Rùnaire a' Chaibineit airson Cùisean Dùthchail, Biadh agus an Àrainneachd Cabinet Secretary for Rural Affairs, Food and the Environment

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Rural Affairs, Climate Change and Environment



In 2014 Scotland Welcomes the World





23rd September 2014

The Scottish Parliament

Dear Rob,

Thank you for your letter of 29 July requesting an update on the Scottish Governments European priorities and plans for EU engagement along with the progress made since my earlier response dated April 2013.

The following is an update on the legislative proposals of which information was previously requested.

1. Review of EU political and legal framework for organic production: The Committee would welcome information from the Scottish Government in relation to its engagement in the development of the proposal and the likely impact of the proposal on the agriculture and food production sectors in Scotland.

On the 24th March 2014 the European Commission published a legislative proposal for a new organic regulation. This proposed regulation aims to consolidate the existing legislative framework; bringing the three instruments governing organic production under a single statutory instrument. There are a number of the proposals in the new regulation that cause concern to Scottish Government. The Scottish Government has been liaising extensively with members of the Scottish Organic Forum to determine the industry's views and to explore what impact any changes may have on organic production in Scotland.

The Scottish Government continues to work closely with the UK Government (the Department for Environment, Food and Rural affairs - Defra) to ensure that Scotland's position is represented.







2. Review of thematic strategy on air pollution and assessment legislation: The Committee agreed to monitor developments in this area and seeks information from the Scottish Government on how it plans to contribute to the review.

The European Commission published its conclusions from the review and its proposals for action at the end of 2013. The key proposals are a new Clean Air Programme for Europe, a new Directive for Medium Combustion Plants and a revised National Emission Ceiling Directive. Over the first part of 2014, discussions between the Commission and Member States have begun to to take place. The Scottish Government position to date has coincided with that of the UK Government and the other devolved administrations, therefore we have sought to maximise impact of views through shared UK responses. The Minister for Environment & Climate Change has participated in discussions at Environment Council meetings. We are embedding, where appropriate, the review outcomes in our work to develop a Low Emission Strategy for Scotland.

3. Review of waste policy and legislation: The Committee agreed to monitor developments in this area and seeks information from the Scottish Government on how it plans to contribute to the review.

The Commission published its package "Towards a circular economy: A zero waste programme for Europe" in July 2014. The Scottish Government has already been engaging with the UK Government to consider the package, and has attended the initial working groups in Brussels. The package is ambitious, with a range of headline targets and measures for recycling and resource efficiency. I have written in parallel to the Committee to set out Scotland's ambitious programme of work towards a circular economy, and much of this is pertinent to the EU circular economy package. Many of the Commission's proposals yet lack sufficient clarity to allow us to fully assess their impact in Scotland. We are broadly in agreement with DEFRA on the issues for further clarification and exploration, and are working closely with them to prepare a submission to the Presidency that sets out the need for further detail in order to assess the proposals fully.

More generally though, the UK Government is sceptical of this ambitious approach and is likely to oppose a number of measures in the package. The Scottish Government, on the other hand, is pleased that Scotland's call for ambition on zero waste is being reflected at EU level, and we are keen to work with the Commission and others to unlock potential for new business, market and job opportunities, and refine the package in line with Scotland's priorities. We will continue to look for opportunities to showcase Scotland's zero waste policies, legislation and initiatives in Europe. Following their well-attended event at Green Week in June, showcasing Resource Efficient Scotland and other Scottish action, Zero Waste Scotland are now plugged into a number of events in the autumn with the Commission, the Italian Presidency and other Member States and this provides a good opportunity to share our thinking.

4. Animal health law: The Committee believes there may be potential costs arising to the farming industry in relation to this proposal and it seeks information from the Scottish Government on its engagement in the development of the proposal.

The Scottish Government supports the development of the EU Animal Health Regulation which will provide a simplified structure for legislation in this area, ensuring a proportionate approach to the management of terrestrial and aquatic animal health risks. We continue to work with the UK Government through regular meetings and correspondence and with Scottish and UK stakeholder groups to ensure Scottish interests are reflected in the UK negotiating position.







The current Italian Presidency envisages finalising the EU Animal Health Regulation through formal negotiations and the co-decision process by the end of December 2014. The Scottish Government broadly supports the consolidation of the existing financial framework and the focus on value for money and effective implementation of programmes with clear objectives, but we still have concerns relating to the timing of the proposals, some details of the requirements and of the funding provisions.

I attach to this letter an extract of the latest draft of the annex to the EU Action Plan which details the key European priorities and plans for EU engagement. There are four policy areas identified in which the Scottish Government aims to play a distinctive role, of which two relate to the Committees interests.

If you need more please let me know.

Richard Lochhard

RICHARD LOCHHEAD





ENERGY AND CLIMATE CHANGE

January - June 2014

Climate Change

The Scottish Government continues to engage fully with our European partners to push for high ambition in the EU and UN climate negotiations.

The debate in the EU in the first half of 2014 focused on the Commission's proposals for a 2030 climate and energy package. Published in January, the package proposed new targets to 2030 for the reduction of Greenhouse Gas (GHG) Emissions and increased use of Renewable Energy Sources to ensure continued ambition together with proposals for a new governance scheme and structural reform of the Emissions Trading System (ETS) to improve its functioning. A related communication on energy security and was published on 28 May and a review of implementation of the Energy Efficiency Directive is expected shortly. Both will be debated in the context of this package and are expected to form part of the decisions expected at European Council in October 2014.

