



OFFICIAL REPORT
AITHISG OIFIGEIL

Rural Affairs, Islands and Natural Environment Committee

Wednesday 7 September 2022

Session 6



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RURAL AFFAIRS, ISLANDS AND NATURAL ENVIRONMENT COMMITTEE
23rd Meeting 2022, Session 6

CONVENER

*Finlay Carson (Galloway and West Dumfries) (Con)

DEPUTY CONVENER

*Beatrice Wishart (Shetland Islands) (LD)

COMMITTEE MEMBERS

*Karen Adam (Banffshire and Buchan Coast) (SNP)

*Alasdair Allan (Na h-Eileanan an Iar) (SNP)

*Ariane Burgess (Highlands and Islands) (Green)

*Jim Fairlie (Perthshire South and Kinross-shire) (SNP)

*Rachael Hamilton (Ettrick, Roxburgh and Berwickshire) (Con)

*Jenni Minto (Argyll and Bute) (SNP)

*Mercedes Villalba (North East Scotland) (Lab)

*attended

THE FOLLOWING ALSO PARTICIPATED:

George Burgess (Scottish Government)

Allan Gibb (Scottish Government)

Mairi Gougeon (Cabinet Secretary for Rural Affairs and Islands)

CLERK TO THE COMMITTEE

Emma Johnston

LOCATION

The Mary Fairfax Somerville Room (CR2)

Scottish Parliament

Rural Affairs, Islands and Natural Environment Committee

Wednesday 7 September 2022

[The Convener opened the meeting at 09:03]

Decision on Taking Business in Private

The Convener (Finlay Carson): Good morning, and welcome to the 23rd meeting in 2022 of the Rural Affairs, Islands and Natural Environment Committee. I remind members who are using electronic devices to switch them to silent.

Our first item of business is a decision on whether to take item 4, and consideration of correspondence relating to the 2023-24 Scottish Government budget at future meetings, in private. Do members agree to do that?

Members *indicated agreement.*

Rural Affairs and Islands Remit

09:03

The Convener: Agenda item 2 is an evidence session with the Cabinet Secretary for Rural Affairs and Islands. Members will recall that the committee agreed to hold a biannual evidence session with the cabinet secretary to discuss key aspects of the rural affairs and islands remit.

I welcome Mairi Gougeon, the Cabinet Secretary for Rural Affairs and Islands, and her Scottish Government officials. With us, we have George Burgess, director of agriculture and rural economy, and, joining us remotely, we have Jill Barber, head of aquaculture development and Allan Gibb, deputy director of sea fisheries.

I will kick off by asking the cabinet secretary to outline some of the major announcements that were made in yesterday's programme for government and how that might affect the remit of this committee.

The Cabinet Secretary for Rural Affairs and Islands (Mairi Gougeon): I would be happy to, but a lot of pieces of work are under way and not all of them will be highlighted within the PFG document that was published yesterday, given the nature of the PFG. It is quite different to PFGs from previous years, with its important focus on the cost of living crisis.

A number of key pieces of work are under way. We launched our consultation on a future agriculture bill, which we are looking to introduce next year. We are, of course, continuing to roll out the national test programme, which is about trying to encourage our farmers to look at measures that they can take to reduce their emissions and to start that journey. It involves looking at carbon audits and at soil testing. We are developing the second phase of that work. That is all critically important in relation to farming and the direction of travel that we are looking towards for that.

On the marine environment and aquaculture, we had the Griggs review earlier in the year and we are moving forward on the recommendations from that. No doubt, the committee will have questions on that later in the session, when I can go into that in a bit more detail. There are commitments within the PFG to look at a new national marine plan.

In relation to agriculture and the rural economy, we have also talked about crofting and work in that area. A lot of pieces of work are under way, which we will, no doubt, cover in the session today.

The Convener: We have various sections to go through, and we will try to keep to a format. Rachael Hamilton has the first questions, on agriculture.

Rachael Hamilton (Etrick, Roxburgh and Berwickshire) (Con): Good morning, cabinet secretary. As you know, many organisations have been very critical of the timescale around the future farm policy introduction. There have been many consultations over the past six years. The agriculture reform implementation oversight board has been set up, but why has it taken you so long to get to this point? What has been going on behind the scenes? Do you believe that the ARIOB is effective?

Mairi Gougeon: I believe that it is very effective. The ARIOB is critical, because we want to ensure that we are co-developing our policies for the future. It is really vital that we do that with the industries that are most affected by the policies that we are going to implement, because we need to make sure that the policies will work for our farming and agriculture industries.

An example of the impact of the ARIOB and how that has informed our work is the national test programme. I talked about the different phases within the programme. We launched track 1, on preparing for sustainable farming, earlier this year. We are looking at the roll-out of carbon audits and encouraging farmers to undertake those carbon audits, and, in the next phase of that, we will be encouraging farmers to consider doing soil testing as well.

The ARIOB was critical to how that developed, ensuring that the claims that people could make for carbon audits would be done in a way that was simple, accessible and easy for the industry to undertake, and its work has helped us to focus on the key areas that will make a big difference. That is where its work has been critically important, and that will continue to be the case. The ARIOB is, of course, an advisory group to the Scottish Government. It has been able to get all those interests together and hear those ideas, which has been really important for us, and I think that is why we have been able to do the work that we have done so far.

Rachael Hamilton: Can you shed any light on why you believe that Martin Kennedy of NFU Scotland has been so critical of the amount of time that it has taken? Why did it take so long to get to this stage? Was it a resource issue? What was the reason—can you tell the committee?

Mairi Gougeon: I completely understand the comments that Martin Kennedy made. I think that, like the industry as a whole, NFU Scotland wants things to get moving. We had the farmer-led groups, which reported towards the end of last year. We then had to set up the ARIOB to see how we could take that work forward, which is exactly what we have been doing throughout that time.

It is also important to remember that, as well as looking to develop future policy and roll out the national test programme, which we developed within that time, we have to make sure that we can run the current payment system—we need to make sure that we can do all of that at the same time as doing all those other things. Of course, that adds pressure, but we want to go as far and as fast as we can, because we have incredibly stretching targets that we need to meet.

We need to reduce our emissions by 31 per cent of 2019 levels by 2032, which means that we need to take this action. Again, that is where the work that we have undertaken through the ARIOB to roll out the national test programme and to incentivise the industry to get on board with us has been really important. We have seen strong uptake in relation to carbon audits, for example, which is a really encouraging sign, but we know that we need everybody to undertake the measures. There is a huge amount of pressure: everybody wants us to go further and faster, which is, of course, exactly what we will try to do.

Rachael Hamilton: On your comments with regard to being stretched, do you think that you will resource the department further, given the many pressures that you described and the fact that you are having to get the farm payments out as well? Would it be wise to ensure that the department is well resourced, so that we do not have any more delays?

My second point, to finish my questioning, is that there has been a lot of comment around the national test programme in terms of the farmers who are already doing the good things. I did not see much in the consultation on the areas where farmers have already made interventions, respectively. It is difficult for those farmers to understand how the future farm policy will support them, if you understand what I mean.

Mairi Gougeon: I absolutely do. On that point, when I visit farmers—for example, though the farming for a better climate group and the soil regenerative group—those are certainly the points that I have been hearing. I meet many people who are already well on their way and doing everything that we would hope that people would do to reduce emissions to the lowest possible level while producing food and also doing what they can to enhance nature and biodiversity on their farms.

