

The Scottish Parliament
Constitution, Europe, External Affairs and Culture (CEEAC)
Committee

Retained EU Law (Revocation and Reform) Bill

[Retained EU Law \(Revocation and Reform\) Bill - Parliamentary Bills - UK Parliament](#)



Written Submission by

Seafood Scotland

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Sector Summary

Key Facts

- Scottish seafood is exported to over 100 countries
- Scottish vessels landed 437,000 tonnes of Seafish and shellfish in 2021, with a gross value of £560m in 2021
- Exports of Scottish fish and seafood were valued at around £1 billion in 2019, an increase of nearly 11% on the previous year.
- Scottish seafood's top export markets are EU member states, accounting for 70% of Scottish seafood exports (coming to £774 million by value) to the EU in 2019;
- Over half (approx. £435 million) of all Scottish fish and seafood exports bound for the EU go to France. While some exports go to each of the 26 other EU member states, much of the remaining go to countries such as Spain (£91 million), Italy (£56 million), the Irish Republic (£46 million) and Germany (£39 million).
- Global Scottish Salmon export sales were £614m in 2021. The EU accounting for 61% of the volume of global Scottish salmon exports.
- Scotland is by far the biggest aquaculture producer in the UK. Scottish farmed salmon is the UK's number one food export. The EU remains the largest single regional market, importing £449 million of Scottish salmon in 2021
- Scotland exports a significant share of the seafood caught in Scottish waters, with figures estimating that around 80% is consumed outside the UK. The diversity of demand from international markets guarantees that continued supply routes are available for the varied species that Scottish sector lands.

Employment

- There are approximately 314 fish processors in Scotland, most of which are primary processors. The few secondary processors tend to concentrate on food service and retail supply.
- Approximately 8,000 people are employed in the seafood processing sector in Scotland (the Scottish catching sector employs around 4,241).
- Processing is concentrated in the Grampian area, which makes up 38% of all of the processing units and provides 45% of the employment. The Highlands and Islands is the next most important in terms of employment in the processing sector.
- In Grampian, pre Brexit and covid 72% of workers in seafood processing are from the European Economic Area (EEA), a much higher proportion than any other part of the UK.
- The farm-raised salmon sector delivers 2,500 direct jobs in Scotland, supporting more than 3,600 domestic suppliers, and a total of more than 12,000 jobs dependent on the sector.

Value

- Scallops and langoustines are the most valuable UK shellfish exports. Over two-thirds of the world's langoustine are sourced in Scotland. The main markets are France, Spain and Italy.
- Whitefish (Demersal) are also caught, mostly in the North East of Scotland. The main white fish species targeted are haddock, cod and saithe. Monkfish and flatfish species are also landed.
- In 2021 exports of Scottish salmon were worth £614 million. France, USA, and China were the top three markets for Scottish salmon. France is the largest market for Scottish salmon with sales worth £351.3 million, followed by USA (£173.7 million), and China (£45.6 million).
- The EU accounted for 61 per cent of the volume of global Scottish salmon exports and 52 per cent of the value.

EU Market

- Access to EU markets is critical to the seafood industry in Scotland. Seven out of the top ten export markets for Scottish seafood are EU member states, accounting for 70% of Scottish seafood exports (by value).
- Non-Tariff Barriers are now a major headache – customs and sanitary and phytosanitary (SPS) controls are matters of considerable concern given their potential for delays at points of entry to the EU market. Delays can be very damaging, potentially leading to goods being delivered late to customers and/or spoiling of fresh/live products.
- Given the nature of seafood, freshness is key to seafood's appeal to consumers and therefore it must be delivered to market in as pristine a condition as possible, as swiftly as possible. There is a diminution in achievable market price as each day of this shelf life passes. Delays, therefore, can ultimately undermine the profitability (and, in some cases, viability) of the aquaculture, fisheries and fish processing sectors in the UK, particularly in Scotland, which has a higher proportion of its economy centred on seafood than other parts of the UK.
- Scottish seafood enters the EU27 market via a number of routes. However, a very considerable proportion arrives via the Channel Tunnel and this volume of produce is cleared for free circulation within the EU by undergoing checks and formalities at the Border Control Post (BCP) at Boulogne-sur-Mer.
- As well as operating as a BCP, the seafood markets and distribution hubs at Boulogne-sur-Mer are some of the largest in continental Europe and supply much of the European continent with Scottish seafood. They are critical to the exporting success of the Scottish seafood sector.

