



European Affairs Committee

Corrected oral evidence: The UK-EU reset

Tuesday 24 June 2025

3.30 pm

Watch the meeting

Members present: Lord Ricketts (The Chair); Baroness Anelay of St Johns; Baroness Ashton of Upholland; Lord Frost; Baroness Hayter of Kentish Town; Lord Jackson of Peterborough; Baroness Ludford; Baroness Suttie; The Duke of Wellington; Lord Whitty; Baroness Winterton of Doncaster.

Evidence Session No. 15

Heard in Public

Questions 161 - 174

Witnesses

[I](#): Elspeth Macdonald, CEO, Scottish Fishermen's Federation (SFF); Chris Ranford, Chair, National Federation of Fishermen's Organisations (NFFO); Tavish Scott, CEO, Salmon Scotland.

Examination of witnesses

Elspeth Macdonald, Chris Ranford and Tavish Scott.

Q161 The Chair: Welcome to another evidence session of the European Affairs Committee of the House of Lords, on our inquiry into EU-UK relations following on from the 19 May summit. Today we are concentrating on the issue of fisheries and we are delighted to have three very expert witnesses to help us: Elspeth Macdonald, chief executive of the Scottish Fishermen's Federation, Chris Ranford, chair of the National Federation of Fishermen's Organisations, and online is Tavish Scott, chief executive officer of Salmon Scotland. Welcome, all.

Members all have questions to put to you, but not everybody has to answer everything, so that we can get through all the very complex material we have in the time available. Let me ask, as an icebreaker to get us going, for a short, broad impression from each of you of how you think the fisheries arrangements set out in the TCA of 2021 are working so far and what impact they have had on your different parts of the fishing industry. We will start with Ms Macdonald.

Elspeth Macdonald: Good afternoon. The fisheries arrangements set out in the trade and co-operation agreement from 2020 are quite complex, in that there is a fisheries heading that sets out all the detailed arrangements, and then there is an annexe which sets out what is still in application throughout what has been called the adjustment period on fisheries.

Essentially, the 2020 agreement reached an agreement whereby there would be reciprocal access to each other's exclusive economic zone for a period of five and a half years. That period was due to end in the middle of 2026 and there was a transfer of some quota from the EU to the UK over that period. That has been phased in over this time. The expectation was that at the end of this adjustment period we would revert to the main provisions of the fisheries heading.

These arrangements on access and quota shares fell very far short of certainly what we in the Scottish Fishermen's Federation and the Scottish industry had hoped for. We had hoped that the UK would have a normal independent coastal state relationship with the EU. We hoped we would be equal partners and that we would come together annually to discuss access to waters, setting of total allowable catches, transfers of quota and so on, but the 2020 agreement did not make that provision during the adjustment period or thereafter, so that has been a fairly significant disappointment. There certainly has been an economic uplift through some of the quota transfers, but this has not been consistent across different parts of the fleet, or indeed, I suspect, across different parts of the country. Much of the quota that was transferred to the UK from the EU is fish that the UK fleet would not catch. We often refer to these as paper fish.

That aside, the two key upsides of the 2020 agreement are, first, that the UK now has its own seat at the international negotiating table, and that has been very important and very significant. While we still have a dysfunctional relationship with the EU on fisheries, and it is not a normal coastal state relationship at all, we are able to negotiate on our own behalf in international fora, whether that is with Norway, Faroe, or some of the other coastal states involved in some of the big pelagic stocks. Very importantly, the TCA made provision for the UK to have regulatory autonomy—the ability to set our own rules in our own waters. That is very important and that has been taken forward through the Fisheries Act, which has now set the legislative framework for all the fisheries management plans that are developed for the UK.

It is a disappointment in term of what was achieved. It fell far short of what our organisation had hoped for; none the less, there have been some benefits and we certainly do not want to lose the things that have been secured.