The Scottish Government has supported UK climate ambition, calling for a GHG target of 40% rising to 50% in the event of a global deal, and structural reform of the ETS, but has pressed for higher ambition with regards renewable energy.

Scottish Minister for Environment & Climate Change, Paul Wheelhouse, continued to participate in meetings of the **Environment Council** of the EU. During the June Council, he held bilateral meetings with the Portuguese Secretary of State for Environment; the Spanish Secretary of State for Environment; the Irish Environment Minister; and the Latvian Parliamentary Secretary for Environment. With the latter, he discussed the Latvian Government's planned priorities for their Presidency of the European Council in the first half of 2015 and the intention to second a Scottish Government official to the Presidency. Discussion at the Council focused on genetically modified organisms (GMOs), the 2030 Climate and Energy Framework and the Clean Air Package. The Council agreed a compromise position on a proposed revised Regulation offering extended and legally sound provisions for the restriction/banning of GMOs in all or parts of Member States' territories. This was followed by a policy debate on the sectors that have significant potential to contribute to the reduction of greenhouse gas emissions to 2030 and the policies and tools that could contribute to addressing the investment needs of the 2030 framework.

Energy

Building on earlier visits to Scotland by Energy Commissioner Günther Oettinger and a visit to the European Marine Energy Centre (EMEC) by Commission officials, the Scottish Government continued to pursue the marine energy agenda.

Having worked closely with the European Ocean Energy Association and other key partners to engage with the Commission, Member States and the European Parliament to reinforce







progress and build momentum culminating in the publication of a Commission communication on **Blue Energy**, the Scottish Government, along with other Scottish stakeholders, has fully supported and participated in the development of the **European Ocean Energy Forum**. This is designed to bring stakeholders together from across Europe to identify and overcome barriers to the development of marine energy in the areas of planning and consenting, technology, and finance.

Work continued to progress positively on the **North Seas Offshore Grid**, and the **Irish-Scottish Links on Energy Study (ISLES)** project, which is now in its second phase.

LOOKING AHEAD

The Scottish Government will continue to focus efforts on securing an ambitious new EU framework for climate and energy for 2030. We will:

- continue to participate at ministerial level in the October and December Environment Council meetings, to take forward our interest in the 2030 discussions, and to engage in the 2014 United Nations Framework Convention on Climate Change summit in Lima, Peru in December.
- work closely with the UK Government, business and civic society in Scotland to make the wider case for an ambitious UN global climate agreement in Paris in 2015, working with like-minded partners to reach a strong EU deal in the March 2014 European Council on the EU's offer to the UN;
- continue to progress our work with the Government of Malawi and the European Commission under Sustainable Energy for All, so that work can begin on developing the Renewable Energy & Climate Change Strategy for Malawi during 2014;
- move work on the ISLES project into phase 2, with a view to securing funding with the Irish Government and Northern Ireland Executive for a Preliminary Front End Engineering Design (pre-FEED) study from the EU Connecting Europe Facility during 2014;
- take a more strategic approach to the new funding opportunities for climate change under the EU's updated 'LIFE' programme for environment and climate change from 2014, so that Scotland can secure EU funding for new 'integrated projects' that address climate change;
- work with the European Ocean Energy Association, the European Commission and our Member State partners in the new EU Ocean Energy 'ERA-NET' to agree new joint funding mechanisms for ocean energy demonstration and deployment under the new Strategic Energy Technology Plan and Horizon 2020;
- The Scottish Government will continue to work closely with the UK Government and other partners in Europe to promote the role of carbon capture and storage (CCS) in achieving European climate change ambitions as well as creating jobs, including working with Scottish CCS centre to promote a potential North Sea CCS hub.



MARINE ENVIRONMENT

January – June 2014

The final element of the Common Fisheries Policy (CFP) reform package, **the European Maritime and Fisheries Fund (EMFF)**, was finally agreed. The EMFF was due to begin in January 2014 and its importance in funding the implementation of the reformed CFP cannot be underestimated.

The European Parliament agreed their position on the deep sea access regulation, which was broadly in line with our objectives. The Greek Presidency did not push the dossier very hard during their Presidency.

Relations with the Faroese improved with an agreement on mackerel achieved and a reduction in the Faroese self-allocated total allowable catch (TAC) of atlanto-scandian herring to a reasonable level which has opened up the process for removal trade restrictions with the Faroe Islands.

The controversial Marine Strategy Framework Directive was finally agreed with the removal of references to Integrated Coastal Management clauses achieved as aimed for.

LOOKING AHEAD

The Scottish Government will work closely with the UK on a number of EU issues including:

- The revision of technical conservation measures to ensure that the reformed CFP can be implemented without fishermen falling foul of contradictory legislation arising from the forthcoming ban on discarding unwanted catches.
- The annual setting of TACs and Quotas at the December Council. As ever this requires considerable preparation and planning, more so this year as these negotiations represent the first under the reformed CFP.
- The development of a Council position on the Deep Sea fisheries access regime, expected to be discussed at the November Fisheries Council.
- Prepare for the UK Aquaculture Forum in Brussels in November.
- Engage with the Commission as it focuses on implementation of the Marine Spatial Directive across EU waters. We wish to avoid the Commission introducing any new Integrated Coastal Management requirements by stealth.
- Promote a balanced approach to the Birds and Habitats Directive review in the context of the marine environment and greater levels of maritime activity through the blue growth agenda.
- Work with research groups to prioritise Scottish research needs and expertise in the next programme of the Horizon 2020 Framework.





