

# Environmental compliance of Scottish business exceeds 90% for third year in a row

05 October 2018

90.97% of Scottish regulated business sites assessed were compliant. Scotch Whisky distillers over 90% compliance for the fourth year in a row. 75 sites assessed as non-compliant for the last two years became compliant. 41 sites classified as 'Very Poor' in 2016 improved their compliance rating. 17 sites moved from 'Very Poor' to Compliant. 9 sites moved from 'Very Poor' to 'Excellent'

Environmental performance amongst Scottish regulated businesses and other organisations in 2017 remained high, with 90.97% of sites recorded as 'Excellent', 'Good' or 'Broadly Compliant', according to results published today (5 October 2018) by the Scottish Environment Protection Agency (SEPA).

Compliance band	2017		Compliance rate
	No of licences assessed	*%	
Excellent	3,904	77.78%	90.97% compliant
Good	619	12.33%	
Broadly Compliant	43	0.86%	
At Risk	141	2.81%	9.03% non-compliant
Poor	272	5.42%	
Very Poor	40	0.80%	
OVERALL	5,019	100%	

A key part of SEPA's Regulatory Strategy, One Planet Prosperity, is to drive all businesses not yet meeting standards into full compliance with the environmental laws in Scotland. SEPA's Compliance Assessment Scheme (CAS) rates an operator's environmental performance against their licence conditions. The annual results enable SEPA to take a targeted approach which focuses on high risk operations and under-performing sites more frequently than compliant or low risk activities.

## **Scotch Whisky Sector hits high level of compliance**

Scotland is known for its national drink across the world. With 39 bottles exported every second, to more than 180 countries, it accounts for 70% per cent of Scottish food and drink exports.

The environmental performance of Scotch Whisky remains one of the nation's highest achieving sectors – over 90% compliance for the fourth year in a row. Of the 172 licences assessed in 2017 for water abstraction, water discharges and effluent quality standards, 162 accomplished Excellent, Good and Broadly Compliant ratings, bringing the overall compliance to 94.19% for the calendar year.

Successful businesses in future will be those that use low amounts of water, materials and carbon-based energy and create little waste. Prosperous societies will be comprised of these businesses. Whisky distillers are working towards this, as demonstrated by the Scotch Whisky Association's Environmental Strategy 2018 progress report. The industry has made significant progress against a number of environmental targets, and the 2018 Report details how the non-fossil fuel target has been achieved four years early. The sector strategy focuses on water usage and carbon emissions and links directly to Scotland's globally ambitious circular economy strategy.

The industry's exceptional performance has been highlighted as SEPA launches its first sector plan to support innovative and sustainable practices across key industries, to enable and empower businesses to go beyond compliance.

Officially launched today by SEPA's Chief Executive, Terry A'Hearn, at Edrington's new distillery and brand home for The Macallan in Speyside, the [Scotch Whisky Sector Plan](#) sets out a new vision for a sustainable future for Scotland's no 1 export.

Sector plans provide a clear coordinated approach to regulation and engagement with sectors. This is the foundation for us to develop new partnerships, engage operators and stakeholders and informs how our staff work together to produce information and evidence for decision making.

Aligned with the 'excellent' performance of the Scotch Whisky sector, SEPA's compliance assessment scheme offers insight to sectors which require a fresh focus for the agency.

Aquaculture remains a prominent focus of environmental regulation. The subject of two Scottish Parliamentary inquiries and a comprehensive regulatory review by SEPA, Scotland's aquaculture sector saw overall compliance levels drop during 2017 to 81.14%, against a relative peak of 85.75% in 2016.

Non-compliant fish farms rose from 50 to 56 failing sites in 2017 due to a lack of monitoring or abstraction data being submitted on time by fish farm operators and an increase in farms failing due to effluent treatment issues.

SEPA is firmly committed to protecting and enhancing Scotland's environment and will shortly announce a revised regulatory regime that will firmly strengthen the regulation of the sector and a comprehensive programme of public engagement across Scotland.

The regime will include fresh modelling using the best available science, enhanced site based environmental monitoring, a new approach to sustainable siting of marine cage fish farms, and new approach for controlling the use of medicines aligned with encouraging innovation in the containment of marine waste.

