MINUTES:
INVERNESS & CROMARTY FIRTH GREEN FREEPORT
MEETING OF THE DIRECTORS

Inverness & Cromarty Firth Green Freeport
a free trade zone
Transforming the Highland Economy and Delivering National Energy Security

DATE: 14th May 2026 at 10:00hrs

VENUE: Online

ATTENDEES:

Jim Smith (Independent Chair)
Gavin Mackenzie
Yoshi Hayakawa
Ian Cobban
Alex Campbell
Sinclair Browne
Calum MacPherson
Vicki Nairn

APOLOGIES:

Malcolm Macleod
Amy Parry

IN ATTENDANCE

Laura Duffy (Scottish Government)
Alison Wilson (ICFGF)
Kirsteen Adams (ICFGF)
Bex Colam (UK Government)
David Stevenson (Nadara)

	NOTES / ACTIONS
1	**INTRODUCTION AND DECLARATIONS OF INTEREST**
1.1	APOLOGIES
1.2	CONFIRMATION THAT A QUORUM IS PRESENT It was resolved that Jim Smith would chair the meeting. The Chair reported that due notice of the meeting had been given and that a quorum was present. Accordingly, the Chair declared the meeting open.
1.3	ANY DECLARATION OF INTEREST IN UPCOMING AGENDA Each director present declared the nature and extent of their interest in the proposed arrangements to be considered at the meeting in accordance with the requirements of section 177 of the Companies Act 2006 and the Company's articles of association, as follows:

Name	Nature and extent of interest
Jim Smith	Chair of Inverness & Cromarty Firth Green Freeport
Alex Campbell	CEO of Port of Cromarty Firth
Sinclair Browne	CEO of Port of Inverness
Vicki Nairn	Principal and Vice Chancellor at University of Highlands & Islands
Gavin Mackenzie	Independent, nominated by Highlands & Islands Enterprise
Calum MacPherson	CEO of Inverness & Cromarty Firth Green Freeport
Ian Cobban	Interim CEO of Ardersier Transition Facility, Haventus
Yoshi Hayakawa	CEO & Managing Director of Maraen Holdings Limited, Port of Nigg

	No declaration of interest was made that required a director to exclude themselves from the meeting.
2	**PAPERS FOR CONSIDERATION**
2.1	Retained Non-Domestic Rate (rNDR) Fund Strategy The framework for the rNDR strategy has been reviewed by the Board. As part of this review, Highland Council were asked to respond on whether the Council would be able to forward fund some of the investment. The Highland Council confirmed this would be possible if the proposed investment aligned with Council priorities. As an example, and to address the ongoing housing challenge, it was suggested that a potential use of forward funding would be to fund housing solutions for the region It was agreed that if the Council was being asked to accelerate an element of funding, there should be a clearly defined and measurable outcome for the accelerated funding. The Board approved the proposal of circa £50k to appoint project management resource with a view to progressing this work.
2.2	SEED CAPITAL PROJECTS The Board had previously requested an update on the status of each Seed Capital project. It was noted that the overall Seed Capital programme had secured an extension to the drawdown period until March 2029. Highland Council is currently engaging with individual project owners to discuss the practical arrangements for the drawdown of funds. The funding flow operates from the UK Government to the Scottish Government, with funds subsequently disbursed to Highland Council following confirmation of an eligible funding requirement. Original spend profiles remain the basis for Seed Capital allocations and, wherever possible, projects are expected to align with these profiles. In relation to procurement, it was noted that projects with a Seed Capital intervention rate exceeding 50% public funding may be required to comply with Public Procurement Scotland processes. Discussions are ongoing regarding potential flexibility for projects where the majority of funding is privately sourced. Once a comprehensive picture of project costs and requirements has been established, landowners will be invited to submit applications for expenditure where funding remains available. Should any project no longer proceed in line with its originally approved scope, this will require further Board consideration. Similarly, where projects experience significant delays against agreed timescales or demonstrate limited progress towards committed drawdown activity, a review will be undertaken to mitigate the risk of funds being lost. The Board agreed that 2 November 2026 would serve as the deadline for projects to present: • a full business case; and • clear evidence of project progression, including confirmation that match funding has been secured.

