



NE SCOTLAND FISHERIES DEVELOPMENT PARTNERSHIP: 11 NOVEMBER 2022

BULLETIN: UPDATE ON STRUCTURAL FUNDING PROGRAMMES FOR THE FISHERIES AND SEAFOOD SECTORS

1 Reason for report

1.1 To inform NESFDP members

2 Recommendation

2.1 It is recommended that members note this bulletin

3 Discussion

3.1 This is the latest in a succession of bulletins presented to NESFDP over the past two years which reflects the continuing transition away from the European Maritime and Fisheries Fund (EMFF), the EU scheme which committed over £96M to fisheries and maritime interests in Scotland from 2014-20.

3.2 **Marine Fund Scotland (MFS)**. Now in its second year since launching in March 2021, MFS currently operates on an annual basis, with a £14M budget for projects which must complete (and claim in full) by the end of financial year in which awards are made. Marine Scotland advised the council on 24 October 2022 that the last of the MFS awards for 22/23 were being finalised and that the fund was now fully committed. It was confirmed that beneficiaries in 21/22 and 22/23 had included some non-SME's (ie larger businesses) - in a departure from the last EMFF programme. MFS awards are publicised at [Grants awarded - Marine and fisheries grants - gov.scot \(www.gov.scot\)](https://www.gov.scot/grants-awarded-marine-and-fisheries-grants)

3.3 On 4 August 2022, the Leader of Aberdeenshire Council wrote to Kate Forbes MSP, Cabinet Secretary for Finance and the Economy, pointing out the prevailing divergence between fisheries industry support schemes in England and Scotland for multi-year projects. Referring to the English Fisheries and Seafood Scheme (FaSS) website which then stated: 'To ensure long-term support is delivered to the sector, FaSS will now also support multi-annual projects which can be completed up until the end of February 2025', the letter contrasted the short timeframe for MFS which disadvantages project applications intended to generate strategic benefits, which by their very nature take longer than a few months to deliver – a point made frequently to the council by fisheries businesses. The letter sought clarity on the reasons for the continuing divergence between the respective schemes north and south of the border - and invited Scottish Government to introduce multi-year flexibility into MFS at the earliest available opportunity. The reply on 20 September 2022 from Mairi Gougeon MSP, Cabinet Secretary for Rural Affairs and Islands referred to inflexibility in the Fiscal Framework arrangements, lower than anticipated capital settlements over the UK Spending Review period and concluded:

'Current scheme guidance also identifies that all funding must be fully spent by the end of the 2022-23 financial year. In order to be fair to applicants who

have planned to deliver projects by the end of March 2023, in line with the published guidance, there are therefore no plans to change the approach for MFS over 22-23'.

3.4 **UK Seafood Fund (UKSF)**

On 24 December 2020, details of the UK/EU Trade and Cooperation Agreement were published, accompanied by a statement from the Prime Minister that £100M would be made available by the UK Government to invest in the industry. Three UKSF pillars were created and budgets allocated. Pillar 1 is Science and Innovation (c.£24M), Pillar 2 is Infrastructure (c.£65M) while Pillar 3 is Skills and Training (c.£10M). £1M is allocated to boost exports. [UK Seafood Fund - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/uk-seafood-fund)

3.4.1 **UKSF Science and Innovation**

On September 11 2021, the first details were published. With a three-year budget of £24M shared between two schemes, the purpose of Pillar 1 is to foster closer links between industry and science and to support data-gathering. One of the schemes is the **Fishing Industry Science Partnerships (FISP)** scheme which funds data collection and research to improve knowledge of fisheries and aquaculture. FISP projects will be collaborations between research organisations and the fishing and seafood industry [How to apply for the FISP scheme](#).

The second is the **Seafood Innovation Fund** which was set up in 2019 to support research and development. The fourth call for projects was due to open in September 2022. [How to apply for the Seafood Innovation Fund](#).

3.4.2 **UKSF Infrastructure Fund**

First details of Pillar 2 – the Infrastructure Fund - were published on 27 December 2021. 'At least' £65M is available for 'improved capability at ports, harbours, processing and aquaculture facilities' (rounds 1 & 2), 'fleet modernisation and recreational sea fishing' (round 3) and 'the social and economic welfare of coastal communities'. Round one closed to applications on 14 June 2022. At the time of writing this report no news has yet emerged of successful applications. Previously published guidance indicated all approved projects must conclude spend by 31 March 2024. Round 2 is due to open 'in autumn 2022'. Further details (eg applicant eligibility, grant intervention rates, funding thresholds and technical criteria are at: <https://www.gov.uk/guidance/uk-seafood-fund-infrastructure-scheme>

3.4.3 **UKSF Skills and Training Scheme**

First details of Pillar 3 were also published on 27 December 2021. Initially proposed as a one-off (single round) fund of up to £10M to improve training 'for people working in fishing, seafood processing and aquaculture industries', the Skills and Training Scheme has since been split into two rounds: 'up to £5M for training courses and specialist equipment' (R1); and 'up to £5M for modernising and building training centres' (R2). The former closed to applications on 12 October 2022 while the latter will open 'in late autumn 2022'. At the time of writing this report no news has yet emerged of successful applications to the scheme. The scheme's details can be found at <https://www.gov.uk/guidance/uk-seafood-fund-skills-and-training-scheme>

4 Scheme of Governance

NE Scotland Fisheries Development Partnership is able to consider this item in terms of its remit to provide a NE Scotland focus to enable issues and concerns across the fisheries and related sectors to be addressed. This includes strengthening economic development links between fisheries science, catching and processing sectors and the wider seafood industry, contributing to regional and local priorities for the fisheries sector, improving links between marine environment and biodiversity and contributing to policy development and consultations.

5 Council Priorities, Implications and Risk

5.1 The table below shows whether risks and implications apply if the recommendations are agreed.

Subject	Yes	No	N/A
Financial		X	
Staffing		X	
Equalities and Fairer Duty Scotland		X	
Children and Young People's Rights and Wellbeing		X	
Climate Change and Sustainability		X	
Health and Wellbeing		X	
Town Centre First		X	

5.2 The screening section as part of Stage One of the Integrated Impact Assessment process has not identified the requirement for any further detailed assessments to be undertaken as the options presented within this report do not impact on protected characteristics, health and wellbeing or town centres.

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