

ARD Stakeholder Group Meeting

29 January 2019

Attendees:

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Ian Davidson (Chair)	Head of Agriculture Policy Division – Scot Gov
John Kerr (Chair)	Head of Agriculture Policy Division – Scot Gov
Alan Robertson	SRN
Alison Milne	NCRA / Scottish Tenant Farmers Association
Beth Webb	Soil Association
Claudia Rowse	SNH
Drew Ratter	Highlands & Islands Agricultural Support Group
George Milne	NSA
Hannah Ross	COSLA
Ian Muirhead	Agriculture Industries
Ian Cowe	Forestry Commission Scotland
Jackie Green	Scottish Enterprise
Jamie Farquhar	Confor
John Raven	Historic Environment Scotland
Keith Matthews	James Hutton Institute
Kirk Hunter	Dairy UK
Mark Aitken	SEPA
Neil McCorkindale	Scottish Beef Association
Patrick Krause	Scottish Crofters Federation
Penny Montgomerie	Scottish Association of Young Farmers
Pete Ritchie	Nourish Scotland & SE Link
Robin Clarke	Highlands and Islands Enterprise
Ross MacLeod	Game and Wildlife Conservation Trust
Steven Thomson	SRUC
Vicki Swales	RSPB
Amanda Fox	Rural Economy and Communities – SG
David Barnes	EU Hub - SG
Harriet Houlsby	RESAS, SG
Jackie Hughes	SASA – SG
Kim Gallagher	CAP, GM & Agricultural Climate Change – SG
Kirsten Beddows	CAP, GM & Agricultural Climate Change – SG
Michael Wilson	CAP, GM & Agricultural Climate Change – SG
Rachel Smith	CAP, GM & Agricultural Climate Change – SG
Shirley Graham	CAP, GM, & Agricultural Climate Change – SG

Apologies (and/or organisations not represented at meeting):

AHDB, AIC, Central Ass. Of Valuers, Committee of Scottish Bankers, Convention of Scottish Local Authorities, Deer Farmers JHI, HIE, HES, Institute of Auctioneers and Appraisers in Scotland, Linking Environment and Farming, NFUS, SAOS, SAMW, SBA, SCF, Scottish Enterprise, SEPA, SLE, SOPA, QMS

1. Welcome and introductions

1.1 Ian Davidson (ID) welcomed everyone and informed the group there would be a presentation from Alison Milne on the final recommendations from the NCRA. ID also introduced Kim Gallagher, who had recently joined Kirsten Beddows' team to work on Agricultural Climate Change, and Michael Wilson who is working on the SRDP and LFASS policy. ID informed the group of his up and coming retirement at the end of March and took the opportunity to thank group members for all their input, help and support. Members thanked Ian in return. ID introduced his replacement to the group, Dr John Kerr (JK), who is now in post. JK was previously working as the Agriculture and Rural Economy EU Exit Co-ordinator, focussing on the day one readiness for Brexit. Prior to this, JK was Deputy Head at SASA.

2. Minutes and Actions from Previous Meeting

2.2 All previous actions had been completed.

2.3 Regarding a discussion at the last meeting around budget issues, members asked what the implications are going forward for rural funding. ID confirmed that the draft budget is still not yet agreed, and discussions are ongoing. He said members can review the draft budget online.

2.4 One member shared their disappointment that there hasn't been a statement on future funding guarantees for Pillar 2. They had written to the Cabinet Secretary, Fergus Ewing, and to the Secretary of State, Michael Gove, explaining problems they face and getting a contract in by the end of 2020. They also highlighted the difficulty for those trying to continue their environmental schemes when stakeholders don't understand what the future holds. ID explained that we have a written guarantee Westminster, that the EU element of Pillar 2 contracts signed by the end of December 2020 will be honoured for the lifetime of that contract. Beyond that, the only thing the Scottish Government (SG) has seen from UKG is that they will continue 'farm support' at the same level until the end of this parliament. SG has not had anything in writing which tells us what is meant by farm support. This is despite frequent requests from SG asking for this. Officials in SG are making the assumption that this involves all of Pillar 2, but without written Treasury confirmation, we still don't know for certain.

2.5 ID said he was glad to hear that the member had written to the Secretary of State. An important aspect for Mr Ewing is stakeholders collectively writing - it was done with the Convergence review, which is now underway and the joint stakeholder letter made a big difference in getting this underway. Jamie Farquhar (JF) and Vicki Swales (VS) undertook to jointly draft a letter on behalf of the group, to send to UKG requesting they clarify what exactly is meant by farm support. The letter would be sent to the Secretary of State, copied to Philip Hammond and Liz Truss in Treasury.

