

Speaking Note - To be checked against delivery

ASSOCIATION OF SCOTTISH SHELLFISH GROWERS (ASSG) – ANNUAL CONFERENCE – Wednesday 2nd October 2013

Introduction

1. Thank you Walter for that warm introduction and good morning everyone.
2. I'm delighted that the ASSG have invited me to give the opening speech at this year's conference here in Oban.
3. It is heartening to see such a diverse group of people in the room, all with the same aim, to work towards the sustainable growth of our world renowned – farmed Scottish shellfish.

4. The ASSG have put together a stimulating programme for the next two days. If the discussions I have been involved with already this morning are anything to go by I am sure this is going to be a very useful and motivating event. I wish you well.

5. Though I will not be able to stay as I have to head back to Edinburgh shortly. I felt that being able to speak to you all this morning about the Scottish Government's vision for the future of Scottish shellfish, whether under existing constitutional arrangements or, as I hope, within an independent Scotland, was too important an opportunity to miss.

6. I have also asked my officials to update me on the remainder of the conference in due course.

The Bigger Picture

7. Since I was appointed Minister for Environment and Climate Change last year, I have seen significant activity within the aquaculture industry. All of which is vital in ensuring that the sector remains at the leading edge of aquaculture production on the world stage.

8. Scotland's farmed shellfish industry produces seafood of the highest quality, that is highly sought after and has become established on both the shelves of national retailers and on the plates in many of the finest restaurants at home and abroad. An enviable reputation for quality which we should continue to exploit.

9. Aquaculture also has a vital role to play in future food security. A number of reports have highlighted the global challenge of feeding a growing population, while dealing with the impact of climate change and the important role aquaculture can play.

10. Europe has now recognised this challenge with the reform of the Common Fisheries Policy (CFP) advocating a much stronger place for aquaculture in European seafood production in the years to come.

11. This is a significant opportunity for Scotland, with Scottish aquaculture producers well placed to help meet this demand within the CFP.

12. It is within this context, and recognising the significant social and economic benefits of

shellfish farming, that the Scottish Government remains supportive of the industry and its commitment to the sustainable growth of shellfish production to 13,000 tonnes by 2020.

13. And not only mussels. This diverse sector also includes a wide variety of other species which have a role to play, including Pacific oysters, scallops, queen scallops and native oysters.

14. And we should also look at innovation as a means of growth. Novel approaches are being developed. I had the pleasure of seeing one of these for myself when I recently visited an Integrated multi-tropic aquaculture systems (IMTA), which includes seaweed farming, at Loch Fyne.

15. I truly believe that the time has never been better for shellfish growers to unlock Scotland's full potential and increase sustainable production with due regard to the wider marine environment, taking advantage of emerging demand and new markets.

16. The importance of the Scottish aquaculture industry is highlighted in 2012 UK export figures where Scotland's £596 million share of exports of all fish, which includes farmed shellfish, was 44% of the UK total.

17. We continue to learn from both around the world and closer to home how the industry can develop and thrive and in doing so contribute to sustaining and growing the almost 400 shellfish farming jobs in some of our most remote rural communities.

18. These achievements have not gone unrecognised. In June 2013, I had the great pleasure of presenting Stephen Cameron of Scottish Shellfish Marketing Group with the Outstanding Contribution to Industry award at the Marine Aquaculture Awards – a thoroughly deserved tribute to Stephen’s achievements but also the work of SSMG and the wider shellfish industry.

19. It was at these awards that Loch Ryan Oyster Fishery Company received their Stewardship Award for their work to repopulate the Loch Ryan oyster beds for the next generation. Congratulations to them too.

Funding

20. Speaking of SSMG, they received significant financial assistance for their new

Bellshill processing plant through the European Fisheries Fund grants.

21. And they are not alone. To date 39 projects have been awarded a total of just under £4.3 million grant in direct support of the shellfish sector.

22. I understand that Richard Slaski will be a presentation this afternoon on seeking EU funding – options and opportunities., which will include the new European and Maritime and Fisheries Fund (EMFF). I urge you to seize every opportunity made available from these and other funds to help grow the sector.

Challenges affecting the Scottish Shellfish Industry

23. I am aware though that the shellfish farming industry, like other sectors, is not without its challenges.

Biotoxins

24. I appreciate this year has seen unprecedented levels of biotoxin closures across Scotland.

25. We need to ensure that lessons are learned from these closures and we do all we can to ensure this does not happen again.

