementation of a new regulatory framework for sea lice**

A second area where SEPA is playing a central role is the delivery of recommendations relating to the management of interactions between sea lice and wild salmon. SEPA is now the lead responsible regulator. After extensive engagement and two public consultations, SEPA introduced a new sea lice regulatory framework on 1<sup>st</sup> February 2024. The framework is implemented under the same environmental regulations that apply to all other activities with the potential to impact on the water environment. As a result, we have a wide range of enforcement tools, including monetary penalties, that we can use as necessary and appropriate to address any non-compliances.

Under the framework, all proposed new fish farms and proposed farm expansions are subject to sea lice risk assessment. All farms will also be required to report the number of adult female sea lice on their farms. Further, when authorising farm developments, sea lice limit conditions will be included in the fish farms' licences as and where necessary to protect wild salmon. Like other environmental limits, the limits will be clear, enforceable, and set at the level necessary to protect the environment.

In March 2025, the lead regulatory responsibility for managing interactions between sea lice and sea trout will similarly pass to us from local authorities.

## **3. Impact of reforms**

### **Impact**

We are already starting to see the impact of the 2019 regulatory framework in helping developers, early on in the development planning process, to identify locations more suitable for

the scales and types of farm development they wish to take forward. This is also seen in the trend to larger farms in more dispersive coastal areas that can sustainably assimilate farm wastes; and in developers proposing alternative farm strategies that can help minimise sea lice numbers on farms in locations that may pose a hazard to migrating wild salmon.

We have also received positive feedback from fish farmers on the improvements we have made to increase the efficiency of our permitting service. Those developers who complete the full pre-application process are also, in general, producing better applications helping them avoid delays in the determination of those applications.

The regulatory framework's roll-out to existing farms authorised before 2019 will increasingly deliver improvements in the sector's environmental performance over the next 2 to 3 years as those farms complete the first round of enhanced monitoring under the framework. This will allow us to better understand the impact of farms and take appropriate action as needed to ensure compliance.

## **4. Further reforms**

### **Trialling a coordinated consenting process**

SEPA is working closely with Scottish Government, other regulators, public body advisors and fish farm companies as part of the [Consenting Task Group](#) to trial a new, coordinated and integrated consenting process. The initial focus of the trials is on ensuring a joint and effective pre-application process to ensure developers can test whether a location is potentially suitable for what they want to do; and understand the information they will need to provide to support applications for consents. The trial work is being led by SEPA and two local authorities (Highland and Shetland). The next phase will explore coordination of the application process.

### **Integrated framework for environmental authorisations**

SEPA is working with the Scottish Government to implement of a new integrated framework for environmental authorisations that will bring SEPA's four main regulatory regimes for water, waste, radioactive substances and industrial activities into a single integrated framework. Among other things, the new regulations will further expand the tools SEPA has to deal with non-compliant sites and to protect the water environment.

## **Environmental Performance**

SEPA is currently developing a new environmental performance assessment scheme for assessing and reporting the performance of regulated businesses. This will improve our ability to understand compliance and to take action where necessary and also enable more up to date information about compliance to be publicly available. We will be consulting on these proposals in 2025.

## Annex

**Table1. Finfish aquaculture regulatory responsibilities**

SEPA	Other Regulators
Protection of the water environment by licencing and regulating: <ul style="list-style-type: none"> <li>• Discharges of organic solids (fish faeces);</li> <li>• Discharges of used medicines;</li> <li>• Sea lice interactions with wild salmon; and</li> <li>• Water abstraction if significant volumes are proposed to be abstracted from freshwater sources.</li> </ul>	<ul style="list-style-type: none"> <li>• Marine Directorate on behalf of Scottish Ministers: Fish escapes and farmed fish health (<i>Fish Health Inspectorate</i>); moorings and navigation (<i>Licensing Operations Team</i>).</li> <li>• Local authorities - planning permission, including consideration of amenity impacts.</li> <li>• The UK Animal and Plant Health Agency – fish health and regulating safe disposal of mortalities.</li> </ul>

**Table 2. Regulated fish farms in Scotland’s coastal waters (salmon and rainbow trout)**

	Number
Locations at which fish farming is authorised (includes locations no longer in use)	453
Current average no. fish farms operating per year (average in last 2 years)	196*
Number of new farms and expansions of existing farms authorised under SEPA’s 2019 regulatory framework from June 2019 to end May 2024.	22 New 42 Expansions
Number of active fish farm operators in Scotland	7
Number of fish farm operators whose active farms have all now been transferred onto SEPA’s 2019 regulatory framework	3
<i>Note: *As of June 2024, around one third of active farms are authorised under SEPA’s updated regulatory framework’s permit.</i>	





**Table 3. SEPA’s regulatory assessment work 2023 and 2024**

Regulatory Action	Carried out in 2023 (Number of farms)		Planned for 2024 (Number of farms)	
	Announced	Unannounced	Announced	Unannounced*
Targeted site inspections (shore base or farm site)	117	3	109	3
Surveys of compliance with environmental standards		8		22
Checking data submissions	193 (100 % of operational farms)		100 % of operational farms	
<p>Note: *Most of our inspections are announced. This is to ensure that we can gain access to shore bases that are not permanently manned; access farm locations when needing to use operator boats to do so; meet fish farm staff who have responsibility for the farms; or witness the carrying out of a particular operating procedure. We carry out unannounced inspections using our own boats to transport our staff to fish farm sites. SEPA has now centralised the management of its survey vessels with Marine Directorate, creating a larger fleet operated by Marine Directorate’s specialist fleet management team. This partnership will allow us to programme a larger number of unannounced inspections of farms in due course.</p>				