2.6 David Barnes (DB) added that SG are having four-way Ministerial meetings with Defra, NI and Wales, and the Cabinet Secretary recently made the point about the funding guarantees and the inadequacy of them, and actually used forestry as example to illustrate one of the many issues on funding. DB explained that what is

expressed in the Ministerial meetings is sometimes Defra's view, but not a view of the entire UKG. So while it's encouraging to hear Defra say that they think the definition of farm support should be all of both Pillars - if it's just Defra and not the whole of the UKG, it doesn't represent a firm UKG commitment. **Action for JF and VS.**

3. Final NCRA Recommendations

3.1 AM provided a summary of the final NCRA recommendations to the group and informed members that the report was published in September 2018. AM felt the top two key highlights were; the rural economy presents significant opportunity, and the rural economy is an asset that offers significant potential in realising the future ambitions of the country. These are the points she chose to labour focus most heavily on during the presentation to FM and Cabinet. The feedback from Cabinet was that they were ready to hear more/

3.2 AM made it clear that to realise the potential of the rural economy, its strategic importance must be well understood, in terms of contribution to our national ambitions. The headline recommendation of the NCRA report is that rural must be effectively mainstreamed within all policy and decision-making processes. AM emphasised 'effectively' because it has been a long-standing policy of SG for rural to be mainstreamed, the finding from the NCRA consultation was people do not perceive this has been effective.

3.3 The NCRA were guided by the messages they had received across Scotland through their many workshops and one-to-one meetings, these messages were instrumental in structuring the report. The report proposes five key principles to put across to SG; These key principles are;

- 1) vibrant, sustainable and exclusive rural economy is a critical component in achieving Scotland's ambitions that has to be accepted and understood.
- 2) the value of shaping the future based on current thinking, cumulative learning and historic research. If Scotland is going to see the rural economy being mainstreamed, then collectively as stakeholders and as an industry, everyone needs to get behind that momentum.
- 3) rural economic indicators need to accurately demonstrate social, environmental and economic contribution and impact and targeted investment to be made
- 4) rural economic outcomes are linked to national outcomes to clearly demonstrate their value and strategic importance. AM thinks that to be effectively mainstreamed we need to clearly state what we do and how it contributes to the bigger picture.
- 5) to provide a clear direction on timescales, accountability and measurements of success. It's important to have goals and timelines – it needs to provide a clear focus on actions that were necessary and who would be accountable.

3.4 AM moved on to discuss what was going on in a national context. Scotland currently has a National Performance Framework (NPF) – generic principles about

what Scotland aspires to do – and it's what all Civil Servants work towards. When looking at the rural economy, this should be aligned to the NPF. The Enterprise and Skills Strategic Board's ambition is for Scotland to be within the top quartile of Organisation for Economic Co-operation and Development (OECD) countries for productivity, equality, wellbeing and sustainability - the rural economy has to have a central role within that – but looking at the strategic board, you wouldn't say there is much rural economic representation on there. The NCRA felt this was something that needed to be addressed.

3.5 The NCRA felt it was vital that a regional or place based approach was required to help drive economic growth; there are city deals that are actually city and region deals – they encompass more than just Edinburgh and Glasgow. The NCRA want to ensure we are much more involved in the regional economic partnerships because rural has a huge role to play in that. It led the group to decide that a Rural Economic Framework (REF) was required – something that sits there to say we need a transition that's going to help us to effectively mainstream. The REF will be aligned to the national performance framework.

3.6 If there's to be a REF, there needs to be a body that's going to be responsible for holding it to account on how this is implemented. This is the Rural Economic Action Group (REAG) – the body that is driving momentum, pushing for change and bringing this positive narrative to the table, and ultimately holding people to account. The NCRA identified the membership of the group and felt it was important that this group included cross-section of SG directors, as if this is about mainstreaming, it's not just the rural economy team, it must be a holistic approach should also include some independent voices **See separate document for more detail on outcomes of the REF.**

3.7 AM provided an update of the current position. The report was published in September, but the reality is this is cross-cutting across SG, there's a huge amount of work required from Amanda Fox's (AF) team within SG, to communicate to all other policy areas and liaise on how the recommendations can be progressed . AF is responsible for the Rural Economy and Communities team within SG which also supports the work of the NCRA. AF explained the current position to the group; the Cabinet Secretary has the report and is considering the recommendations. The Rural Economy team has been engaging with different areas of SG policy across portfolios, as given the nature of the report and the main theme of effective mainstreaming, there's a lot of input required to ensure this happens. There's also a workshop happening internally on 7 February, which is asking other SG colleagues what they doing for rural and how do they intend to take the recommendations forward. This will help form the advice going to the Cabinet Secretary, so he can formally respond to the recommendations.

