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Rural Stakeholders

5 December 2016

The Cabinet Secretary for Finance and Constitution announced earlier this month that the Scottish Government is passing on, in full, the EU funding guarantees that have been offered by the UK Government, providing certainty for over £700 million of EU funding for Scotland. I am sure you will agree that this provides good news in the short term, providing stability and certainty for key rural sectors, and I have set out below what it means in practice.

The commitment covers all payments of contracts for EU structural funds, European Maritime Fisheries Fund and projects funded directly by the EU (e.g. Horizon 2020 and European Territorial Co-operation programmes) and, of particular interest to you, CAP Pillar 2 (Scottish Rural Development Programme 2014-2020), that are entered into before the UK leaves the EU – even if the payments extend beyond the date of Brexit. Separately the UK Government has provided guarantees for CAP Pillar 1 subsidy schemes, which will be guaranteed until 2020. There are currently no guarantees for projects or proposals that might come forward after the UK leaves the EU.

This is one of three key areas upon which Scottish Ministers continue to press the UK Government. As well as seeking clarity on future support, we continue to explore all possible options to best protect rural Scotland's interests. That includes seeking to maintain our membership of and access to the single market as well as guarantees that EU nationals and migrant workers are welcome to come to Scotland and continue working here. We are also concerned that farming and fishing interests are fully protected in any UK negotiations so I continue to advocate for a role in decision making and full involvement in these negotiations.

I want to assure you that I am utterly focused on protecting the interests of rural Scotland in these uncertain times and on doing all that the Scottish Government can to build growth. I have already held a number of rural summits to ascertain what more we can do to support this aim – these will be completed in the New Year. And in the months ahead, I intend to work with you all to determine your priorities and to inform our next steps in delivering our vision for Scotland's rural economy.

I look forward to that engagement and hope that the guarantee of funding provides some welcome stability and certainty for your activity in the short term.

A handwritten signature in black ink that reads "Fergus Ewing". The signature is written in a cursive style with a large loop under the 'F' and 'E'.

FERGUS EWING