That is also a key point that has come through our ARIOB discussions. It can seem that we are only rewarding the people who are just at the start of that journey and have a lot of work to do, but it is also important for us to reward the people who have already been doing the work and continue to do it. The proposals that we brought through for the consultation would, I think, show that that is certainly what we intend.

Rachael Hamilton: And the resource issue?

Mairi Gougeon: I am sorry. On your first point, I do not think that the pressures that we are under in the directorates that I am responsible for are different from those across Government. We all have limited resource and we are all under increasing budgetary pressure. We are, of course, trying to maximise our efforts and do whatever we can. I made the points earlier only to show that a lot of work is already under way in the department, and that continues to be the case because we have to roll out the current payment system and we need to roll out the national test programme as well as looking to develop future policy. We are doing that as quickly as we possibly can.

Jenni Minto (Argyll and Bute) (SNP): I am interested in what you said about how you have been working with farmers through the ARIOB and about the way forward and working with them to find out their views on the various areas. Can you contrast that with the situation south of the border?

Mairi Gougeon: Right from the start, we set out that the co-development of our future policy would be really important for some of the reasons that I outlined to Rachael Hamilton, because we need to make sure that the policies that we introduce will work. That is where the consultation that we have launched is really important, too. In that, we ask about the unintended consequences of some of the actions that we are proposing and whether there are any issues that we have not identified that we need to be aware of. We want to make sure that it is workable, and the ARIOB has helped to feed into that process, which has been really important.

We want to work with the industry and all the different interests in order to take people with us on this journey. There is no point in our hiding away and developing a policy that we cannot implement or that is not going to work. We also need to make sure that it delivers on the vision for agriculture that we set out earlier in the year, in which we talked about wanting Scotland to be a global leader in sustainable and regenerative agriculture. We want a thriving rural economy and our farming businesses to be resilient, because we have seen a series of shocks over the past few years and know that there will probably be loads more challenges coming down the line, too. This is about making sure that we have a future payment framework that will be flexible and adaptable to some of those challenges in the future.

The work of the ARIOB has been important in helping us to develop the proposals in the consultation and to develop the national test programme in a way that will work. It will continue to be important as we look to develop the detail with which we can bring forward an agriculture bill,

and it will feed into that process as we move forward.

09:15

Jenni Minto: Like Ms Hamilton, I met and spoke to lots of farmers and crofters over the summer—in my case, they were west coast farmers and crofters. How can you ensure that the different types of farming and crofting across Scotland are supported by that process?

Mairi Gougeon: That is an important question. First, we encourage everybody to take part in the consultation, because we need to make sure that we hear those voices and that everybody takes part. I would also highlight to the committee the engagement events that we will hold on the consultation; I am happy to send more details when all the sessions are confirmed, but they mean that people will be able to ask us questions if there is anything that they want to go over. I will send that information to the committee once we confirm all the venues and details over the next few weeks.

The consultation will be important, because the issue will affect our food production and how we produce food. It will affect how we can enable farmers, tenant farmers and crofters to undertake actions to reduce their emissions and enhance biodiversity. It is also important not just for our rural economy but for people across Scotland, because food is such a fundamental building block. This is an important consultation—I cannot stress that enough—and it is important that everyone takes part.

Ariane Burgess (Highlands and Islands) (Green): My question is about funding. The committee is well aware that we spend more than £500 million on agriculture support payments each year and that we need that money to work for the climate, for nature and for food production. The PFG sets out a commitment to shift

“50% of direct payments to climate action and funding for on-farm nature restoration and enhancement”,

although I trust that, in time, that percentage will increase.

I am delighted that the PFG commits to exploring

“capping and/or tapering base-level payments to release additional funding to meet the goals of our agricultural vision”.

Does the cabinet secretary have specific policy measures or objectives in mind that would benefit from that additional funding?

Mairi Gougeon: As we say in the PFG, it is important that we explore opportunities that could free up resource and help us to roll out further

measures that we are considering in relation to supporting our farmers, crofters and land managers in lowering their emissions and enhancing biodiversity. We are at the start of that process now, and we have to consider that important issue.

Ariane Burgess: Is part of the thinking behind tapering off the payments and putting that money aside for potential measures that some of those opportunities will emerge as we start to understand what farmers will need to make the shift to a more sustainable and regenerative farming that responds to the climate and nature?

Mairi Gougeon: As far as emissions reductions and restoring and enhancing biodiversity are concerned, we already know a lot of the measures that work, and we will be able to show as much. We have a number of different networks that it is important to highlight, such as our integrating trees network. I have also talked about the farming for a better climate initiative and the work that we have done in that respect on soils, and we also have the agriculture, biodiversity and climate change network. We are asking farmers to join that, because the more who do so, the better we can showcase different types of work and their impact.

I go round and speak to farmers, and it is incredible to see the efficiencies that they have made, the impact that they have had on their emissions reductions and what they have done for biodiversity. We know that that will get better if farmers can see what is happening on similar farms; after all, they learn from each other more than from anything else. As a result, it is important that farmers look to those networks and take part in them.

Again, we are at the start of exploring what can be done. If there is potential there, we will need that extra investment, and either capping or tapering can help. It is important that we at least consider the option.

Ariane Burgess: Do you have a sense of what the uptake has been?

Mairi Gougeon: I can give you the example of our carbon audits. I do not know whether George Burgess has the exact figures—I will give him a minute to think about it—but there has been greater uptake in our carbon audits in the first quarter of this year than there was in the whole of last year, which is a really positive and encouraging sign. We will also open the window for the soil-testing component later this year. The committee will probably be aware from its visits that a lot of people are already undertaking a lot of the measures that we want to see, and, as I have said, the uptake in the carbon audits has been a really encouraging and positive sign.

As for next steps, various people have highlighted to me that we can encourage people to undertake audits, but what is important is what happens with the information on the back of that. In relation to future policy, we are thinking about continuing professional development and that extra element, so we hope to develop skills and help people take the next steps that need to be taken.

George Burgess (Scottish Government): The cabinet secretary has outlined an overall sense of the uptake in relation to the audit work. Another part of the national test programme is the survey of about 1,000 farmers, which is being done to help us to understand some of the motivations and barriers between doing the audit and making the changes on farms.

Sometimes, there can be a dichotomy between food production on the one hand and biodiversity and climate change on the other, but a lot of the measures that we are considering are good on all those fronts. They can reduce emissions and improve efficiency and the bottom line for farmers. We should all do anything that we can to avoid the false dichotomy between food production and environmental aspects.

Ariane Burgess: I agree. The move towards regenerative agriculture brings all of that together, and it is great to hear that work is being done in that regard.

What is the timeframe for the survey that you mentioned?

Mairi Gougeon: We ran the survey over the summer and it closed at the end of August. As George Burgess said, we had a strong uptake—I think that about 1,000 people took part, which surpassed our expectations with regard to planned uptake. That was really positive. The information will inform the next stage as we test the actions that we will take forward. As we look to carry out a more intensive pilot of that work, we will think about what conditionality might look like, the tools that we will need and how we standardise those tools and make improvements. The survey has informed that work.

Alasdair Allan (Na h-Eileanan an Iar) (SNP): You have described some of the engagement with the agriculture industry. Can you say anything about engagement specifically with the crofting community, given that part of its ask is about legislative reform as well as other issues?

Mairi Gougeon: There is a member of the Scottish Crofting Federation on the ARIOB, we will be undertaking specific events in relation to the agriculture bill, and crofting legislation will come further down the line. I realise that a lot of pieces of legislation are coming together and are interlinked, so engagement will be really important.

I have talked about some of the sessions and consultation events that we will be holding, and we will try to use those networks whenever we can to spread the word as much as possible, so I hope that we get the strong engagement that we need.