	A project risk-rating approach will also be developed, alongside the establishment of a reserve list of projects which may be progressed should funding become available. The CEO will prepare a note setting out the expectations and requirements associated with the agreed deadline, to ensure clarity and consistency across all projects.
2.3	ANNUAL PLAN / PRIORITIES The Board had previously requested the development of a plan setting out the organisation's key business priorities for the year ahead. A similar request had also been made as part of the Annual Conversation with both the UK and Scottish Governments. The Board agreed that the existing framework built around the four strategic pillars of: • Investment & Growth • Workforce for the Future • Community Impact • Governance continues to provide a clear and effective structure for the organisation's priorities and activities. It was agreed that the current 2025/26 format should be replicated for 2026/27, with the inclusion of additional detail and SMART objectives aligned to each strategic pillar in order to strengthen clarity, accountability, and performance monitoring.
2.4	MONTHLY MANAGEMENT ACCOUNTS AND 3-YEAR PROJECTIONS The Board noted that an additional £125k of funding had been secured from the Scottish Government, to be claimed from our accountable body for eligible costs over the coming years. Based on current forecasts, including modest growth in tax site levy income, it is anticipated that there will be no requirement to draw down from the Non-Domestic Rates (NDR) fund to support operating costs over the next three years. Should circumstances change, authority remains in place to access the fund if required. Overall, the organisation is projected to operate on a self-sustaining basis over the next three years, representing a strong and stable financial position. The Board also noted that the Audit Committee remains comfortable with the organisation's overall financial position and that HMRC is content with the proposed tax treatment and arrangements for the year ahead.
2.5	MD RECRUITMENT AND INTERIM ARRANGEMENTS This was a closed Board discussion.
3	**MATTERS ARISING – VERBAL UPDATE**
3.1	SUBSTANTIVE ACTIONS The Board noted that the recent Annual Conversation had been helpful in progressing and finalising a number of the substantive actions required. A small number of outstanding actions remain and are expected to be completed over the coming weeks.

	It was further noted that an annual review process will include consideration of the organisational risk review, which will be presented to the Board on a bi-annual basis. Going forward, a series of standing agenda items will be established for Board meetings to ensure consistency of reporting and alignment with Highland Council reporting requirements. The letter received from UK and Scottish Governments following the Annual Conversation would be shared with the Board.
3.2	RECENT DESNEZ DECISIONS The Board noted the recent UK Government decision to block the proposed Ming Yang investment and acknowledged the disappointment associated with this outcome. It was further noted that this disappointment had also been shared by the Office for Investment. The Board also discussed the ongoing impact of Transmission Network Use of System (TNUoS) charging on inward investment decisions and agreed that this should continue to be reflected within the organisation's risk register. It was noted that there remains an approximate 30% cost differential between Scottish and English TNUoS charges, which continues to present a challenge to investment competitiveness in Scotland. The Board further noted the recent announcement by the King regarding the proposed Energy Independence Bill, which will be developed over the coming months and is hoped may help address some of the current cost challenges affecting Scottish projects and investment opportunities.
3.3	INSHORE STORAGE The Board discussed the proposed Marine Directorate – Licensing Operations Team (MD-LOT) licensing arrangements relating to the storage of large structures in and around ports. It was noted that the proposal has now been shared with the market and has generated significant concern regarding the potential introduction of additional charging within Scottish waters. The Board acknowledged concerns that this could create a competitive disadvantage for Scotland's offshore wind sector and may actively discourage potential investors from pursuing opportunities within the region. The Board further noted that both the British Ports Association (BPA) and Scottish Offshore Wind Ports Alliance (SOWPA) have mobilised in response to the proposal and are actively engaging in efforts to prevent its implementation.
4	**FOR INFORMATION**
4.1	HOSPITALITY The Board noted the update.
4.2	COMMUNICATIONS / ENGAGEMENT UPDATE The Board noted the update.
4.3	POWERHOUSE ACTIVITY The CEO updated the Board that our PowerHouse Manager has been on an extended period of absence. It is hoped she will return soon, but should her absence continue, we will consider what temporary resources are required to help deliver any outstanding tasks in the interim.

4.4	INWARD INVESTMENT ACTIVITY The Board noted the update.
4.5	SCORING MATRIX FOR PROCUREMENT The Board noted the position.
5	**MINUTES FROM THE PREVIOUS MEETING**
5.1	APPROVAL OF MINUTES FROM MEETING ON 13TH MARCH 2026 The minutes from the meeting of 13TH MARCH 2026 were approved and would be published online.
6	**AOB** There were no AOB items.
7	**DATE OF NEXT MEETING** Thursday 9th July 2026 at 10:00am.