3.8 AF then provided an overview of Scotland's Economic Action Plan (EAP), which was published shortly after the NCRA final report in October 2018. The EAP was a Programme for Government (PfG) commitment from 2018, it also included the PfG commitment for a Rural Economy Action Plan. This was the first time the rural economy was explicitly mentioned alongside the broader actions that SG is taking to

develop Scotland's economy. Actions relating to rural are integrated and interspersed throughout the EAP and additionally, there are separate sections which identified actions above and beyond those of national programmes that were taking place. It's a living document and the intention is that any actions flowing from the NCRA final report, will be incorporated into the EAP, moving towards achievement of the overarching objective of mainstreaming rural economy policy. SG will keep members updated on how the NCRA recommendations progress going forward.

4. Stability and Simplicity update

4.1 ID provided an overview of what the latest position of the Stability and Simplicity consultation. It included an action to set up a Simplification Taskforce, which was set up in December 2018 and was largely about setting expectations. This group will be looking at the period from Brexit – to 2024. In 2019/20 there will be relatively little change from a simplification point of view, if there are feasible changes SG can make during this period, it will, taking into account any regulatory constraints. The three key things that came out of the consultation document were; inspections, mapping and penalties. Sub groups have been set up within the simplification taskforce specifically to look at these areas in a bit more depth, identify the issue, what can SG do about it, and timescales to achieve this. Once SG has legislation in place through the new Scottish Bill, it hopes to start making changes post-2020. As policy develops post 2024, SG will ensure that simplification is at its heart and we make it simple. In the past SG has been guilty of making things too complex. The taskforce is meeting again on 13 February to get an update on progress. SG has also done a lot of internal work, speaking to staff and going round our partner organisations (SEPA, SNH and forestry) asking for input. SG received in excess of 400 ideas, and these are all taking time to work through. ID said not going to be simple, but there is a real desire to make things better and the taskforce has a lot of good ideas on how to move this forward.

5. Brexit update; including the Westminster process

5.1 DB reminded the group of the SG's position. Ideally SG doesn't want to leave the EU at all, but if we do, we want to stay in the Single Market and Customs Union. SG has now come out in favour of a people's vote for a second referendum. It's important to note, that SG is unable to do everything. For example, anything that is a Westminster process or reserved matter, SG can only try to influence. DB informed members that SG will do what it can to prepare for a no-deal, but can only do so much

5.2 Regarding the Westminster process, the deal that the Prime Minister negotiated is legally binding in terms of the divorce – the UK would still act like a Member State till end-2020 and the two year period would allow the UK to negotiate the details of the arrangements for thereafter. The PM's plan is apparently to see whether she can get through some version that is based on the current deal, with some changes to the Northern Ireland backstop – such changes would need to be acceptable to the European side, but big enough to sway MPs in her favour. There's others in Parliament who favour an extension, and some looking at avoiding a no deal in another way - a mini deal - so that the UK would still leave on time but

acknowledges that not everything is fully ironed out. All of this would be subject to the European side agreeing.

5.3 SG is doing a great deal of preparation and currently drawing up sector plans. A huge amount of legislation is required, which has taken a massive amount of SG resource – so that EU law appears on our statute book in a functional form as retained EU law. In regards to schemes and payments, if there's a deal, EU law continues to apply for schemes and payments for 2019. For CAP Pillar 2 in 2020, the Withdrawal Agreement as drafted will mean that EU money will still apply, but not for Pillar 1, so domestic money will apply instead. For a no-deal scenario, EU money stops and domestic money has to start covering this, and EU law will be immediately rolled over into domestic law as retained EU law.

5.4 DB moved on to discuss the recent Parliamentary debate that Mr Ewing attended. The debate motion set out a number of principles; sustainability, simplicity, innovation, inclusion, productivity and profitability. DB explained that getting Parliament to vote in favour of the motion and getting consensus behind it was significant. In the same motion, it stated that SG would set up a new group involving producer, consumer and environmental interests to help inform this bespoke policy for 2024 onwards. Stakeholders welcomed the new group. DB encouraged members to get in touch with Andrew Watson or the ARD SHG secretariat if they have any ideas they'd like to contribute.

