Scottish salmon is the largest food export from the UK\(^1\) with exports of fresh and chilled product valued at £625 million in 2019\(^2\). The Scottish Salmon Producers Organisation (SSPO) represents Scottish salmon farmers which account for over 98% of all Atlantic salmon farmed and produced in the UK.

In 2019 over 175,000 tonnes of Scottish salmon was produced, maintaining Scotland as the third largest producer of Atlantic salmon globally. Serving the domestic market is a priority for the sector although the demand for Scottish salmon internationally has resulted in strong growth over several years leading to exports accounting for over 50 per cent of production in 2019.

The EU accounted for 56 per cent of the volume of global Scottish salmon exports and 52 per cent of the value in 2019 with France being the largest market globally worth £225 million. Trade with other EU Member States such as Ireland, Germany, Belgium and Poland among others add a further £105 million to the value of exports.

The sector has adapted in many areas over the years to navigate many challenges. The latest and ongoing being the pandemic of COVID-19. Changes to the business environment as the transition period comes to an end as a result of Brexit should be kept to a minimum to avoid further disruption to and inefficiencies throughout the supply chains domestically and internationally.

Based on the latest details of UK EU negotiations and the draft texts which have recently been published, the SSPO is in the process of compiling a Brexit brief which will cover the latest main issues related to future relations with the EU.

The below summarises some key areas for the Scottish salmon sector for the end of the transition period. It would be preferable and desirable for an early deal to be concluded so that business preparedness can be maximised. It will also be necessary to have advice and information on preparations for a situation which does not involve a deal with the EU as of January 1 2021.

We would also welcome clarity and additional information to that published on the UK common frameworks and repatriation of EU powers which will require substantive engagement with industry and the UK and Scottish governments in due course.

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\(^{1}\) Food Drink Federation - [https://www.fdf.org.uk/exports-2019-q4.aspx](https://www.fdf.org.uk/exports-2019-q4.aspx) (includes further processed product exports such as salmon sides, fillets and smoked salmon.)

\(^{2}\) HMRC UKTradeInfo or [Scottish Salmon Producers Organisation](https://www.scottishsalmonproducers.org)
Market Access

The Scottish salmon sector would welcome the negotiation of a tariff-free arrangement with minimal friction in terms of customs, border inspection and documentation/certification processes and requirements.

The Scottish salmon sector exports to over 50 different markets each year. As detailed above, EU Member States account for more than half of the exports of fresh/chilled Scottish salmon. It is therefore important to establish a smooth transition from being in the Single Market to third country status.

Given we will be a non-Single Market and non-Customs Union 3rd country with or without an agreement, we may come to rely on equivalence or mutual recognition provisions in the (proposed) eventual FTA to minimise non-tariff barriers and additionally on certain facilitations (which have precedents) for customs and SPS checks, again as part of the eventual FTA. More work will need to be done domestically to prepare for a significant increase in Export Health Certificate (EHC) and customs processing workloads.

Immigration

The Scottish salmon sector directly employs more than 2,300 people across Scotland – many in remote coastal regions for which many further jobs are dependent. It is important for the sector to be able to attract workers in areas where unemployment may be very low and therefore encouraging those with right skills to relocate is an important option for the sector.

We want to see an enhanced and comprehensive bilateral mobility framework to increase the avenues by which the sector can recruit from overseas when required.

We are consulting with our members to inform the new immigration system as free movement ends in the UK. We support any moves to increase the potential supply of high skilled labour in the UK but this should not be at the expense of the ability to recruit from abroad for a number of roles which require less in the way of formal qualifications but which nonetheless require specialist skills potentially in shortage in the UK in future (e.g. fish processing).

Independent trade policy

Allied to our wish to see minimal friction and barriers to market access with the EU, we also wish to proactively support an ambitious UK trade policy. This will include informing the FTA processes with trade partners but also more practical support at home (e.g. improved international transport infrastructure (long term), a single window export/import system (long term), electronic systems replacing paper systems for EHCs and other documentation (ASAP), a focus on recruiting enough customs and EHO personnel (ASAP) to support an ambitious export policy etc).

The reputation of Scottish salmon has been built on the quality of the product and we would welcome continued support in protecting that reputation at home and abroad.
The processes which our farmers undertake are among the best in the world and we would want those standards to be upheld both at home and abroad.