

minutes

Meeting: Cross Party Group on Scotch Whisky

Location: TG20/21, Scottish Parliament

Date Held: Thursday 30 October 2014

Present: MSPs: Mary Scanlon (Convener) and Annabelle Ewing.

Other attendees: Orchid Lui (UK Chinese Times), Lauren McArthur (SWA), Beatrice Morrice (SWA), Alan Park (SWA), Douglas Ross (Office of Mary Scanlon), Ian Smith (Diageo), Margaret Smith (Caledonia Consulting), Neil Sinclair (Scottish Government), Andrew Swift (SWA).

Apologies: Claudia Beamish, Jackie Baillie, Murdo Fraser, Margaret Mitchell, Andy Rosie (SEPA), Alistair Ross (Pinsent Masons).

Mary Scanlon MSP, Chair of the meeting, welcomed attendees.

1. Minutes

The group approved the minutes from 30 May 2014, circulated 12 June 2014.

2. Food Scotland Bill

Beatrice Morrice (SWA) provided a short summary on why the Scotch Whisky Association welcomes the Food (Scotland) Bill, outlining some of the anticipated benefits and possible areas of improvement.

A presentation was given by Alan Park (SWA legal advisor), providing examples as to how the Bill would assist industry efforts to combat mislabelled products. Alan Park also underlined the SWA's work across the world to protect Scotch Whisky from unfair competition and fraud. In the following discussion, members noted the important, complementary work of the Scotch Whisky Research Institute in protecting the category.

3. Scotch Whisky exports

The SWA reported that industry export figures for the first half of 2014 (January-June) were down 11% in value and 6% in volume on the same period in 2013. A number of factors were at play, including weaker emerging market demand, economic headwinds and/or political volatility in key markets, and the strength of sterling.

However, the industry continues to believe long-term export prospects are positive, with a range of companies investing in production capacity. Scotch Whisky continues to be viewed as an aspirational, premium product around the world. One interesting trend is that there are around 30 new distillery projects at different stages of development in Scotland.

Ian Smith (Diageo) commented on media reports in relation to his company's Scotch investment programme and emphasised the continued commitment to

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their planned investment and that they will adopt a phased development plan, with flexibility regarding timing.

4. Future work programme

Members discussed areas which may be considered for future meetings. In particular, members agreed that the group should invite the Scotch Whisky Research Institute to provide information on the scientific research that it carries out on behalf of the industry.

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5. AOB

It was agreed that the SWA's response to the Smith Commission should be circulated to CPG members.

SWA

For more information please contact Beatrice Morrice bmorrice@swa.org.uk or call 0131 222 9247.