Tavish Scott: Good afternoon. I am very pleased to be able to join you today. In simple terms, on the current arrangements we have for exporting into the EU—and that is principally why you have invited me here today, to speak to salmon exports into the EU—Europe is our number one market. The EU is our most important market worldwide. What we have at the moment is higher costs, more bureaucracy and greater time taken for salmon from Scotland to reach the marketplace, whether it is in Berlin, Bonn or Paris. That has not been good for competitiveness. We compete head-on with our good friends in Chile, Norway and in other salmon-producing nations around the world, so to become less competitive in the European marketplace has clearly not been business-friendly. The extra costs and bureaucracy that we face through physical checks at the border, which invariably means Boulogne-sur-Mer, across the short straits, have added to the complexity and difficulties of our trading arrangements with our customers.

We have dealt with that, as business does, but I could not say that there is any upside to what we are currently putting up with.

Chris Ranford: Good afternoon, everyone. It is great to be here. I will pick up roughly where Elspeth Macdonald finished but I will add one small note from an England and Wales point of view, since I am representing the National Federation of Fishermen's Organisations here today. I totally agree with all the points Elspeth made about independent coastal state status, and it feels like we are in quite a murky area, certainly since the 2021 agreement.

One small detail that I will add, which is of great significance to the English and Welsh fleets, is the issue of our inshore waters. A key priority heading into the original Brexit agreement was managing the 6 to 12 nautical mile limit, which is classed as our inshore waters. We have UK exclusive access inside 6 miles, and a key ask of the English and Welsh fleet was to extend that out to 12 nautical miles. We do not have reciprocal access to, say, the French waters to be able to fish within their

limit, so it was a simple ask of having reciprocal access outside of 12 nautical miles. That failed to be achieved and has since had quite an impact on the industry's ability to grow and develop. I wanted to put that down as a marker.

Elsbeth referred to fisheries management plans. We now have the UK Fisheries Act and underneath that the joint fisheries statement, which is the legal framework for developing our own fisheries management plans, of which there are about 43 throughout the whole of the UK. Some of those cover individual species, some are very mixed fisheries, and some cover very broad areas around the coast. I am really proud of the industry's attitude and willingness to work with government to develop those plans, and I really admire the industry for doing that. It is seen as the one benefit we achieved from 2020-21. We have done a lot of work with fisheries scientists, fisheries managers and policymakers to set this new way of managing our waters and fisheries off in the right direction. Where we have had a small win and an opportunity, the industry has certainly been at the forefront in making the best of that situation.

The Chair: Thank you very much. That is a very helpful start—and a very complex area, as you said, Ms Macdonald.

Q162 **Baroness Winterton of Doncaster:** Thank you for what you have said so far. I think Mr Scott said, "We have dealt with problems, as businesses do" and Mr Ranford told of the impact on the industry and the new way of managing waters. Can you elaborate on what that means for changes in the industry? What does that look like as we have moved through that adjustment period since 2021, and further away from the baselines for catch limits and licensed vessels that were set in the TCA? You said you have adjusted, as businesses do, but what does it feel like?

Chris Ranford: There are two tools that the UK engages with on a high level in managing its waters, managing its fisheries and setting catch opportunities—how much fish we can take and how we manage the way we take fish from our waters. The fisheries management plan, as I mentioned, is the new way of managing everything in UK waters, so we have what we call regulatory autonomy. The Government have set this up to be a very participatory process. We are talking the language of co-design or co-managing our fisheries, so fishermen having an equal seat at the table working with fishery scientists, policymakers and environmental groups to set up something quite unique in how we manage our resources in our waters.

That is a very long, slow process but, as I said, the industry has been extremely proactive to the point where it is putting voluntary measures in place to highlight its commitment to improving how we manage fisheries, sustainability, our willingness to engage with that process, and then building trust and confidence in what we are trying to achieve.

Our waters are shared with the EU and other countries, so we still go through an annual process of setting catch limits for some of our stocks, which are managed by a quota. We have some species that are quota

species, and we have to reach an agreement every year. Towards the end of the year we go through multiple rounds with the EU, looking at the science. The science comes out later this week, which will then kick-start the process as we go towards the end of the year. It is kick-started certainly by the science and then fisheries managers work with the industry to come up with a sensible catch limit for the subsequent year. We are in this era of doing things better domestically and making sure we are doing that collectively with everybody who is involved and has a genuine interest, but we still have to have this international agreement because our waters are shared by an international fleet. We are still working on how those two talk to one another and trying to improve that, because there can be some complexities.

