



Newsletter

Welcome to Inverness and Cromarty Firth Green Freeport's (ICFGF) first quarterly community newsletter.

A little over a year ago, Inverness and the Cromarty Firth was announced as the location chosen by the Scottish Government and the UK Government for one of two proposed Scottish Green Freeports.

We are delighted to let you know that at the end of February the Outline Business Case was formally approved by both governments. Last week saw the conclusion of the UK legislative process confirming ICFGF's Special Tax Sites.

These are major milestones in progress towards the Green Freeport's establishment and the culmination of more than four years of work by local organisations, including the ports, businesses large and small, The Highland Council, University of the Highlands and Islands (UHI) and Highlands and Islands Enterprise (HIE).

This is an initiative which can help bring transformational and lasting benefits as the Highlands become the focal point for the UK's transition to renewable energy and the journey to net zero.

As a catalyst for attracting new investment and creating fair pay employment opportunities on an unprecedented scale, it offers a huge opportunity to address the challenge of working-age depopulation in our region.

Although ICFGF has only just gained Tax Site status, it is already helping make the area a focus of interest from the



renewable energy industry around the world. It was a key factor in Japanese company Sumitomo's recently announced plans to develop a cable manufacturing facility at Nigg, in Easter Ross.

As we work towards the Green Freeport's establishment, the intention of this and subsequent newsletters is to help fully inform you about what this important initiative means for our communities, as well as to keep you regularly updated on our progress. It will also seek to bust some myths, such as there being less regulatory oversight in the Green Freeport area (the opposite is, in fact, true).

Regular updates and further information about ICFGF are also available on our website.

We will always be happy to try and answer any questions you may have, and you can find our contact details at the foot of this newsletter.

Calum MacPherson
Chief Executive, ICFGF



What is a Green Freeport?

Inverness and Cromarty Firth Green Freeport and Forth Green Freeport have been selected jointly by the Scottish and UK governments as the locations for Scotland's first Green Freeports through an open, transparent and competitive process.

Green Freeports are designed to create well paid jobs and inclusive growth within communities, while supporting Fair Work First practices, boosting innovation, upholding the highest environmental protections and supporting economic transformation. Working in partnership with the UK Government, the Scottish Government has adapted the UK Government's freeport model to develop a sustainable and fair Green Freeport model that fits the Scottish context.

A Green Freeport is a large, zoned area within a defined boundary which includes a rail, sea or airport. Operators and businesses in specific tax sites within the zone can benefit from a package of tax and other incentives through a combination of devolved and reserved levers. Green Freeports are required to contribute to four key policy objectives:

- 1. Promoting regeneration and high-quality job creation – our lead policy objective**
- 2. Promoting decarbonisation and a just transition to a net zero economy**
- 3. Establishing hubs for global trade and investment**
- 4. Fostering an innovative environment**

The Scottish and UK governments are working closely with the selected Green Freeports to ensure they deliver maximum positive impact and become operational as soon as possible.



Timeline

January 2023 – Inverness and the Cromarty Firth announced as one of Scotland's two proposed Green Freeports

October 2023 – Outline Business Case submitted to Scottish and UK governments

February 2024 – formal approval of Outline Business Case confirmed

March 2024 – Special Tax Sites statutory instrument laid before UK parliament

March 2024 – Special Tax Site status extended from 5 to 10 years

April 2024 – ICFGF Special Tax Sites confirmed

May/June 2024 – Final Business Case to be presented to Highland Council members prior to submission to Scottish and UK governments

Big opportunities at the ICFGF Powerhouse



ICFGF's workforce and innovation unit is known as "The PowerHouse". This is a small team bringing businesses and academia together in support of the Green Freeport to ensure people are equipped to benefit from the new employment opportunities and employers have the skilled workforces they require.

We are working with our business community to look at how they align their skills with the requirements ahead and identify local providers to help them meet their needs.

As part of this we need to challenge some traditional perceptions and clearly get the message across that there are many routes into successful employment in our area. This is particularly important in ensuring future generations benefit fully from the opportunities that are emerging.

It was fantastic to see more than 600 young people from across the region attending the first Green Careers Expo, which was held in February at Alness Academy, in Easter Ross.