5.5 DB also told the group that SG is looking at what is going on in Europe regarding the next CAP negotiations, but due to the amount of Brexit related work, and lack of resource, it hasn't been monitoring as closely as it would have liked. DB explained there is a theoretical risk that if Brexit were to fall through, and the UK remained in the EU, we would have very limited time to implement a new CAP - SG does have some resource looking at this, but are treating it as a 'what if' risk, rather than a major workstream. This goes for other DA's too. KB provided a further update - the CAP process is not as far forward as it should be, and although the Commission has not formally mentioned a transition regulation, those discussions are taking place. There are no draft regulations to analyse yet, it's still at a very high level, strategic stage.

5.6 Regarding the common framework analysis – a member asked what work has been done on potential areas of dispute in policy? DB explained that discussions on UK wide frameworks were set up around 18 months ago under a set of terms of engagement set by the Joint Ministerial Committee on European Negotiations (JMC EN) to look at different policy areas, Animal Health and Welfare for example, is pretty far advanced, but farm support discussions have been fairly quiet since the summer, when SG started to see what was in Defra's Agriculture Bill.

5.7 DB explained that there are clauses in the Bill; WTO, recognising producer organisations, fair dealings in the supply chain – all of which are areas where SG believes UKG is wrongly labelling as reserved. This makes it difficult to have 'in good faith' discussions without prejudice, about a UK wide framework. SG has always been open to the possibility of UK wide frameworks, but they must respect devolution. DB stated that if the Withdrawal Agreement goes through, SG has heard

Defra officials state that they feel they will have until the end of 2020 to sort the frameworks out. DB explained that all four DA's have agreed the terms of the engagement for frameworks, so in principle what we will eventually end up with should be UK wide. That being said, there's nothing that says in law that SG would have to participate in a UK wide framework on specific devolved policy areas. Each DA is entitled to do what's best for its administration. In good faith, each DA has agreed to discuss whether it would make sense to have a UK wide set of rules. DB reiterated a point he has previously made on farm support, that SG must be able to tailor our policy to meet the needs of this administration.

5.8 On funding, DB informed the group that SG has pressed UKG for as much clarity and long term certainty as possible. SG has also been consistently reminding UKG that some Defra Ministers stated during the Referendum campaign that stakeholders were not to worry as every penny of European money will be replaced, at the least, possibly even more. That was the basis that that side won the Referendum, and this has not transpired so SG are constantly asking for clarification. DB pointed out that seven years – the usual EU funding period – is longer than a UK Parliament period. SG is aware there will be a spending review next year, but does not know how many years ahead it will look at.

6. Pillar 1 and Pillar 2 updates

6.1 KB firstly provided an update on Pillar 1 in the absence of RPID. KB highlighted the latest payment updates from 31 December. The majority of payments are above 90% and SG is in a better place than it has been in previous years, but that doesn't mean it is complacent. There's still a focus getting the final payments made. Information was released in January relating to payment timetable for 2019, which KB offered to send out again to the group. **ACTION.** This was suggesting that basic payment scheme, young farmer, greening payments will commence in March. For VCS and LFASS, payments will commence in April, rural priorities, ACES and FGS due to commence in May, and BES is due to commence in July. This is the latest position, but this is always kept under review. One member asked whether this timescale was realistic, to which KB replied that this is the published timescale and the one that we were striving to achieve.

6.2 KB moved on to provide an overview of the Pillar 2 updates and informed members they could expect a more detailed scheme breakdown after the next Rural Development Operational Committee meeting, which is taking place in May 2019. KB told the group that the draft budget was published in December 2018, it's still a draft so still needs to be passed through Parliament. KB flagged that the budget does impact on the SRDP, there have been some budget decreases. None of the decreases should have been a big surprise; e.g. members will know that the new entrant scheme has closed as it's reached its full programme allocation. For LFASS, Mr Ewing announced back in June 2018 that LFASS would be 80% for 2019, so these aspects were known. Some lines have been reduced slightly, LEADER looks like it's reducing but, as a lot of the schemes are demand led, this just reflects what Local Action Groups said they think they could spend.