Elspeth Macdonald: Adding to what Chris said, the key thing about regulatory autonomy is that on exiting the EU there was a repatriation of the EU legislation on to the UK statute book. Clearly, that provided the opportunity for the UK and its constituent parts—the Administrations, because fisheries management is largely a devolved matter—to look at what would be more effective fisheries management measures for our own waters. It has been an opportunity for adjustment, as Chris has just described, of the policy development process—what would be better arrangements for domestic management than were done to us, I suppose, through the Common Fisheries Policy regulations, some of which were made too far from the front line of practical reality of fishing. Often, there was a compromise for a number of member states, rather than considering what would be suitable for our waters.

There has certainly been quite a significant adjustment in how we have been working with our respective governments in those areas of policy where we now have the opportunity to think, “Those rules from the EU were not particularly well suited to our arrangements; what would work better and how we do that?” A very participatory and transparent process is under way in all parts of the UK. As I say, much of this is devolved, but notwithstanding the devolution element and the fact that the four Administrations can make their own arrangements, we know that there is pretty good intergovernmental working across the UK on the fisheries management plans. That will not be done quickly; it is a big process and we are continuing with it.

As Chris said, on the international front, the UK is now able to have its own seat at the table and to go into those negotiations with a clear understanding of what will be a good outcome for the UK, rather than being an EU position and trying to balance the needs of many member states.

Q163 The Duke of Wellington: Good afternoon. A lot of this is quite technical for those of us who are not involved in the industry. You have made various references to management plans, but my question is about how total allowable catch figures are reached. I am not quite clear in which of these different fora a conclusion is reached. You have referred to the four devolved Administrations having their own fisheries management plans,

as I understand it. Do they all participate in calculating the total allowable catch, or is that done nationally by the British Government EU representative? I am not quite clear how that works, and for the benefit of this inquiry it would be quite helpful if you could explain to us how that all works in practice.

Elspeth Macdonald: Perhaps it is important to set out from the outset that a great deal of this clearly is based on scientific evidence and there is a very scientific process behind the setting of total allowable catches. There is an international body called ICES, the International Council for the Exploration of the Seas. The UK is a member of ICES in its own right. Every year ICES publishes catch advice, so this is advice that it formulates through a scientific process for different stocks and in different management areas. It is quite complicated; there are many stocks. ICES sets out its headline advice—what it believes the catch advice should be—but it also sets out tables of what other options might be within the various parameters for the sustainability of stocks.

You are quite right in saying that there are several different fora that then take forward the discussions about what the total allowable catch should be. For some of the stocks that are particularly relevant to Scotland, we have a trilateral group for TAC setting for some of the stocks, and that is between the UK, the EU and Norway. That is for six of the jointly managed stocks in the North Sea, so those three parties. The UK Government sit at the table representing the UK, but in collaboration with the devolved Administrations. There is fairly good co-ordination between the different parts of the UK, in going into those negotiations, with what the UK is seeking to achieve.

There are other stocks that are just shared between the UK and the EU. I think there are about 70 of those. They are listed in the TCA annexe. Then that is a bilateral arrangement on TAC setting for these stocks. And other stocks that we call the coastal state stocks—the big, highly migratory stocks such as mackerel and blue whiting. The life cycle of mackerel stock every year ranges from the Bay of Biscay right up to the northern coast of Norway. There are five or six parties involved in the TAC setting for some of those stocks. The different fora for the TAC setting very much reflects how the stocks are managed and the waters across which they are shared, but it is a process that is underpinned by science and where the UK Government leads in taking the UK's position to those negotiations.

The Duke of Wellington: Have any of those arrangements been changed by the new agreement between the UK and the EU?

Elspeth Macdonald: As in the most recent agreement?

The Duke of Wellington: Yes.

Elspeth Macdonald: No, not according to my understanding. None of that should have changed.

Chris Ranford: To add a little bit of extra detail, because I appreciate it is a very complex subject and very technical, a good point to make is that when these catch limits are set, we are paying good attention to science and are always led by a scientific process. As Elspeth Macdonald said, there is generally headline advice and then multiple scenarios, the reason being that often for a boat going to sea and fishing, it is quite hard to target one single species. In the south-west, certainly where I am from, around Cornwall, we have what we call a mixed fishery: so you go out to catch one thing but you end up catching five or six things, all of which are marketable species and all of which might have their own advice about how much you are allowed to catch next year. There has to be an appreciation of how we operate in a mixed fishery, and how we set something sensible for the various things we might catch.