The Convener: We have heard about the dichotomy between food production and biodiversity and climate change action. Do you have an idea of the percentage of current productive agricultural land in Scotland that we need to retain and farm intensively in order to provide the food that we need for food security? What is your view on sustainable intensive farming? What role does it have in future agricultural policy?

Mairi Gougeon: On the back of what George Burgess said, I do not want that perceived dichotomy to exist, because it is not a case of either/or. People are doing all of those things.

Our farmers and crofters are the stewards of the land, and many of them are already undertaking the practices that we want. I would again highlight some of the networks that I talked about earlier. For example, in forestry, people can integrate trees into places where we can better stitch them into the landscape without harming productivity or efficiency. It is important that we highlight such examples to people to show what is out there and how it can be done. I do not want to go down the track of saying that this is an either/or situation, because we know what can be done. The soil regenerative agriculture group, too, is looking at all the improvements that can have a big impact, as is our agriculture, biodiversity and climate change network.

The Convener: Are you suggesting, then, that we will not have a situation in which we will need, in some areas, to concentrate on food production on our most productive land, because that dichotomy will not result in our not having the levels of food production that we need? Are you saying that we should be looking at carrying out regenerative farming right across all our productive agricultural land, or should we be saying that we need, say, 65 per cent of current agricultural land to be farmed as intensively as possible, with maybe 20 per cent farmed with regeneration, biodiversity and climate change at its heart, and maybe some rewilding?

We are very aware that there are spatial pressures. We have peatland that would have supported some agricultural production, but that agricultural production has been taken out. We have increased tree planting and rewilding, but surely we need to increase agricultural production on the land that is left. How will you balance that?

Mairi Gougeon: Every farm business is different. In the consultation, we have set out that,

when we are considering what the future framework might look like, we will be looking at a whole-farm plan and all the different actions that will take place within it. We have many examples of people undertaking the practices that we want to develop and see going forward. We know that there is a lot of capacity for better integrated land use, but it is not happening in some places. Therefore, there is a lot of scope for it to happen.

However, I do not want to encourage such debates or go down the track of saying that this is an either/or situation. Instead, we must encourage businesses to look at the matter as a whole and consider all the actions that can be taken.

The future framework also covers levels of support, which include elective payments and complementary support. There is work that can be done on a landscape scale; indeed, we are already seeing that develop. For example, managing specific habitats might not involve only one farm area—it will be about tackling such problems on a landscape scale. All those factors will be really important, as is the feedback on the proposals in the framework.

The Convener: I have a very straightforward question. How much of the £51 million of funding for the national test programme has been spent in the first year?

Mairi Gougeon: You might think that that is a straightforward question, but, unfortunately, it is not so at this moment in time, because the scheme itself is demand led. We have opened the first claim window for carbon audit, and we will open the second window for soil testing in the autumn. Therefore, it is not possible for me to put an exact figure on the amount that has been spent this year.

As you have mentioned, we have £51 million over the course of the three years of the programme, £10 million of which has been allocated this year. I am happy to keep the committee updated as we move forward. I believe that we will have future sessions to talk about the budget, and I might be able to give a more considered response then.

George Burgess: To expand on the matter, I would say that, as was mentioned earlier, this is about making the system easy for farmers. Instead of saying that they have to contact the rural payments and inspections division and get prior approval for stuff, which would give us all the data to answer your question, we have said to farmers to go ahead and get the work done and then claim the cost back afterwards. That is why we are in a position in which we cannot say definitively how many audits have been done or how much money has been spent. However, we are working with the

industry to understand the level of uptake that is happening out there.

The Convener: So, at the moment, the figure is £10 million—is that correct?

Mairi Gougeon: That is what has been budgeted for this year.

Rachael Hamilton: A criticism of some of the schemes is that farmers cannot afford the capital outlay. If you are trying to encourage people to get involved in those schemes, it is important to recognise that some people will not do so, because of the cash flow issue.

George Burgess: That is a fair comment. The approach that we have taken is in response to views from the agriculture sector. Although the cost pressures that we heard about from the NFUS board yesterday are significant across all sectors at the moment, I do not think that the cost of carbon audits or soil testing is quite in the territory of being a huge disincentive if people know that they can get the work done and claim the cost back afterwards. However, I accept the point that you are making.

09:30

Jim Fairlie (Perthshire South and Kinross-shire) (SNP): We hear phrases such as “moving towards regenerative farming” being used all the time in this committee, but we are not moving towards regenerative farming—we are farming. That is what farmers have always done, and I find it particularly frustrating that the farming community is being demonised in relation to the carbon capturing that we must do. The farming community accepts that there is work to be done, but it is not a case of chucking the baby out with the bath water. I just wanted to put that on the record.

Following on from the budget question that the convener asked, I would like to make a couple of points. First, I want to ask about the key differences between the system that the Scottish Government is putting in place through the use of the ARIOB and what happened previously. Am I right in thinking that, with the ARIOB, the point was to consult the industry in its entirety, whereas, down south, the new system was simply put in? What will be the key differences between what is proposed and what has been done in the past?

Mairi Gougeon: I completely agree with your first point. I certainly hope that we are not demonising the industry. It has felt demonised, which I do not think is fair at all.

On the proposals that we have made and the changes that we are looking to make, a key point is that we have committed to maintaining direct payments, but we are moving to 50 per cent

conditionality. That is set out in the enhanced part of the framework that we have put forward in the consultation.

Another key part of the new framework in the consultation is its flexible nature and adaptability. We must recognise not only that challenges are coming down the line, but that there will be a lot of innovation. Technologies could emerge that we are not aware of and which we do not use at the moment, and we need to build into the framework the flexibility to deal with such technological advances and advances in science and research. We must have a framework that can be adapted in the future, that is less rigid than what we had before and that is less limiting than is currently the case.

Through the consultation, we are looking to give ourselves the enabling powers to tackle some of those issues and to build in conditionality in a way that we cannot do at the moment. I can give an example of that, which concerns the proposals that we have put forward on animal health and welfare. At the moment, we have the ability—indeed, the specific powers—to compensate people if there is a disease outbreak; however, we do not have powers to standardise what the minimum requirements for animal health could or should be, nor do we have powers to enable us to fund certain elements of that. It is really important that we have such powers.

Another important element of the proposed agriculture bill that has attracted less attention than the issue of what a future payment framework will look like—which, rightly, has been a significant concern—is the modernisation of tenancies that is being considered. From visiting various farms, I have heard about the inability of some farmers to diversify or to consider measures such as tree planting to enhance biodiversity. We want to make it easier for everyone to play their part by taking action in that area. There is a host of important proposals on waygo provisions and rent reviews that are intended to modernise agricultural tenancies.

Jim Fairlie: In relation to the longer-term future, I understand that 97 per cent of the agriculture budget comes from the United Kingdom spending review. How do you plan to make progress on the long-term funding of agriculture if the system down south is completely different from the one that we have here?

Mairi Gougeon: That has been a concern that we have had in discussing with the committee the United Kingdom Internal Market Act 2020 and the Subsidy Control Act 2022. We have been concerned about some of the principles in the 2022 act and the impact that they could have on our ability to fund or put in place agriculture programmes that we would look to fund here.

Those are our concerns. We already know that we have a shortfall of around £93 million in our budget up to 2025, because we have not had the full replacement of European Union funds. That is a concern, but we are working with the budget that we have and trying to achieve everything that we want to achieve within those limitations.

Jim Fairlie: So, your aim is to continue to support farming in Scotland in the longer term, but you cannot give any guarantees until you have a guarantee on funding from down south.