6.3 KB reminded members that SG changed some of the overall SRDP spending budgets back in 2017, and revised the co-financing rate associated with them – so the latest budget hasn't changed any of those, it just reflects the spend profile, the demand and the decisions that Ministers have taken, the overall programme still sits at around £1.3 billion. Officials appreciate it's not always easy to clearly see, which is not due to a lack of transparency, it's just very difficult to have a seven year multi funded programme, across 14 different schemes – which is co-funded between EU and domestic money. KB stated that she would keep the group updated if there were any plans to make changes at programme level.

6.4 Regarding a question on AECS, KB told the group that the 2018 round of results was announced in December, which included agri environment climate scheme contracts, slurry stores and also improving public access. This takes the total commitments to over £150 m to 2500. She also confirmed that the 2019 round is now open and closes on 12 April for standard agri environment applications, 31 May for collaborative applications (five or more) and 26 June for standalone slurry storage. Improving public access is one of those areas where it has reached its overall programme allocation. KB encouraged members to promote the AECS whilst we still have certainty. One member highlighted how complex the AECS scheme and how few capable consultants there are who can deal with it. Members asked for information on going forward and for the long term. KB reiterated that for the short term, there's the simplification taskforce and under the stability and simplicity, the Cabinet Secretary said he didn't intend for anything to change in the short term to ensure there is some form of continuity and assurance. It also mentions looking at pilots and how we might do things differently, both from a delivery perspective and also from the applicants perspective. SNH are already starting to think about what they can do, in regards to pilots, and possible running some between 2021-24 period, to help inform what we may do from.

6.5 Shirley Graham then provided an update on LFASS. Shirley updated to provide some clarity and what officials are still trying to work through. For 2018 scheme year it's 100% payments and that's the payment that customers, applicants, farmers and crofters are due to receive in Spring 2019. As the EU rules are changing, it means that the payment rate must change to 80% for 2019. For 2020 scheme year, it reduces to 40%. The drop to 40% was recently renegotiated in Europe (originally it was 20%). The Cabinet Secretary has also committed to paying 80% 2019 and 2020, saying in Parliament as well as other stakeholder groups,. For 2020, the LFASS scheme will not allow us to make that payment at 80%, we are looking at other options.

6.6 Shirley explained that SG is currently exploring the use of de-minimis state aid as one option, but has to consider what it's also currently being used for. Loan schemes that have gone out in previous years use state aid for the interest part – so it's important that SG ensures it's not breaching any rules that are in place for state aid. SG knows what the rules currently are for state aid, but as these are currently set by the European Commission these could change post Brexit. Shirley reassured members that SG's stakeholder engagement will continue, and it will keep stakeholders informed of how this progresses. In the short term, SG are looking at

impact assessments in relation to lying amendments to LFASS Scottish Statutory Instrument.

6.7 Shirley also clarified that under the EU Withdrawal Bill, if we have a deal, Pillar 2 falls under EU law for 2020. In a no deal situation Scotland will still need to abide by EU rules post-Brexit as its retained EU law. In regards to LFASS going forward, if state aid rules stay as they are, this is another challenge we will need to deal with. This led on to a discussion about why the EU is reducing LFASS, given it is such a popular scheme in Scotland. KB explained that there's a long history back to the European Court of Auditors raising concern about inconsistencies in the way LFA was designated across Europe. Europe has been trying to change this from 2010, and how it operates, and in 2013 the Rural Development Regulation stated that it would need to change to Areas facing Natural Constraint (ANC) scheme, or to parachute payments. SG undertook a massive amount of modelling work looking into this option but after the EU Exit Referendum, the Cabinet Secretary spoke with stakeholders and the majority felt it was too uncertain to go with ANC – especially with Brexit – and felt more comfortable going with the 80% of what we know, rather than 100% of what we didn't know. KB reassured members that SG still has all of this work and different policy approaches. She confirmed that if SG does decide to move to ANC in the future, SG can declare an ANC at any time.

6.8 The discussion moved on to the Shared Prosperity Fund. Members were interested to know about integrating farm support into rural support and how the Shared Prosperity Fund comes into this. KB explained that the Shared Prosperity was in the UKG Manifesto and from what SG understands, it's what UKG believe will replace other EU structural funds. The SRDP has a foot in the CAP camp and a foot in the structural funds camp, so SG has never been quite clear what the impact the Shared Prosperity Fund will have on what we currently known as the rural development programme, it's still never been clarified. Defra has indicated that both the farming and the land management (forestry, agri environment) might not sit within the Shared Prosperity Fund. Whereas LEADER and food and drink support possibly would. UKG are due to consult on this in due course and other colleagues in SG are ensuring that our interests are covered.

