POLICY NOTE

THE AQUACULTURE AND FISHERIES ETC. (SCHEME FOR FINANCIAL ASSISTANCE) (SCOTLAND) REGULATIONS 2022

SSI 2022/XXX

The above instrument was made in exercise of the powers conferred by paragraph 1(1) and (2) of schedule 6 of the Fisheries Act 2020. The instrument is subject to the affirmative procedure.

Summary Box

The purpose of the instrument is to establish a scheme under which the Scottish Ministers may give financial assistance (grants and loans) to the fisheries and aquaculture sectors in Scotland, in exercise of the Scottish Ministers' relevant powers under the Fisheries Act 2020. Financial assistance may be given under this scheme for a number of permitted purposes, which are outlined in the "Policy Objectives" section.

Policy Objectives

Paragraph 1(1) and (2) of schedule 6 of the Fisheries Act 2020 provide the Scottish Ministers with the power to give financial assistance (grants and loans) to any person for any of a number of permitted purposes listed at paragraph 1(1) of schedule 6 of that Act. These grant- and loan-funding powers are intended to allow financial assistance to be provided in Scotland to replace funding previously provided under the European Union's European Maritime and Fisheries Fund when the United Kingdom was a Member State of the European Union.

However, the Scottish Ministers may only exercise their powers under the Fisheries Act 2020 to give grants and make loans where a scheme has first been established by regulations. This instrument establishes such a scheme to allow the Scottish Ministers to give grants and make loans in relation to Scotland, the Scottish zone or Scottish fishing boats for any of the following purposes:-

- the conservation, enhancement or restoration of the marine and aquatic environment;
- the promotion or development of commercial fish or aquaculture activities;
- the reorganisation of businesses involved in commercial fish or aquaculture activities;
- contributing to the expenses of persons involved in commercial fish or aquaculture activities;
- maintaining or improving the health and safety of individuals who are involved in commercial fish or aquaculture activities;
- the training of individuals who are, were or intend to become involved in commercial fish or aquaculture activities, or are family members of such individuals;
- the economic development or social improvement of areas in which commercial fish or aquaculture activities are carried out;
- improving the arrangements for the use of catch quotas or effort quotas;
- the promotion or development of recreational fishing.

The Scottish Ministers may only pay grants or make loans in accordance with this scheme to persons who have applied for a grant or a loan and whose application has been approved by the Scottish Ministers. This instrument allows the Scottish Ministers to specify the procedure for making an application for a grant or loan under the scheme. The Scottish Ministers can approve, reject or refuse a grant or loan application (in whole or in part) and their approval can be subject to conditions. The instrument allows the Scottish Ministers, at any time before a grant has been paid in full, to suspend or revoke approval (in whole or in part), or vary the conditions of the approval.

The instrument requires the Scottish Ministers to notify an applicant of certain decisions and allows the applicant to make representations in relation to those decisions in accordance with any requirements specified. The instrument allows the Scottish Ministers to pay grants under the scheme in instalments and to specify when they may require a grant (or any part of a grant) or a loan to be repaid and any interest which may be due to be paid.

The instrument confers an enforcement function on specific categories of British sea-fishery officers appointed or employed in Scotland. This allows for the enforcement of any offence or suspected offence committed in relation to an application for a grant or a loan made under the scheme.

The detailed terms and conditions, including repayment terms, of any grant paid or loan made under the scheme will be specified in documentation published or otherwise provided by the Scottish Ministers, such as the grant award letter or offer of loan.

Consultation
The Fisheries Act 2020 does not require the Scottish Ministers to carry out a consultation prior to making regulations under their powers at paragraph 1(1) and (2) of schedule 6 of that Act. As this instrument establishes a scheme under which the Scottish Ministers may choose to give financial assistance, it does not introduce a change in policy and therefore our view is that a consultation is not required.

Impact Assessments
Full impact assessments have not been prepared for this instrument because the scheme established by the instrument is similar to existing schemes with the exception of the inclusion of the conservation, enhancement or restoration of the marine and aquatic environment.as a purpose for which financial assistance may be given and that the Scottish Ministers may make loans in addition to paying grants. The instrument does not impose regulatory requirements on the public and there is no expected impact on business, charities or voluntary bodies.

Financial Effects
The Cabinet Secretary for Rural Affairs and Islands confirms that a Business and Regulatory Impact Assessment (BRIA) is not required for this instrument as the instrument only establishes a scheme through which Scottish Ministers may give financial assistance. It does not require them to do so.

Scottish Government
Marine Scotland Directorate
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