Mairi Gougeon: That is absolutely my commitment. We are talking about our food security and the future of our food production, so we have to ensure that we enable that to continue to happen in Scotland. Also, farming underpins the whole of our rural economy, so we have to make sure that it continues. However, we do not have clarity on funding.

Jim Fairlie: I have one final question. How are you able to make a commitment to ensure that the farming infrastructure stays in place? If the funding will change down south in 2027, how will the Scottish Government be able to give a commitment on long-term food security? It is vital that we have a resilient food system in Scotland. Let me put it this way: how important is food resilience to you?

Mairi Gougeon: It is vitally important. It is absolutely critical—there is no question about that. Of course, we are operating in a completely different environment from the common agricultural policy, under which we had a seven-year multi-annual budget, so we knew what was coming and could plan for that period in advance. We now operate in a very different environment in which we do not have clarity for that period of time, which makes things more difficult.

It is a priority for me and for the Government to ensure that we have a resilient food system and that we look at our food security.

Jim Fairlie: Thank you.

The Convener: We will move on to questions on fisheries, the first of which is on the future catching policy. We know that the EU's principle is to end the discarding of fish, but that is not particularly straightforward in practice. What is the Scottish Government's future catching policy? How does the Government intend to design a system that works for fisheries here? Will you give an update on the consultation that you carried out on the future catching policy and say what the results of the consultation were and what the next steps will be?

Mairi Gougeon: No problem—I will try to answer that as best I can.

We absolutely support the overall objectives of the common fisheries policy and what the EU wants to achieve with the landing obligation, and we are trying to follow the same objectives. We know that the current system does not work; it is very complex and hard for people to adhere to. We are looking to simplify the system and to prevent unwanted catch in the first place.

With the fisheries management and conservation group, we have developed proposals on how to prevent unwanted catch in the first place through technical and spatial measures. We have also considered how to simplify the system and make it more transparent—and ultimately more accountable and effective—in delivering the objectives of the landing obligation in the CFP. That is ultimately what we set out in the consultation.

The consultation was an important step, because we want to know what people think about the policy. The consultation closed on 7 June and we are currently analysing the responses, so I cannot give the committee an answer on the outcomes yet, but I am happy to come back with further information once we have done that analysis.

The Convener: Can you set out what the next steps will be? If you diverge from the EU landing obligation principles, what is that likely to look like?

Mairi Gougeon: As, I think, we said in the consultation, we agree with the overall objectives. The situation is similar to the situation with replacing the CAP. The new CAP has 10 objectives and, although our framework might deviate in the technicalities, we are, ultimately, looking to achieve the same aim. The same applies in relation to our future catching policy. We have the opportunity to look at how we can put in place a better operation in Scotland that does all the things that we want it to do.

We want to stop the unwanted catch in the first place where we can, and we want to ensure that we have a simple and effective system that delivers on the objectives that we know that the EU wants to achieve. It is not possible for me to set that out precisely because, again, I have not been through the consultation analysis. There could be changes on the back of that or things that we need to consider in more detail. I would be happy to keep the committee updated on the next steps.

Beatrice Wishart (Shetland Islands) (LD): Where does gill net fishing feature for the future? You might be aware, cabinet secretary, that, yesterday, Shetland Islands Council backed a motion about banning industrial gill net fishing. What action might the Government take on that matter?

Mairi Gougeon: I was not aware of the motion that Shetland Islands Council passed yesterday, but I am happy to examine it in more detail. I have, of course, previously had correspondence on the matter.

It is a legal method of fishing. We know that there are conflicts and we looked at the issue through the future catching policy, too. We will consider the responses that we have had to that before we set out next steps.

Beatrice Wishart: The fishing industry, particularly the Scottish Fishermen's Federation, has raised concerns about spatial squeeze. The phrase does not get across the gravity and seriousness of what it means to our fishing industry, which fears being pushed out of traditional fishing grounds and spawning grounds as the Government prioritises marine renewables over catchers and producers of high-quality, healthy and sustainable food. Renewables and energy security are important but so, too, is food security. Managing competing demands on marine space relies on the national marine plan, so will you give an update on when the Government will announce what plans there are to amend or replace the current plan?

Mairi Gougeon: No problem. I will try to address all of those points.

I welcome the report that the SSF produced on spatial squeeze. I am due to meet the federation in a few weeks and, no doubt, the matter will be a large part of our discussions. Other fisheries stakeholders raise the issue with me, too.

I completely agree with what you said about fish being an important protein source for us going forward. That is why we identified it—and, indeed, specifically point to it—in our blue economy vision. However, there is no doubt that there are competing pressures on our marine environment.

When you see the area for which we are responsible, our marine resource looks quite large, but, of course, there are a lot of competing uses for that space. There are offshore renewables, and we are also developing our marine protected area network and considering the delivery of highly protected marine areas. I know that that work is of concern to the fishing industry, too. The processes that we go through are absolutely critical to ensuring that fisheries' voices are heard through the consultations that we hold and that they are part of the engagement. An example of that is the ScotMER programme, which, although about energy research, also has as part of it a fishing group to examine and help us identify, for example, what gaps there are in the evidence that we might need.

We need to continue such engagement and work collaboratively across Marine Scotland to

ensure that fisheries' voices are heard. We are trying to manage our way through the matter as much as we can. If anything, all the global crises that we have seen mean that we need to have energy resilience, but our food security is critical, too, so we must enable that. Fishing is also an important part of many communities—indeed, that will be the case in your Shetland Islands constituency as in our coastal communities around Scotland.

We are trying to manage our way through the situation as much as possible. That is where our planning and consenting processes are really important to ensuring that fisheries' voices are heard.

Was your other question about national marine plan 2?

Beatrice Wishart: Yes.

Mairi Gougeon: The programme for government that was published yesterday says that we would look to commence the process of developing a new plan. We are at the early stages of that work, but I am more than happy to keep the committee updated on it as we go forward.

Alasdair Allan: I have a question to help me to understand some of these issues better before we leave them. Are you saying that, in future catching policy, the Scottish Government does not intend to move away from the priority that is given to tackling discards?

09:45

Mairi Gougeon: No, we absolutely will not. We still want to meet those objectives, and we set out the policies that we did because a blanket, one-size approach does not fit all.

The landing obligation is very complex at the moment, which is why it is difficult for people to comply with it. There are 480 exemptions within it, so it is a very complex environment. We want to reduce unwanted catch, look at different measures for different sectors of the fleet and move away from the one-size-fits-all approach. We also want to be more accountable.

If we are able to capture all that information, we will have a better idea of discards and people will be better able to account for them, which will mean that we have a better picture of stocks and can fish more sustainably in the future. Ultimately, that is what we are trying to achieve. That has been construed as rolling back, but I would challenge that, because we are trying to make the system more transparent, simpler and easier to comply with. Those factors are very important. The reason that we go out to consultation is that we want to know what people think about what we are proposing.

Alasdair Allan: One of the areas of consensus—or, at least, potential consensus—between environmental concerns and the fishing industry is on the potential for remote electronic monitoring to make fishing a more efficient business. Can you say a bit more about the next steps in that respect? Secondly, are things such as winch monitors and closed-circuit television on board vessels areas of activity that the Scottish Government wants to see supported? If so, how?

Mairi Gougeon: It was important that we had the consultation on the roll-out of REM, because, although we have committed to rolling out vessel monitoring systems to all vessels within the fishing fleet, we think that REM can be targeted. The initial focus of that will be on the pelagic sector. For example, more than 90 per cent of our scallop vessels have had REM installed during the past 10 years, which is hugely beneficial, because the data that we can collect from it helps fishers and the Government.

