**Reporting on Participation in Management Agreements: Guidance**

**Crown Estate Scotland’s Role & Responsibility**

CES has a duty under the Scottish Crown Estate Act 2019 to maintain and enhance value of the marine estate and to manage it in a way that will contribute to improvement in economic development, regeneration, social and environmental wellbeing for Scotland. Doing so effectively, must incorporate measures to ensure that developers and businesses recognise Scotland’s seabed as a shared public space that supports multiple and diverse interests. Therefore, its sustainable use must extend beyond compliance with development and sector specific regulation and include responsible care and treatment of a shared public asset. This is best achieved through practices that:

* include co-operation with other marine users to minimise risk of impacts on respective interests as well as cumulative impacts, and
* recognise the duty of care incumbent on all who use and are supported by the resources of Scotland’s marine environment, irrespective of the scope of regulatory controls.

This is summarised as co-existence and stewardship.

**Reporting Obligation in Aquaculture Seabed Leases**

Following the 2020 Aquaculture Review CES now monitors aspects of its aquaculture tenants’ performance through an annual reporting obligation in the seabed lease. This requires submission of reports on one or more co-existence and/or stewardship topics specified in the Schedule to the Lease that reflect current issues and priorities. These topics are periodically reviewed to ensure that they remain relevant.

CES will use reported performance for one or more of the following purposes;

* Where considered appropriate, as part of assessments of applications for additional seabed interest as Lease Option Agreements or Leases (this is explained further in the guidance for the specified reporting topic)
* To improve transparency on responsible tenancy of Scotland’s seabed in relation to the specified matters, with reports published on the CES website on a rolling 5 year inventory.

CES leases for marine aquaculture currently require;

1. All tenants to report annually on the management of plastics on the leased subjects.
2. Finfish farming tenants to report on participation in voluntary area-based agreements to support the management of risk of local cumulative impacts, including those on wild salmon and sea trout. (“Participation in Management Agreements”).

Specific guidance is given below.

**Purpose of Reporting on Participation in Management Agreements**

Crown Estate Scotland (CES) seabed leases for salmon and trout farming include a reporting requirement on the tenant’s engagement and participation in local area-based agreements to collaboratively manage risk of cumulative impacts, chiefly those on wild salmon and sea trout.

The management of potential interactions between farmed stocks held on leased seabed areas and wild fish, particularly in relation to the possible transfer of parasites and pathogens, is a recognised requirement in minimising risk in locations where such transfers are possible.

Potential risks of infestation may increase with the number of fish farmed within an area, more so where multiple farming sites are present but operated by different businesses.

Measures available through collaborative area-based management to address such risks include synchronous production and/or fallowing of farm sites and co-ordinated strategic disease and parasite treatments of farmed stocks within management areas.

Feedback from monitoring lice levels on farmed and wild fish in these areas can inform an overarching adaptive management framework to identify measures appropriate to local pressures and priorities (see reference to Area-Based Management in the Aquaculture Stewardship Council for Farmed Salmon).

Area-based management measures are not confined to sea-lice management and offer similar beneficial management opportunities both for other pathogens of farmed fish as well as environmental interactions more generally.

It is also arguably the case that that increasing and/or unmanaged risk diminishes potential productive capacity and the ability to accommodate further development.

Crown Estate Scotland lease agreements have an established historical obligation on tenants *“to operate in accordance with the principles and procedures set out in any Management Agreement”.*

This reporting obligation is in place to support the monitoring of participation in such collaborative agreements and demonstrate responsible stewardship of the shared marine environment by tenants.

It also aligns with the recommendations of the Salmon Interactions Working Group report of 2020 for licensing and enforcement of necessary measures to include a “requirement for the farm to be party to a farm management agreement for the farm management area”.

This guidance sets out the requirements for this report.

**Definitions used in this Guidance:**

*Farm Management Agreement* – a voluntary documented and signed agreement between two or more farmed salmon and/or farmed trout producers operating farm sites within a defined management area

*Management Area* – an area defined by the parties to a specific Management Agreement that either reflects

* an area defined in Salmon Scotland’s Code of Good Practice
* is defined by a relevant Marine Plan
* evidence to show it is a discrete biological area.

**What will be required**

Reporting on participation in area-based management agreements will require that each farm site leased by the tenant must be included in an annual report submitted to CES that will ;

1. List those leased sites that are subject to a documented and signed Farm Management Agreement and the area/location to which the agreement relates

For each agreement referenced in 1. above, provide the following information;

* 1. Signatories to the agreement
  2. Start date of the agreement
  3. Brief overview of the documented aims/objectives of the agreement

1. List those leased sites that are not party to any Farm Management Agreement. This includes those subject to a Farm Management Statement, which should be confirmed if in place.

**How Will CES Use This Information?**

Submitted Management Agreement reports will be published on CES’s website. CES will use the information supplied to;

* Demonstrate tenant’s positive stewardship of their shared marine environment.
* Assess performance in collaborative agreements and area-based management as appropriate element of qualifying criteria for any application for further lease or lease option agreements. This could be used to assess prospective risk to incumbent tenants in an area whose farming interests are subject to an existing agreement.
* To compile an up to date inventory of where such agreements are in place in order to appropriately assess further development proposals, as referred to in the bullet above

**Further Information**

For the purposes of this lease requirement, collaborative Management Agreements are those signed up to by tenants representing separate finfish farming businesses or interests within the areas referred to.

We recognise the existence of and further scope for documented and signed Area Management Agreement (ie. ‘AMAs’ - between one or more farmed finfish producers *and* wild salmon and seatrout fishery representatives within an agreed management area or otherwise determined area of logical geographic scope or ecological connection), the good practice they represent and the interactions management benefits that can accrue. We also recognise that these require participation of parties who are not tenants of Crown Estate Scotland and are therefore not wholly within the gift of parties subject to the obligations of our seabed leases.

As such AMAs of this nature are not part of the required reporting – unless they include agreement between two or more separate farmed salmon or trout producers within the area in question. Reference to these may be made in reports submitted to demonstrate responsible stewardship, if any such agreement also serves as Environmental Management (or Monitoring) Plans (EMPs) and meets the criteria below.

Environmental Management (or Monitoring) Plans (EMPs) now mandatorily required of new or modified finfish developments by Local Authorities do not fall within the scope of collaborative Area Management Agreements unless they fulfil the following criteria which must be confirmed in any reporting

1. The EMP must cover more than one tenant.
2. All finfish farm sites within a defined management area are subject to the EMPs measures.
3. The EMP stipulates collaborative measures for those farm sites that clearly align with mitigation of cumulative impacts.