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Peter Ross

Chair of Dumfries & Galloway LAG

By email to:

peterg.ross1957@gmail.com

Our ref: 2016/0022996

24 August 2016

Dear Peter,

Thank you for your letter of 7 July 2016 on behalf of all 28 Local Action Group and Fisheries Local Action Group Chairs. Given that both LEADER and EMFF are co-financed by the EU, the questions and concerns of all those involved are understandable following the EU Referendum result.

As I made clear in my letter of 7 July 2016, Scotland remains within the EU and the Scottish Government is doing all it can to protect Scotland's relationship with the EU. On 25 July the First Minister gave a speech at the Institute of Public Policy Research conference where she reiterated the importance of our significant rural economy and of protecting our economic and social interests in the EU, including retaining access to CAP payments.

On 28 July my ministerial colleague Roseanna Cunningham, the Cabinet Secretary for Environment, Climate Change and Land Reform, hosted an event for stakeholders to gain a better understanding of their views following the EU Referendum and to stress the importance of continuing to contribute to EU-wide environmental policies.

I know from the many discussions I have been having with stakeholders, particularly those in receipt of CAP funds, how uncertain a time this is. This uncertainty, caused by the actions of the UK Government, is not simply around future funding opportunities or investment decisions, but in many cases concerns people's jobs, jobs that are supported by or help to deliver EU programmes in Scotland.

To be clear, EU funded investment in Scotland continues. That means that LEADER applications are continuing to be processed, in particular those with contracts which will be agreed i.e. signed by both contracted parties (LAG and applicant) prior to the Chancellor's Autumn Statement, even if their duration is scheduled to go beyond any point of exit from the EU. We do not yet know when the Autumn Statement will take place but in the normal course of events it would be towards the end of November or beginning of December.



We are unable to give long term commitments without further clarity from the UK Government on the future funding position across EU programmes. We strongly support the need for clarity as quickly as possible. I, and the Cabinet Secretary for Finance, have pursued the UK Government on this issue and we will continue to do so.

The Scottish Government has a duty to ensure that we are effectively managing all EU funded schemes to deal with all potential impacts, particularly those of a financial nature. A thorough analysis is currently underway to consider SRDP scheme commitments coupled to EU funds across the 2014-2020 programme period.

I appreciate the uncertainties this situation causes, but I am committed to ensuring the best for Scotland including supporting our rural communities. As soon as we have greater clarity from the UK Government about the nature of the commitment they are willing to make to continue EU funding, we will consider the situation again and will update the LEADER network.

The Scottish Government is committed to continuing to engage with stakeholders to share information and discuss issues, through the CAP Stakeholder Group and formal SRDP governance structures, such as the Rural Development Operational Committee, Highlands and Islands Territorial Committee and the Joint Programme Management Committee.

Subject to other diary commitments, I welcome the opportunity to see first-hand the delivery and benefits of LEADER funding, and its role in building capacity and sustainable rural communities. Please email CabSecREC@gov.scot to make arrangements, including details of strategic issues you wish to discuss.

I am also copying this letter to LEADER Coordinators and Accountable Body Representatives.

Yours sincerely

Fergus Ewing

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