The consultation for that closed at the same time as the one for the future catching policy, and we are also analysing the results of that, because we want to hear feedback about the roll-out and its impact on the industry. We know that it will be easier for some sectors than for others, so we want to get the roll-out right if we do it.

The Convener: Just before we move on to questions from Ariane Burgess, can you tell us the timescale for your proposals on discards and landing obligations?

Mairi Gougeon: That will depend on the analysis. Allan Gibb might be able to give you more of a timescale for when we expect that work to be complete, but we will want to take the next steps in short order afterwards.

Allan Gibb (Scottish Government): The analysis is under way, and we want to come back to the cabinet secretary in the very near future with a view on it, but it is more important to begin conversations with stakeholders.

There should be a broad church of stakeholders—not only catchers—through our fisheries management and conservation group, and we should start talking with them about what the consultation told us, how we can implement some of those things practically and sensibly and what the priority implementation will be. I have no doubt that a list of things will come from that.

The Convener: Thank you. That was helpful. Can you tell us roughly whether we will hear about the proposals before the end of October, before the turn of the year or in spring 2023?

Mairi Gougeon: Allan Gibb will probably have a better idea of where the analysis and consultation are at, because I have not had that advice and I

have not seen the analysis of the response. That is probably the only answer I can give, rather than anything remotely like a definitive timescale for that or the next steps, but I am happy to come back to the committee with further information when we have it.

Allan Gibb: Likewise, I cannot give you a definitive timeframe, but it is my aspiration and hope that we will begin conversations with stakeholders on the FMAC process before the end of the year.

The Convener: That is all that we need to know. Thank you.

Ariane Burgess: I come back to the issue of spatial squeeze. We have heard about the importance of our waters and about all the things that we are trying to accomplish in that regard. Highly protected marine areas will be an important tool for strategically protecting key areas of our inshore waters. The Bute house agreement specifies that HPMAs will cover at least 20 per cent of our seas, including parts of our inshore waters. Users of the inshore space will want to know what that means for them. I have met inshore fishers and other folk about that, and it seems as though people are quite worried, because they do not know what the change really means, what the timescale is and how they can be involved. Could the cabinet secretary outline the next steps for HPMA designation and confirm whether there will be genuine no-take zones that are closed to all fishing, aquaculture and other extractive or depositional commercial activities?

Mairi Gougeon: Yes, I would be happy to do that. First, I reiterate that we are still working to the timescales that we have set out in the agreement. I also clarify that HPMAs will cover 10 per cent of our waters.

I know that there is concern about what the measures will mean for people, so the engagement processes will be critical. As with other areas that we have talked about, it is important to ensure that we get feedback, that people know what is happening and that they know what the measures will mean for them. We will be looking at developing that process. We said that we would have HPMAs in place by the end of the parliamentary session in 2026. If I work back from that date, I can see that an awful lot of work will need to be undertaken. We will be starting to engage and consult on what site selection might look like.

I reiterate that we will not be fast-tracking or sidelining any processes—we will follow all due process in our engagement with people.

I come back to your point about what an HPMA is. As we have set out in some of the information, an HPMA is an area where no activities are

permitted to take place other than those that are for recreational use or for marine tourism. It would be an exclusive zone; no other activities would be permitted to take place.

Ariane Burgess: So, we are potentially bringing forward areas that are genuine no-take zones, such as Lamlash Bay in Arran.

Mairi Gougeon: At the moment, it is not possible for me to say what areas we will be looking at, as that is something on which we will look to consult and engage. However, the sorts of activities that you have mentioned would not be permitted to be undertaken.

Ariane Burgess: On the issue of community engagement and involvement, will there be scope for co-development and co-design of HPMA with coastal communities?

Mairi Gougeon: That is where our engagement process is important. We want to ensure that all affected stakeholders are involved in the consultations, including coastal communities, which will be impacted given the very fact that the industries are based there. In addition, various industries will be affected by the HPMA process. Beatrice Wishart mentioned concerns about the spatial squeeze and what that means for fisheries interests, for example. We want to engage as widely as we possibly can, which is where the processes that we have set out will be very important.

Ariane Burgess: I want to be clear that, when I am talking about coastal communities, I am including in the mix people who work in the fishing industry. Over the summer, I met a community in Argyll. It was fantastic, because everyone came together round the HPMA issue and what it means. They all want to work together to work through the process. How can the Scottish Government tell them when the moment is to get engaged? We are inviting a big change that is absolutely necessary for the future of our fisheries, so I am looking forward to communities being invited to help shape what HPMA will look like.

Mairi Gougeon: I think that Allan Gibb wants to come in on that.

Allan Gibb: I want to reinforce that very point. The process and the engagement will be central and critical to the successful implementation of the measures, because the change to exclude all human activity other than that which is non-damaging—that is, marine tourism and activities such as kayaking or sailing—is a very big one.

We will consult on the site selection criteria first, which will engage everybody, and we will then move on to another consultation on the selection of the sites. It is in the selection of sites where engagement is invaluable, because local

communities and fishers know where the sensitive habitats are and understand the area. Basically, when it comes to mapping things out, we all get together in a room with maps and look at the feature that we are seeking to protect, whether it be a vulnerable feature, a carbon sink or a nursery fishing area, and then draw the thing out in a very collective manner.

Ariane Burgess: Thank you.

The Convener: Before we move on, I am sure that the cabinet secretary will agree that there are multifold factors involved in the changes that we are seeing in our seas and that it is important to have robust scientific evidence underpinning any changes that are made. Is there any evidence that introducing blanket or wide-ranging restrictions on mobile fishing gear in fishing waters will have the effect that some are claiming at the moment?

Mairi Gougeon: Your point about scientific research and evidence is an important one, and, of course, we want to ensure that our evidence base is as robust as possible. However, given the nature and size of our marine environment, it is just not possible for us always to undertake every bit of research that we would like. In a previous appearance before the committee, I talked about how we can work with others, be they our academic institutions or the industry, to help us with the various bits and pieces of research that we need to carry out.

As for your reference to blanket restrictions, I do not know whether you are referring to, say, the 3-mile limit, which I know there have been calls for. That is not something that we have been considering, because that kind of blanket approach is not a route that we would like to pursue. We do not think that it would have the impact that some might think, and we do not agree with those sorts of blanket restrictions. That said, we will, of course, continue to undertake the work that we need to do and identify any research gaps that we might have. That process will be very important.

Karen Adam (Banffshire and Buchan Coast) (SNP): Good morning, cabinet secretary. I would like to discuss and get some clarity and answers from you on our fishing industry and Brexit. It is no secret that it has been a contentious issue in my Banffshire and Buchan Coast constituency, where a lot of people feel that what they were promised has not been delivered. For example, most of the fish stocks that are of interest to the Scottish fishing fleet straddle international boundaries and still form part of international negotiations. Moreover, UK fisheries management continues to be in a state of interdependence and there is still significant EU access to UK waters. That is not what the fishing industry and its leaders thought

that they would be getting. Indeed, Mike Park has said that

“It is clear, for the offshore catching sector, Brexit failed to deliver any benefits of being a coastal state”,

and we know that EU funds have not as yet been fully replaced by the UK Government as was promised. What are the implications for the industry and what has the Scottish Government been able to do over this time period to support it and to buffer any effects?