26. These incidents suggest, for example, that industry may need to consider developing

geographically widespread capacity in order to ensure continuity of supply.

27. I have been assured that very promising initial steps have been made with industry, local authorities and FSA intending to work together on developing appropriate guidance and risk management tools to mitigate against the risks associated with toxins.

Norovirus

28. Norovirus outbreaks also remains an area of concern for industry.

29. However, lessons can be learnt from the good practice which has already been applied by some exemplar businesses in Scotland, such as Loch Fyne Oysters, in order to

develop a truly integrated approach to risk management.

Commercially Damaging Species

30. And, of course, I am aware that in recent years a non-commercially viable mussel species - *Mytilus trossulus* - has greatly affected the once thriving mussel production in Loch Etive.

31. I was pleased to hear that with the aid of grant funding and scientific research, there should be a return of commercial farming of blue mussels to this area in 2015.

32. This is an excellent opportunity both economically and socially for the local community, and has the potential to add significantly to Scotland's production totals. I

wish local farmers well including your own Chair Walter, in reopening the area for business.

33. The Scottish Government has acted to improve the control of commercially damaging species. We have taken steps in the Aquaculture & Fisheries (Scotland) Act 2013 to minimise these risks in future through the provision of new controls.

Spat settlement

34. With shellfish becoming increasingly popular among consumers worldwide, the demand for high quality products is growing. We must seize these market opportunities and not let them pass Scotland by.

35. I acknowledge that many in this room are working hard to ensure this happens. Key is ensuring that you have product available to sell.
36. I am sure you will all be aware of the 2012 Scottish Shellfish Farm production survey, published in May of this year. Regrettably this showed a drop in overall shellfish production, with vagaries in spat settlement being given as a key reason for this.
37. I am aware that a lot of work is being carried out to find suitable alternative supplies, which is all vital in achieving a consistent supply.
38. This includes a Scottish Aquaculture Research Forum (SARF) project - New

approaches to mussel seedstock acquisition, which is funded by the Scottish Government.

39. I look forward to seeing the recommendations of this project, and hearing how industry plans to adopt new methods to realise sustainable spat supply. The Scottish Government stands ready to help where we can.

MGSA

40. For the industry to move forward, solutions must be found. I remain confident about our ability to overcome these challenges and create a future for the shellfish sector which offers exciting opportunities for investment.

41. This is why I have established the Ministerial Group for Sustainable Aquaculture (MGSA).

42. It will work alongside the Aquaculture & Fisheries (Scotland) Act 2013 to provide a framework for the sustainable growth of aquaculture, addressing key challenges and ensuring that growth is not to the detriment of other users of the marine environment.

43. The MGSA is supported by more focussed and project -based working groups, one of which is the Shellfish Working Group.

44. I have asked Walter to chair the Group, which will build on the work of the Shellfish Forum by identifying and resolving key issues raised by the shellfish industry, including regulatory bottlenecks.

45. All with a key objective of helping ensure the delivery of the shellfish industry's sustainable growth targets to 2020 and beyond.

46. The group has a diverse membership, including industry, processors, the science community and regulators. Many of whom I am pleased to see here today.

47. I am aware that the Shellfish Working Group met for the second time last week and I look forward to hearing about their planned programme of work at the next MGSA meeting in November.

48. If you have an issue, or wish to contribute in any way, please contact the Shellfish Working Group through the ASSG.

Planning

49. The Scottish Government recognises that an efficient planning system is essential to promoting sustainable economic growth in Scotland. We recognise that the planning process for aquaculture is often seen as slow, unclear and complicated and the MGSA Capacity Working Group is currently looking at the issue.

50. That Group will also have a focus on improving the aquaculture industry's capacity throughout the value chain, reducing regulatory bottlenecks where possible whilst maintaining informed decision-making and proper community engagement within the planning system.

51. Marine Scotland is also working on a 3-year project to identify spatial constraints to industry's growth. The project is due to report in 2015.

52. We want to see development of the right sites in the right places through transparent, streamlined and proportionate regulation, with processes to minimise adverse impacts on other users of the marine and freshwater environment.

53. The Scottish Planning Policy (SPP) is currently being consulted on. In this, we will confirm the need for the planning system to support the sustainable growth of the aquaculture industry.