Landfill also emerges as a sector where compliance remains a focus with rates in the low to mid 80s for several years now. The 2017 score was 85.31%.

The sector continues to be affected by chronic compliance issues as the

number of facilities which remained non-complaint for two consecutive years increased from 8 to 10, and odour complaints, management failings and the failure to submit data returns, continued to be key reasons for poor performance.

We know that non-compliant landfill sites create problems for local communities, and our Landfill Sector Plan is currently in development. This will carry forward a series of priority actions to tackle the problems of chronic non-compliance by providing a robust approach towards addressing the key obstacles affecting environmental improvement.

Terry A'Hearn, Chief Executive for SEPA, said:

Every day, SEPA works to protect and enhance Scotland's environment helping communities and businesses thrive within the resources of our planet. We call this One Planet Prosperity. As part of that we're clear, environmental compliance is non-negotiable. Every Scottish business will comply with the law, and we'll work to ensure as many as possible will go even further.

"We'll work positively with those who want to do the right thing by Scotland's environment, such as the Scotch Whisky sector. We've seen consistently high compliance for several years – demonstrating that high environmental performance and prosperity are mutually dependent.

"Our Scotch Whisky Sector Plan sets out how we'll continue our firm focus on environmental sustainability and look for wider opportunities across the supply chain, including in cereal production, transport, bottle manufacturing and packaging.

"We're also clear that we will not tolerate consistent non-compliance. Our annual compliance report card enables us to systematically identify the compliance issues that need to be tackled in sectors like aquaculture and landfill. Local communities will rightly hold us to account if future years do not show an improvement."

Dagmar Droogsma, Industry Director of the Scotch Whisky Association, said:

The Scotch Whisky industry takes sustainability seriously. That is why we have put in place rigorous and ambitious targets in our sector-leading environmental strategy.

"The launch of SEPA's Scotch Whisky Sector Plan is a welcome step toward deepening the cooperation between industry and regulators to ensure targets are met.

"The Scotch Whisky industry has more work to do to ensure responsible water use, but we are determined to drive up standards

and continue to be an environmental leader and an example for others to follow.”

Graham Hutcheon, Group Operations Director at *Edrington*, said:

We’re proud that SEPA is launching the Scotch Whisky sector plan at The Macallan. Designed to blend into the natural landscape and running on 95% renewable energy, this distillery challenges perceptions of what our industry can achieve. We welcome the new challenges laid down in the Scotch Whisky sector plan and we will work together to drive further improvements in environmental performance.”

## **Notes to editors**

### **Total licence numbers**

\* Since 2014, operators in all major regulatory regimes have been included in the Compliance Assessment Scheme. This makes comparing overall year on year trends easier. A significant number of lower risk activities are not assessed annually, and inspection frequency varies from once every two to once every five years. As a result the number of licences assessed and reported each year will vary.

There can be a discrepancy between the over-all figures in our release and totals when added up from individual sites on our website. This is because the details of a number of sites we regulate are not published for National Security reasons (259 in 2017) but are counted in our overall figures.

- Not all Radioactive Substances Act licences are published online. As well as the compliance data for the nine nuclear and radioactive substances sites published, we also regulate smaller authorised radioactive sources, many of which are used in the offshore oil industry and onshore in industrial processes. These are not published online.
- There are authorisations under the Water Environment (Controlled Activities)(Scotland) Regulations and permits under the Pollution Prevention & Control (Scotland) Regulations held for National Security sites that are also not published.

### **Sector plans**

SEPA is changing today, creating a world-class environment protection agency fit for the challenges of tomorrow. By moving away from the traditional site by site regulation to grounding our regulation and activities across whole sectors, we will shape our interactions with every sector and the businesses in them.

Sector plans will be at the heart of everything we do and will help regulated businesses operate successfully within the means of one planet. In every

sector we regulate, we will have two simple aims.

We will ensure that:

- every regulated business fully meets their compliance obligations
- as many regulated businesses as possible will go beyond the compliance standards.

Scotch Whisky was one of three sector plans consulted on in 2018 and is the first to be launched. A draft sector plan for tyres and oil and gas decommissioning will also soon be launched for consultation.

SEPA has launched a new, dedicated space on its website for sector plans <https://sectors.sepa.org.uk>