Mairi Gougeon: I agree with your comments. There is no doubt that the fishing industry did not get what it expected or, in fact, what it was promised through Brexit with regard to access. We have been working as best we can on this matter. Indeed, whenever we go into negotiations, our ultimate objective is to do our best for the Scottish fishing industry and Scottish interests.

As far as the negotiations are concerned, I am sure that Allan Gibb will want to say a bit more about the process, if that will be helpful. Of course, this year’s process has not yet started, and we know that there has previously been some challenging scientific advice about some of the stocks.

Officials are also working to ensure that we are having an impact on, for example, the design and functioning of the specialist committee for fisheries.

Again, I repeat that our key objective in these negotiations is to do what we can to protect Scottish industries within the deals that have been negotiated.

Allan Gibb can give you more information on the negotiations.

10:00

Allan Gibb: As you suggest, there are only two stocks in the United Kingdom that are not shared with an international partner, and all stocks that are of key interest to Scotland form part of an international negotiation in multiple forums—we operate in seven international forums. We cannot make a unilateral choice; we must engage in a negotiation, often with an element of compromise. However, Scottish Government officials are involved in those negotiations with a mandate from the cabinet secretary to do the best for the Scottish industry, using the best scientific advice and acting responsibly and sustainably in the interest of the long-term future of the stocks.

We are quite fortunate that this year’s negotiations will take place against a backdrop of some positive scientific advice about significant recovery of stocks in the North Sea and the west of Scotland. We go into negotiations with optimism this year.

Karen Adam: That is good to know. The Scottish fishing industry needs a bit of optimism just now. It has had a hammering in the past couple of years.

We are facing another period of economic turmoil. What is the outlook for the fishing sector? Is it optimistic?

Mairi Gougeon: We always try to be optimistic, in spite of the challenges that exist. However, I know that the industry faces a lot of challenges at the moment, some of which we have touched on today. I know that the industry is feeling the pressure and is concerned about the spatial squeeze that exists. In that regard, I would point to the blue economy vision that we have set out and to the next steps that we will be setting out in relation to that. As ever, when we talk about challenges, we must also talk about opportunities. We talked about our food security, and our fishing industry will continue to be important in relation to providing us with a sustainable source of protein. We are looking to enhance the value that we can get from that, too.

One thing that we have not touched on today is the issue of the economic link provisions that we plan to introduce next year, which will ensure that more fish are landed in Scotland, so that we see the benefit of that, too. That will be important and represents a positive step forward.

Karen Adam: I am glad to hear that the processing side of things will be a big part of what is going on. That is important.

Jenni Minto: My question goes back to what the convener was asking about. In March this year, Mr Gibb gave evidence about having to make a step change in how we consult, so it is good to hear about the changes that you have been making. At that meeting, I asked about monitoring the catch after decisions had been made. Can you give us an update on that or some information about what monitoring has been done?

Mairi Gougeon: I am happy to come back to you on the specific issue of monitoring. I think that, if we implement a policy, it is important that we find out what the impact of that has been and see whether it is meeting the objectives that we hoped that it would.

Jenni Minto: I was thinking about the Clyde. We are one year into the change following the decision about that area, and I was wondering whether you could give us any information about that.

Allan Gibb: I suspected that you were thinking about the Clyde. Following on from the commitment that I think I gave at the meeting that you refer to, within a matter of two weeks of the

closure, we met again with all the stakeholders we worked with to design the closure. I accept that not everybody was 100 per cent happy with the ultimate process and what we ended up with, but, because a significant change had been made to an existing arrangement, we monitored the situation quite closely during the closure. There were positive results in terms of not seeing cod in catches in the areas that we had left open, which supported the policy of leaving open mud where the cod were not but the prawns were, in order to allow some fishing to take place.

We monitored activity through VMS and had patrol vessels there pretty regularly. From our analysis of that information, it looked as though the policy as implemented was doing what it was designed to do quite successfully. We met all the stakeholders and shared all that information with them. There is nothing to dispute in there, because the facts are plain: our inspections did not find any cod when the nets were hauled up and so on.

We made a specific effort there, and I imagine that we will do something similar the following year, depending on the weather and so on.

Jenni Minto: I wonder whether I should move on to the aquaculture questions.

The Convener: We have covered two of nine areas in nearly all of our time. I am minded to prioritise some of the more pressing and current issues, so I will rejig where we are. We will move on to aquaculture and then to islands policy. Would you like to ask a question about aquaculture, Jenni?

Jenni Minto: Yes. Thank you, convener.

When we took evidence from Professor Griggs on his review, he said:

“I thought throughout the review that the one thing that we must do is put in place a system that tries to restore trust. Part of that is about making it robust enough for everybody’s voice to be heard in it.”—[*Official Report, Rural Affairs, Islands and Natural Environment Committee, 22 June 2022; c 31.*]

I am interested in hearing from the cabinet secretary about what her plans are and how she is moving in that direction to ensure that everyone’s voice—even the ones that are perhaps more difficult to hear—is heard.

Mairi Gougeon: You are absolutely right. I looked at the session that the committee held with Professor Griggs, and I am glad that it held that session and that it was able to go through that discussion with him.

The work that Professor Griggs did was really important, and there were some quite stark findings in it. Some of the review was really disappointing to read, especially his comments

about the lack of trust and about the vitriol that exists. From discussing matters with him, I think that he had many experiences that he had not seen in any other sector. A key issue for us is how we can rebuild that trust, move from the place in which the relationships are so poor and try to improve those.

One of the key actions that we have taken since the report has been establishing the Scottish Aquaculture Council, in which we have tried to bring the broad range of interests together around the table and to progress some of the recommendations. That is still in its very early stages. We had our first meeting towards the end of June, and we are due to have the second meeting shortly. I am keen that we progress with that positive piece of work, and I hope that that can start to rebuild trust.

Jenni Minto: How are the new technologies in the industry progressing?

Mairi Gougeon: The aquaculture industry is very innovative and we are seeing lots of technical advances throughout it. That is particularly encouraging and exciting for me to see. The industry is changing all the time, and there is much investment in looking at that and at how the sector can improve its environmental performance and become more sustainable. It is important that we are able to support that and enable that innovation as we go forward.

We broadly accepted some of the other recommendations that Professor Griggs made, and we want to try to make progress across the recommendations as quickly as we can, where that is possible. We know that some recommendations will take a bit longer than others.

Jenni Minto: I think that one of the recommendations that Professor Griggs made was about licensing and its going directly into the communities.

Mairi Gougeon: Absolutely—you are right. On some of the other key pieces of work that we have taken forward on the back of the review, we have established the Scottish Aquaculture Council and taken forward a piece of work relating to consenting. As part of that, we set up a working group to look at the consenting issues and to see how we can make progress on the recommendations in the review that relate to regulation. I hope that we will start to see some quite quick progress there.

An immediate change that we made related to changing the marine licence from six to 25 years, for example. That does not change the environmental impact at all, but it brings that into line with the Crown Estate leases. That was one

immediate and positive change that we were able to make on the back of that work.

We have also taken some action in relation to science, because there was a recommendation on that. We have asked the Scottish Science Advisory Council to undertake a piece of work to address some of the issues that were raised through the review. We will publish the scope of the work that the SSAC will be undertaking, as well as any final reports that it produces. We want to bring that transparency to the whole process, because it all comes back to the initial question about trust and rebuilding trust in the process. I hope that, through some of the immediate measures that we have undertaken, we will be able to get there.

The Convener: I remind everyone that we have only 20 minutes left, so please let us keep questions and answers as succinct as possible.

Ariane Burgess: Thank you, convener. The next time the cabinet secretary comes, I think that we will need three hours to get through all these very important issues—with a break, of course.