54. In tandem, the Scottish Government is also producing an Aquaculture Planning

Circular which explores the linkages between the marine and terrestrial planning systems and provides more detailed guidance on planning matters for farmers.

Marine Protected Areas

55. On a wider front, we are currently consulting on Marine Protected Area (MPA) proposals to safeguard our precious marine biodiversity. These proposals form part of the wider consultation on Planning Scotland's Seas which includes Scotland's first national marine plan.

56. We have a policy of promoting sustainable use in MPAs, and the consultation package includes SNH's advice on management options for activities that could interact with MPA features. We would welcome industry

views on the proposals as they affect aquaculture.

Water Quality

57. As I've mentioned, Scottish shellfish has an excellent and enviable reputation world-wide, with the industry providing valuable jobs and contributing to the economies in some of our most remote coastal communities.

However, the success of this important industry depends upon clean and healthy water to ensure that its products are of the highest quality.

58. As you may already be aware, the Shellfish Waters Directive will be repealed by the Water Framework Directive later this year.

59. This has provided the Scottish Government with an opportunity to review the mechanisms for protecting shellfish waters and introduce a more integrated approach within our wider River Basin Management Plans in order to ensure the continued sustainability of the industry.

60. We published a first consultation paper in October 2011 which set out proposals for the long term protection and improvement of shellfish waters. We have followed this in July this year with a further consultation, which closed last week, and I hope you all took the opportunity to comment on the proposals.

61. This latest consultation reviews the current designations and makes proposals for aligning the designated areas with the harvesting sites identified by the Food Standards Agency

Scotland. It also proposes some additional sites for designation and some extensions to existing designated areas. Together these proposals will increase the area of water protected for potential shellfish growing by 27%.

62. This increase in shellfish waters is important for the industry, as securing a greater area with favourable growing conditions for Scottish shellfish gives our producers a healthy competitive edge in both the European and world market.

63. The consultation also discusses the importance of achieving an appropriate balance between measures to support a sustainable industry without creating disproportionate cost burdens for other sectors. I believe that, by developing good

working partnerships with other key sectors through the River Basin Management Planning process, the Scottish shellfish industry will continue to thrive.

64. You can be assured Scottish Government is committed to these important steps to ensure the future sustainability of your industry.

65. Joyce Carr from the Scottish Government Water Environment Team will be discussing the proposals in more detail later on today.

Working together

66. This is a very exciting time to be involved in the aquaculture industry.

67. This industry has come a long way, particularly in the last 10 years, but it is clear that this sustainable growth can only continue collectively.

68. One of the key themes of this Government is Partnership working. Only by working together can we deliver the full sustainable growth of which this sector is capable.

69. As I have already mentioned with regards to the River Basin Management process, I believe that in order to achieve the best results for Scottish shellfish farming, we must work together, communicate effectively, and encourage co-operation.

Scotland's Aquaculture Database

70. A perfect example of this is, Scotland's Aquaculture Database and Website.

71. The website, which went live yesterday, provides an integrated, geographic and up-to-date view of aquaculture activity across Scotland.

72. It is the result of a significant partnership project between key aquaculture regulatory bodies in Scotland - Scottish Environment Protection Agency (SEPA), Marine Scotland, The Food Standards Agency in Scotland and The Crown Estate, bringing together data collected by the partners through their regulatory functions and making this information accessible through a data search tool and an interactive map.

73. The website provides information about:

- a. industry location;
- b. types of aquaculture;
- c. leases, licenses and reports on controlled activities;
- d. shellfish hygiene monitoring.

74. The information featured can be viewed and used in a number of ways. There is an interactive map which can be customised for area of interest; a searchable database of information about finfish farms and shellfish harvesting areas; a view of how farm sites, leases and licences relate together; and fully downloadable data for use in spreadsheets and analysis tools.

75. For those of you who have not seen the web-site, one of my officials is able to give you

a demonstration today. I think you will find it interesting and evidence that we can make improvements together.

Looking ahead and closing comments

76. Scottish Government has identified the food and drink sector as a key economic area for development – to increase value of sector from £11 billion (2010) to £12.5 billion by 2017.

77. With the production targets set by the industry and reflected in the National Marine Plan, we continue to look forward positively to shellfish contributing fully to these objectives.

78. The Scottish Government strongly supports the shellfish farming sector and its aspirations for sustainable growth. **Let us work together to realise Scotland's full potential on the world stage.**