

Annex A: Rationale and Impact

Scotland's marine environment is rich and diverse, with an abundance of life and significant potential for harvesting and harnessing the sea's resources. With such an important natural asset comes great responsibility: to preserve and sustain the sea's ecosystems; to support the jobs and livelihoods which depend on it; and to strengthen the local communities whose lifeblood is intrinsically linked to the sea.

Our responsibility as Government, as managers, as users of the sea and recipients of its rewards, is to work together to take and implement the right decisions to support the greater national interest. And to manage fishing activity and fishing pressures in a sustainable and responsible way. The publication of the Scottish Government's Future Fisheries Management Strategy is intended to support delivery of sustainable and responsible fisheries management in Scotland.

This annex outlines the rationale underlying the FFM Strategy and the potential impact it could have on parts of Scotland's marine economy.

Rationale

The Future Fisheries Management Strategy is intended to provide a long-term framework for Scotland's sea fisheries. Whilst fisheries management is devolved in Scotland, much of the regulation underpinning our approach is derived from the EU under the Common Fisheries Policy. Following EU Exit there is an opportunity to take stock and consider the approach we wish to take to fisheries management in the future and where changes can be made to improve the way in which we manage our fisheries in a sustainable and responsible way. This includes adjustments to our monitoring programme to ensure that our fisheries are fully accountable, and changes to the way in which certain policies such as the landing obligation operate in order to make them more effective. The strategy also considers improvements to the way in which we manage our inshore fisheries, strengthening the role of Regional Inshore Fisheries Groups and ensuring that decisions are made at the right level.

The process of developing the Strategy followed a co-management approach, with the publication of a national discussion paper which was intended to generate ideas and discussion about our future direction. The stakeholders' contributions received as part of that discussion paper have shaped the content of the Strategy and it is hoped that the policies underpinning the Strategy can be delivered in partnership. Our fisheries management will be strengthened through the introduction of the Fisheries Act (2020) which includes a range of new powers and obligations under which all UK Fisheries Administrations will operate. The Future Fisheries Management Strategy will guide the use of these powers and will set out how we will meet our objectives under the UK Fisheries Objectives.

The FFM Strategy confirms the commitment of the Scottish Government to responsible and sustainable fisheries management, its commitment to continuing to meet international obligations and its intention to seek to raise standards for all vessels fishing in Scottish waters where this is needed.

In this way the strategy seeks to allay concerns from politicians and environmental stakeholders that Scotland will lower environmental standards following Brexit and will manage fisheries in an unsustainable way.

Scotland's Future Fisheries Management Strategy 2020 - 2030

The COVID-19 crisis has impacted our fishing industry and our communities in an unprecedented way. Whilst we have been able to provide financial support to key parts of the fishing sector to support them through the pandemic, COVID-19 has brought into sharp focus issues around resilience within the fishing fleet. We will seek to help marine sectors and coastal communities to recover from coronavirus and grow sustainably within our **Blue Economy Action Plan** whilst also supporting a transition through EU Exit. We will bring together collaborations across industries, the public sector, science and the marine environment to deliver on priorities of benefit to businesses, communities and the shared marine space.

Potential Impacts

The principles and outcomes outlined within the Strategy (sustainability, economic, environmental and social) will impact a number of groups within the fishing sector and more widely as will the 12 action plan. This sub-section explores this in more detail.

Detailed monetary and non-monetary impacts will be explored and analysed through Business and Regulatory Impact Assessments (BRIA's) that will be prepared alongside specific policy announcements. This annex focuses on highlighting the groups that may be affected by the FFM Strategy and associated specific policies. Specifically this identifies those parts of the marine economy which may have a particular interest in the FFM Strategy due to its potential impacts.

The following sectors have been identified as being potentially affected:

- **Catching sector**

There were 2,098 vessels with active licenses in Scotland in 2019. The businesses operating these vessels, plus support services, may be affected by this strategy. This sector provided employment to around 4,900 people in 2019 who may also be affected by this Strategy. It is the intention that the FFM Strategy will help the Scottish catching sector safeguard and build on its sustainability, environmental, economic, and social outcomes. By fishing within limits based on the best available scientific advice will help ensure the sustainability of the Scottish catching sector. This will be complemented by providing equality of opportunity for fishing opportunities which will help ensure business sustainability.

- **Seafood processors**

In 2018 there were an estimated 139 seafood processing sites located in Scotland, these sites process both wild-capture fish as well as farmed fish. The businesses operating these may be impacted by elements of this strategy as well as the 7,600 people employed by this sector in 2019. Environmental and business sustainability within the catching sector will help Scottish seafood processors. It is also the intention that the FFM Strategy will help processors grow sustainably, and be internationally competitive, through building and maintaining access to markets. While the introduction of an economic link in early 2022 is expected to increase the supply of fish available to Scottish processors and to capture more value added within the Scottish seafood industry.

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- **Producer Organisations**

There are eight Producer Organisations and two Quota Management Groups (which are currently being trialed) in Scotland, these will be affected by the Strategy and associated policy changes. For example, in reviewing the operation of sectoral groups this could give rise to amended reporting requirements for sectoral groups.

- **Coastal Communities**

It is the intention that coastal communities will benefit from the outcomes of the Strategy and therefore will be directly and indirectly impacted by it. The impacts discussed above for the catching and processing sectors will directly affect the wider onshore economies in which they play a key role, and by extension the local communities that support and benefit from the economic activity and jobs created and supported. The marine economy plays a crucial role in many of our coastal communities, for instance only retail employs more people than the seafood sector in Peterhead. As such, the FFM Strategy is intended to be a key component in building resilient coastal communities in Scotland.

- **Wider marine economy**

The seafood industry is only one user of the marine space, as such any impacts on this industry may in turn impact other sectors in the wider marine economy, in particular sectors such as marine renewables and marine tourism.

Summary

It is not anticipated that the strategy by itself will have a financial costs to the groups identified above. While businesses may wish to familiarise themselves with the strategy in order to see the direction of travel, the strategy does not in itself represent new requirements or legislation that compels businesses to take action. Given EU Exit, as well as other global challenges such as climate change and Covid-19, there is a clear rationale for implementing a Future of Fisheries Strategy to clearly set out the direction of travel of Scotland's fisheries management in order to minimise uncertainty. This will affect many users of Scotland's marine environment, as well communities and businesses dependent upon it, however it is not anticipated that these groups will be positively or negatively affected by the implementation of this strategy by itself. Such impacts will come from the specific policies outlined within the strategy, and these will be explored separately.