7. Contingency Planning and Business Resilience

7.1 JK provided an overview of what SG is doing in terms of contingency planning. JK explained that SG is spending a large amount of time on contingency planning and is now moving into a phase where it's involving stakeholders. He informed members that SG has created sector plans and is doing everything in its power to support businesses – but it can't do everything. JK urged stakeholders to start thinking about their own contingency plans.

7.2 JK highlighted a few areas of concern for SG, starting with transport issues. SG understands that if we leave with no deal, there will be significant disruption to our road transport network at the borders, at the ports on the south coast. He informed members that SG has reassuring modelling from transport colleagues that container transport should be relatively lightly impacted – so this is something to think about for those with goods that can easily switch to container transport rather

than lorries. One member added there's a huge shortage of containers if that scenario arises, and that Scotland couldn't get enough containers to deal with this. JK stated this was helpful and would feed that back to transport colleagues.

7.3 Another member raised the issue around a shortage of drivers, and non-UK drivers and felt the shortage would increase if there's a hard Brexit. JK explained that this issue is relatively well taken care of by what the UKG has said they will do in the event of leaving with a no deal, by allowing drivers to still access UK for a period of time afterwards. The likely problem is twofold; to what extent are drivers going to want to come to sit in a long queue, and is the rate of pay going to be impacted if there's a dramatic change in currency. JK flagged this to the group to alert them to the fact that SG is anticipating serious disruptions to the market.

7.4 JK highlighted another major issue that is a concern for SG regarding tariffs, which particularly effects seafood and red meat. These are key areas where the future market might not be open to us at the current price - to what extent are businesses that SG is supporting thinking about what that means for the meat that's going to come into the market around August/September time. There's a limited extent to what SG will be able to do. JK reassured members that SG is engaging with industry and producers on a sector by sector basis, and the intention is to bring forward sector plans and discussions have already started with stakeholders on that. SG has decided to do separate plans for beef and sheep as the pressures are different. Colleagues are also looking at crops, and there's plans for the other agricultural sectors – dairy in particular – in another tranche.

7.5 There's a few other things which officials in ARD are not necessarily the lead, but are still contributing to, and there's some things which are being led by the private sector – e.g. veterinary medicines. For human medicines, UKG is a major procurer through the health services – whereas veterinary medicines are procured by private businesses – but policy leads in AHW are making sure they are engaged in this process, to ensure continuity of supply. So for some areas, UKG is the lead, but being supported by SG.

7.6 JK told stakeholders that there's a number issues of concern, but SG has to prioritise and consider what's most concerning. Issues that might be high up on members lists, might not necessarily be on SG's and given the resource SG has, it's unable to do everything. JK reminded stakeholders to bear this in mind and encouraged them to be thinking about their own contingency plans, but to speak to SG for clarification if necessary. One member asked how Scotland's contingency plans would feed into UKG contingency plans. JK clarified that there's a desire across the four DAs to put in place anything that looks like support on a UK-wide basis, to ensure a level playing field. The sheep scheme and seafood are areas where we might want to take forward on a UK basis, but it's still very early in discussions.

7.7 JK highlight a further concern from the point of view of the ARD SHG and ARE - ensuring that the producer interests are well covered and we're not just focussing on retailers. Colleagues in food and drink are leading on the discussion on this, but colleagues in ARD are closely engaged with them to make sure our

interests are represented. JK encouraged stakeholders to speak to SG, through JK, but also continue to engage with UKG if they have already have been doing so.

7.8 There was a discussion around imports, and whether SG had any information on what control Scotland would have regarding imports, in a worst case scenario. JK informed the group that was not a devolved matter therefore SG does not have control over this. UKG does have options, but this is an area where SG does not have further information on at this time. When asked whether it would be possible for SG to produce easy to read briefing papers for stakeholders to share with their members, JK explained that the position hasn't changed for some months now, but understands the importance in keeping stakeholders updated and will think about how we can do this. **ACTION.** The key message from SG is to ensure stakeholders are thinking about putting contingency plans in place. JK reassured the group that SG has ring-fenced the internal members of staff who are responsible for making the payments to recipients of CAP funding to ensure business as usual. Members commented that they felt reassured by what SG was doing in preparing for Brexit.

8. AOB

8.1 There were no AOB items. JK reminded members that the next meeting would take place on 12 March.