With more than 30 exhibitors, the event, organised by Developing the Young Workforce Inverness and Central Highlands, in conjunction with Skills Development Scotland, brought together a wide range of employers, training providers, educational institutions, and partners to inspire the next generation.



A ground-breaking initiative for Highlands and all of Scotland

In October 2023, ICFGF submitted its Outline Business Case to the Scottish and UK Governments.. This was formally approved on 29 February 2024

Headline facts and figures from the Outline Business Case:

1. Wide-ranging incentives and multi-generational benefits offered by the initiative will lead to the creation of more than 10,250 new jobs in the Highlands and a further 6,000 across the UK
2. A huge opportunity to address the challenge of working-age depopulation in the Highlands and to accelerate economic growth and innovation, as well as growing and decarbonising the offshore energy industry in the UK
3. Over £3billion of fresh investment will be attracted as Green Freeport status helps realise the area's potential to become the largest European hub for the development of the offshore wind industry and associated renewable energy technologies
4. Tax site locations totalling around 520 hectares, including areas on the shores of the Cromarty Firth, in Inverness and at Ardersier, amounting to the largest green engineering development site in the UK

For more information, maps detailing the sites, at Invergordon, Nigg, Deephaven, Ardersier and Inverness have now been published on the [UK Government's website](#).

Green Freeport myths and facts

As the Tax Sites have been formalised in statute, we can increase the information we share about activity and how we hope to engage with the community, especially in respect of some of the environmental and biodiversity projects we may undertake.

It is also necessary to address some of the myths being shared, partly due to how freeports are operated elsewhere in the world and historically. The Scottish Green Freeports are fundamentally different and are focussed on supporting the transition to offshore wind energy, rather than trading hubs through which high volumes of goods will flow into the UK.



Myth	Fact
There will be no minimum wage requirement	Fair working practices, including the Real Living Wage, are at the heart of ICFGF with a Fair Work Charter being a core requirement for inclusion in the proposed tax site areas.
Highland Council will not receive much needed business rates	Incorrect. Non-Domestic Rates for existing infrastructure will continue as normal, and the rate relief for new buildings is refunded to Highland Council by the Scottish Gov and retained in the ICFGF area for use and benefit of the area.
Potential for criminal activity	Unfounded. The only custom relief sites we propose at present relate to large-scale heavy engineering, which will be monitored more closely than ever by Border Force. Our ports are not transport hubs through which containers and high volumes of goods pass, and this is not the intention going forward.
Self-regulated	The Green Freeport will be regulated and monitored on a regular basis by The Highland Council, as Accountable Body, plus Scottish and UK governments. It is, in fact, a very heavily regulated and monitored activity.
Less regulation	Any developments in the area will be required to meet the same planning and environmental standards and will continue to go through the existing Highland Council planning processes.

About us

The Inverness and Cromarty Firth Green Freeport Ltd is a company limited by guarantee and was born out of Opportunity Cromarty Firth, the consortium which led the successful bid to become a Green Freeport.

The ICFGF Green Freeport Company does not aim to generate profits. There is no shareholding, so any surplus generated is retained for future operating costs. The company does not own land, so ownership and control remain with existing landowners.

The Green Freeport has a team of three full-time staff, albeit we hope to make two further appointments later this year.

The Company is backed by port owners Port of Cromarty Firth, Global Energy Group at Port of Nigg, Port of Inverness, and Haventus (Port of Ardersier), Highland Deephaven, The Highland Council, University of the Highlands and Islands (UHI), Highlands and Islands

Enterprise - in total more than 30 regional, national and international businesses, public sector organisations and academic bodies.

The creation of the Green Freeport will maximise local and Scotland-wide benefits from a pipeline of renewable energy projects, placing the Highlands at the heart of the drive towards net zero and developing world leading capabilities in floating offshore wind and hydrogen production.

Strict protections will ensure the highest standards are followed within the Freeport covering planning, the environment and working conditions. A fair work charter has been agreed by all landowners such that the working terms will be more protected within the tax sites than outwith.

For more information visit: www.greenfreeport.scot
Contact us at: info@greenfreeport.scot