I understand that the Government is also furthering, in parallel with the Griggs review recommendations, many of the recommendations that were made by the previous session's Rural Economy and Connectivity Committee. A key recommendation from the REC Committee in its 2018 report was that

"the Scottish Government should, as a matter of priority, initiate a spatial planning exercise with a view to developing strategic guidance specifying those areas across Scotland that are suitable or unsuitable for siting of salmon farms. This work should",

among other things,

"incorporate an assessment of the potential impact of salmon farms on"

marine protected areas and priority marine features

"and the species which inhabit them."

I understand that various forms of spatial planning are already under way or are being planned, and the PFG notes the importance of spatial planning as a means of guiding development. Can the cabinet secretary advise whether those processes will include an assessment of the impact of salmon farm pollution on MPAs and PMFs, as the REC Committee recommended? I am also curious as to whether any work is being done to assess the current use of each area, including creeling and the use of the coast by locals and tourists, and the loss of use that a salmon farm could cause?

The Convener: Can we have a succinct response to that non-succinct question, please?

Mairi Gougeon: I will try as hard as possible. It just shows the broad range of work that goes on across the portfolio, though, which is why we are running out of time in which to address all the areas.

Spatial planning already has to be considered in relation to developments. That is set out through the national marine plan and regional marine plans, and we have also outlined that in national planning framework 4. Everybody will be aware, especially when we are looking at protected areas or features, whether they are MPAs or PMFs, that the specific features for which they are protected should be taken into consideration in relation to any decisions that are made regarding the siting of developments.

One thing that I would be happy to follow up with, if the committee would like, is a summary of where we are in relation to some of the previous recommendations that were made. A point that I want to make clear to the committee is that, although we are, of course, taking forward the Griggs recommendations, that does not mean that all other pieces of work have gone out the window.

I will just highlight other work that we have brought forward. We have published our response to the salmon interactions working group and we have taken action in relation to that. We have also progressed and completed a lot of the recommendations from the previous committee's reviews, and we are still making progress against others. I am happy to provide information to the committee about progress against each of those commitments, if you would find that helpful.

The Convener: It certainly would be helpful. Thank you for that.

Beatrice Wishart: I have a question about the renewal of marine licences with regard to salmon farms. I have heard concerns that there are delays in the renewal process. Could the cabinet secretary comment on that? That leads on to issues that I have raised before about Marine Scotland perhaps not being sufficiently resourced to cope with the demands that it faces.

Mairi Gougeon: I recognise and have heard that concern about potential delays. We know, because it was highlighted through the review, that there are a number of processes involved when we are looking at a salmon farm being put in place, and that people have to apply for various licences from various different bodies. The consenting task force has been doing a piece of work on timescales, many of which are met, but we know of examples where that has not happened. If you have been contacted about specific issues, please write to me to make me aware of them. I would be happy to look into them further.

10:15

The Convener: We will now move to questions on islands policy, for the first of which we will go back to Beatrice Wishart.

Beatrice Wishart: My question is about the priorities in “The National Islands Plan”. We have seen pretty horrific fuel cost increases in island communities. I want to understand whether the plan’s priorities are still the same as those of people who actually live on the islands. I will give a couple of examples. One is the increased fuel consumption and other costs for interisland ferries. The other that has been brought to light is the impact on the pelagic fishing industry. A large number of pelagic boats operate in my constituency, and an issue that operators have raised with me is the fuel price increase of more than 300 per cent. What are your views on those matters?

Mairi Gougeon: The situation is critical. We are all aware of the cost of living crisis. My inbox is as full as those of other members in relation to what we are seeing in our own communities. However, rural and island areas are undoubtedly experiencing the worst of the situation and are where we are seeing the highest levels of fuel poverty. That is happening in various industry sectors as well as among households. The other week, I heard that authorities in Shetland have just published information about the impact that they were going to see. Last week I was in Orkney, where I heard about the stark impact that is expected there as a result of energy cost increases.

Addressing fuel poverty is a key strategic objective in “The National Islands Plan”. It is one of the priorities in the plan and will remain so as we move forward. It is vital that we do what we can to tackle such issues as far as it is within our power to do so. We do not have the power to address some of them, such as the fuel cost increases that Beatrice Wishart mentioned.

However, I have previously raised that issue with the UK Government to see what further action can be taken. I will, of course, also raise it with my new counterpart there, who has just recently been appointed. I will do so with the utmost urgency, because the situation is critical for many businesses and communities on our islands. When I was on a visit to a business last week, I was told that its energy costs are expected to increase from £1.6 million per month to £9 million per month. How many people could afford to accept that? That is why we must ensure that we are doing what we can for our island communities.

Jenni Minto: I am interested in how you consult island communities to understand exactly what they need. Like Ms Wishart, I have had a large

volume of emails from islanders who are concerned about the rocketing price of fuel. They tend to use fuel oil, on which there is no cap. How do you listen to what islanders need, and how are you getting such information into your systems?

Mairi Gougeon: Absolutely. Our islands team works across the Government, because many such issues are cross-cutting. For example, fuel poverty and associated issues are of huge concern to me from a rural and islands perspective, but I know that they cut across the portfolios of my colleagues—for example, those of Shona Robison and, in relation to buildings insulation, Patrick Harvie.

First, we ensure that we are viewing such issues across the Government, to see what we can do to address them. However, it is important that our islands team also has opportunities for outreach. They were with me when I was in Orkney last week, and they were collecting such data and information, which is really important for us to obtain. One of the groups that I met there had undertaken a piece of work, and other work is being done in Shetland. We want to collect all that information to ensure that we have a grasp of just how big the issues are before we consider what we can do to help our communities to address them. That is a priority for us.

I am sorry, George—do you want to come in?

George Burgess: I will do so very briefly. Our islands team is not based in Saughton house; it works across Scotland. Erica Clarkson, who is the head of the team, is based in Orkney. Its members therefore have lived experience of and direct contact with island communities.

Rachael Hamilton: The islands bond policy was launched in last year’s programme for government, to tackle depopulation. However, it has been rejected by islanders. Can you tell us why?

Mairi Gougeon: It was exactly because we had consultation and engagement on the policy. As you know, we have announced that we will withdraw the policy; that is because we listened to our island communities through what we heard in the consultation and engagement process. When we set out the results of the consultation, the responses were fairly evenly split, but it was clear that island communities did not want the islands bonds policy. They had concerns about it; they thought that more could be done to retain populations in island communities and felt that resources should go towards that. We listened to what we heard, which is why we have announced that we will withdraw the policy.

Rachael Hamilton: I found that it was a case of putting the cart before the horse. If the Government had an islands team that was

listening, it would have known that islanders thought that the policy would be a short-term fix, that the scheme would be open to abuse, that the amount of investment was too small and that it might have a divisive impact on communities, so it is disappointing that we now have to delay addressing depopulation.

Interestingly, Salmon Scotland has called for £10 million of revenue from Crown Estate Scotland to be invested in coastal communities in order to tackle depopulation. Is the Scottish Government considering that?

Mairi Gougeon: I will address a couple of those comments. We never thought that the islands bond would be a magic bullet for addressing the problem of depopulation on our islands; it was never intended to be that. The engagement and consultation that we undertook were really important, because they have informed the next steps that we will take. As a direct result of consultation feedback and of listening to suggestions about how we might take things forward—communities, of course, had their own ideas about what could be done—we have committed to looking at some practical policy tests.