More information about Seafood Scotland is available here: [About us - Seafood Scotland](#)

Points of Note in relation to the Retained EU Law (Revocation and Reform) Bill

- The Scottish seafood sector has been affected in a variety of ways by the UK's decision to leave the EU. There are a range of views on the issue but the overriding aim for all in the sector is to make a success of the changed circumstances.
- Seafood Scotland recognises and respects the respective political prerogatives of both the UK and Scottish Governments, and the political aims and objectives they are respectively pursuing.
- Notwithstanding this, Seafood Scotland seeks to protect, promote and further the interests of the Scottish seafood sector in all political and legal contexts.
- The **UK Government's** aim to amend the statute book via the Retained EU Law (Revocation and Reform) legislation in order to rationalise and, where desirable, update or replace Retained EU Law (REUL) following EU exit is understandable, and we respect this. The objective of having the "*most sensibly regulated economy in the world*¹" is, as a mere matter of stated intention, a reasonable one. However, to achieve this aim, Scottish seafood and other UK commercial sectors must be involved in the consultation process from the outset and be afforded as much time as is necessary to work with legislators and regulators to inform this.
- Applying sunset clauses to vast swathes of legislation does not allow for the scrutiny and consultation necessary to inform good governance and, more critically, risks adding instability into the business environment. Instead, it appears to create a legal "cliff edge" which will force businesses and representatives to divert considerable resource to understanding and responding to proposed changes. In our view, this is not a satisfactory or sensible approach.
- Moreover, the businesses we represent seek legal certainty and a stable, predictable regulatory framework. Crucially, any changes to the body of REUL may have implications for the operation of the Trade and Cooperation Agreement (TCA) and, ultimately, the conditions under which Scottish seafood businesses trade with the EU.
- We recognise and in a number of instances, could feasibly support the idea of reforming and/or replacing REUL but this needs to be driven by the evidence-based pursuit of desired outcomes, based on normal consultation processes (and appropriate stakeholder engagement); not by arbitrary cut-off dates. The large body of law in question also means that the amount of time necessary for meaningful consultation and scrutiny of the proposed legal changes may be underestimated, and in some cases, quite significantly.
- Furthermore, the process of reform of REUL within any timescale requires full transparency. The [Retained EU Law Dashboard](#) is a useful starting point and should be kept updated with detailed summaries to accompany the legislation in question so that businesses, and their representative bodies, are kept fully informed of the nature of the proposed changes. However, far more needs to be done to involve and consider the views of the sectors affected by the proposed changes.
- The **Scottish Government's** stated intention of dynamically aligning with EU law, meanwhile, is perfectly understandable. However, it has the potential to create a number of problems.

¹ [EU Retained Law - Hansard - UK Parliament](#)

- The [UK Internal Market Act](#) means that goods produced and sold in one constituent nation of the UK must, as a general rule, be accepted and enjoy unfettered market access in any other constituent nation. However, divergence in the rules governing, for example, food production between the constituent nations – which may increasingly be the case if Scotland followed EU laws in devolved policy areas - could see material differences in cost and competitiveness between seafood businesses across the UK. This is a particularly important consideration where there are products with similar characteristics, levels of market demand and price points.
- Furthermore, as representatives of a commercial sector, we reserve the right to keep an open mind on what we consider to be the most appropriate regulation and legislation. We do not have to accept automatically, and without question, that EU Law is the most appropriate body of rules in all circumstances.
- Moreover, it is our assessment that there would be no commercial upside to this policy in terms of, for example, easier access to the EU market for Scottish seafood exporters. We do not foresee the EU providing any special dispensations to Scottish exporters on account of any dynamic alignment with EU law. Not only would there be concerns from the European Commission on traceability in the supply chain but, more fundamentally, as part of the UK, now a Third Country, Scottish exporters to the EU would receive no preferential treatment. This would suggest a situation of having obligations but not rights in relation to EU law.
- We urge the UK Government and Scottish Government to seek to find common ground where possible, and work in a spirit of cooperation to support the Scottish seafood sector. Where there is a purported benefit to diverging from REUL, this should be discussed, debated and considered in a full and transparent consultation process involving the sectors affected. Likewise, where there is a purported benefit to dynamically aligning with EU law, this should be discussed, debated and considered with sectoral input in the same way. The emergence of UK Common Frameworks could possibly help to establish a way forward in this regard.
- The Scottish seafood sector has been forced to adapt to considerable upheaval in recent years, and this next stage of the post-Brexit process will undoubtedly entail more upheaval. This should be done with appropriate consideration of the time and other resource involved.
- The process is also inevitably subject to the law of unintended consequences. As such, we would reiterate the importance of taking sufficient time and affording sufficient consultation and scrutiny to the proposed changes to REUL.