What happened has not delayed tackling depopulation on our islands. That has always been a priority and an objective in the islands plan, and we are still taking forward proposals. We need to tackle a host of issues in a holistic way. What happened has not delayed the work that we have done. The policy could have been a tool; we consulted on it, but we think that it would not work, which is why we are not taking it forward. However, that has not delayed or held back any other related work.

I am sorry, but I have now forgotten the key part of your question.

Rachael Hamilton: It was about Salmon Scotland asking for investment to be made in coastal communities using rent revenues from Crown Estate Scotland.

Mairi Gougeon: I am happy to look at various suggestions that have been made. In relation to aquaculture, when I went to Colonsay, I saw the impact that more direct investment from a company has had. I am happy to continue to have that discussion with the industry.

Rachael Hamilton: Could you let the committee know when the addressing depopulation action plan will be launched? Do you know that now?

Mairi Gougeon: I cannot give you a definite date at the moment, because various pieces of work are being done in relation to the plan, but I would be happy to keep the committee updated on that work.

Other work is being done in relation to population and depopulation. I cannot remember whether I touched on this during my previous committee appearance, when we were discussing the islands plan. Part of the work is to undertake pilots with the convention of the Highlands and Islands. We are looking at other work that we can take forward, which is continuing in the background. I would be happy to come back with more information on the addressing depopulation action plan.

Rachael Hamilton: Thank you.

Alasdair Allan: It strikes me as a positive thing when Governments listen to consultations and the views that are put to them. It has been mentioned that opinion from the consultation responses was balanced but, going by my constituency correspondence, I think that I would have got a balance only by counting all the responses from central America, where people seemed to be very positive about the idea. For some reason, news of the policy had circulated widely in the press there. I have no idea why.

My serious question is this: what process of listening was undertaken, and what process of reasoning was used to reach the decision that was reached?

Mairi Gougeon: When I said that the outcome of the consultation was balanced, that was probably not entirely fair. You are absolutely right: the people who were not in favour of the proposal were from our island communities, but pretty much everybody else in the world thought that it was a fantastic idea. In my role, it is really important to listen to our island communities and to be open to various suggestions on how other things might work. I have no doubt that we would, if we had ploughed on regardless, have got even more criticism.

I emphasise that the suggestions that we want to take forward come from that positive and constructive engagement. Various consultation events took place virtually and on islands. After the consultation closed, the islands team went out again to various engagement events and discussions with communities. That has formed the basis of the practical policies. As I say, we want to try some of the ideas and see whether they work and can have a positive impact.

Alasdair Allan: We have had this conversation before. One theme that seems to me to have come through is that people are keen to have measures that benefit whole communities rather than individuals, which was a criticism that was made of the original proposal.

That leads me, in the limited time that I have, to talk about housing. It is always identified to me, as an islands MSP, as one of the huge obstacles—

although not the only one—in the way of people who want to stay and start businesses, or to expand their businesses, in island communities. Having gone through the exercise and considered the matter, what is the Government's thinking now on housing in island areas? In particular, how will the Government ensure that the obstacles that were identified in the consultation exercise are overcome and that local authorities and housing associations build in places that are difficult to build in and not just in places where it is easy to do?

Mairi Gougeon: You are absolutely right to raise that matter. The lack of housing, especially affordable housing, is an issue that has come across whenever I have visited islands. The message definitely came across loud and clear when I was in Orkney last week. There are labour shortages across the piece and across all industries, so there are jobs for people, but people are not able to accept positions that are offered to them—either because there is no housing for them or because they cannot afford the housing that is available. There are a variety of factors relating to that, including second homes and short-term lets.

In tackling depopulation and trying to retain population, no one easy solution will fix everything. Our commitment to introducing a remote rural and islands housing action plan is important in that regard. We have to continue investment and take account of the location of new housing developments, which the member talked about. We are also looking at measures in relation to issues including short-term lets; obviously, there have been moves in that regard, as well. It is an important issue and is part of the islands plan.

In Orkney last week, we launched the Young Islanders Network and invited some young islanders to take part in the national islands plan delivery group. It is important that we have our young people's perspectives, because they are the people whom we want to remain and to live and work on our islands. They need to be able to feed into that process and our policies.

Jenni Minto: I have a quick question. Can you update us on progress on the carbon neutral islands project?

Mairi Gougeon: The work on that has been progressing. Our islands team was in Orkney just before I was and had some engagement on that issue. The work is progressing. I am, of course, happy to keep the committee updated on that.

Ariane Burgess: It is great to hear about the addressing depopulation action plan. Can you update us on other policy measures to encourage repopulation? For example, I know that there is work on repopulation zones, and there are also visa pilot schemes. It would be good to hear any

information that you have about what is going on in the islands on that.

Mairi Gougeon: Again, I am happy to follow up on what I say in correspondence in order to give more detail. I alluded earlier to the pilots that we have been considering through the convention of the Highlands and Islands and on-going work on that. We are working on the addressing depopulation action plan, which is being led by the Cabinet Secretary for the Constitution, External Affairs and Culture, although I have a key part to play in that work in relation to our rural and island areas.

Many different factors affect population, so we must take action on all those fronts, including on issues that I outlined in answering Alasdair Allan's questions on housing. Again, I am more than happy to follow up on that and to provide more detail on where we are with pilots.

You also mentioned the rural visa pilot scheme. When Sajid Javid was the Home Secretary, the UK Government said that it was open to considering such a scheme. We know that there are differentiated immigration schemes in other countries around the world, so we felt that it was important to consider what that could look like for Scotland. We have been working on such proposals, as well. I will provide an update on that in writing.

Karen Adam: I know that we are running short of time, so I ask for an update on avian flu to be given in written correspondence. However, I will just quickly say that I have visited Troup Head in my constituency: it was absolutely heartbreaking and devastating. The effects of the outbreak will probably be generational and will continue for many years.

Mairi Gougeon: I am happy to follow up in writing, but I will say that a number of pieces of work have been undertaken. The recent avian flu outbreak has been the biggest we have ever seen. We have lost a third of the world's Svalbard barnacle goose population, and we have lost more than 7,000 gannets—5,000 from the Bass Rock alone.

Karen Adam: It was 10 per cent.

Mairi Gougeon: Yes. It is horrifying to see what has been going on.

In relation to domestic flocks, work is being carried out by the Animal and Plant Health Agency to consider changes. For example, we do not ask people to register birds if they have fewer than 50, so that work is considering whether we need to change that. The aim is to learn lessons from what we have been through in relation to domestic flocks.

NatureScot has a task force on wild birds. I will provide the committee with more information on that, because it provides fortnightly updates on the work that it is undertaking.

I give the assurance that we are looking to learn from the situation. It is hard to intervene, especially in relation to wild birds, but we must take whatever action we can—if not to prevent such outbreaks, then at least to manage them as best we can.

The Convener: Thank you, cabinet secretary. We have finished nearly on time. I realise that we have tried to squeeze in as much as possible. We have probably got through about a third of the topics, so we will follow up in writing on other topics on which we were going to question you. Maybe biannual meetings are not quite enough—we might need slightly more. I thank you and your officials for joining us.

10:32

Meeting suspended.

10:43

On resuming—

Subordinate Legislation

Rural Support (Simplification and Improvement) (Scotland) Regulations 2022 (SSI 2022/206)

The Convener: Our next item is consideration of the Rural Support (Simplification and Improvement) (Scotland) Regulations 2022. The instrument is subject to the negative procedure. I refer members to paper 2 in their briefing pack, which is on pages 21 to 25. No member wishes to comment on the instrument.

That concludes our business in public. We will now move into private session.

10:44

Meeting continued in private until 12:22.

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