We, as an industry, give input about what our boats are seeing in very recent times, because sometimes with the science there can be a lag. Data that is collected this year might not get considered until next year or the year after, so it is a question of what our boats are seeing changing regularly and making sure that our input is trusted and useful, and that we are giving as much up-to-date anecdotal information as possible.

There is also the point about who owns what quota. From our point of view, certainly in the south-west, we have an acute shortage of some species. Something that might go up or down could impact a lot more on the UK fleet than on the EU fleet, which has a higher amount of that quota. We put all these points to try to form a sensible position. In the UK Fisheries Act there is a national benefit objective, which allows the Government to consider the socioeconomic aspect—so, how does the fleet react to these decisions? If something goes up by 100%, we say, “Hang on, that is not a good idea because it might make everybody go and do that. Can we have something a bit more sensible?” Vice versa, if something is proposed to go down by a significant amount, it could push the boats into something else that we are trying to manage in a better way, so let us have a balanced approach and take this over multiple years. All those types of conversations put us, I feel, in a strong position to make sure that we are sustainably managing what we are doing.

The Chair: Very good. Thank you very much indeed. Baroness Suttie.

Q164 **Baroness Suttie:** In that last answer you have touched on what my question was going to be about, consultation with the industry. In the total allowable catch negotiations with the EU, do you think that consultation with the industry has been adequate to ensure that it is prioritising appropriate stocks? By consultation I mean with the UK Government in particular.

Chris Ranford: I am happy to answer that. As I said earlier on, the international science that is published every year is due to come out later this week. We are at the end of June now. Then we have an opportunity to take our own analysis of that and work through it, and sometimes that can be upward of 20 or 30 different species. We run our own process and

then, typically, consultation, conversations and engagements, start in the autumn. Around September we will establish or Government will establish that relationship with us, based on our areas. We will take different sea basins into account and invite the relevant bodies, organisations and representatives to start making positions and points.

To be honest, that feels quite late in the day because typically, an official round of negotiations for us working with the EU to set next year's limits will start probably in the middle or towards the end of October. Talking about it in September, to then try to build what is complicated, technical science and put together a sensible position, all seems very condensed. I would certainly welcome that process starting earlier in the year. With the science coming out only this week, and bearing in mind the summer holidays and time off in August, it is just as much for industry to be proactive on that and create these positions. Putting something together as a very high level priority list in July would help people get prepared and start thinking, especially where things are looking challenging. I think that needs to be given as much consideration as possible.

I will touch on this briefly and it might come up later on. We have a specialised committee on fisheries that was set up post-Brexit a few years ago. That is a forum that I believe meets quarterly, or maybe two or three times a year, and they then work on some of the more nuanced, detailed issues that are not always resolved in the end-of-year negotiations. They do not just discuss how much fish you can catch next year. They might decide to get a better understanding of a certain species or a certain stock, or ask, "Should we combine science and share resource on getting a better way of managing this fishery?" or say, "This looks like it could be an issue in a couple of years' time if we do not do anything about it. Let's start talking about it."

That is a rolling process throughout the year whereby we have this EU-UK relationship to solve some of the issues outside of setting quotas for the following year. Perhaps we can use that to better effect to be better ready for that end of year process, which feels like quite a hurried period of work for a lot of us.

Elspeth Macdonald: I agree with much of what Chris Ranford said. I suppose an added dimension for us in Scotland is that we are talking to the Scottish Government as well as to the UK Government. As Chris said, the first tranche of advice will come out at the end of this month and then there are some more species that come out slightly later in the year. We usually have quite early on a presentation, sometimes over a course of days depending on the sea basin, with the Administrations, whether that be Defra or with the Scottish Government, just to talk through the advice, to understand it so that industry has an opportunity to see it and to talk to our Administrations about it.

Chris's point about having a bit of a gap between what happens when the advice comes out, then we have the summer break and then we get into negotiations quite quickly in October, is a bit of a chronological challenge. From SFF's perspective and from that of our member associations, we

feel that there is plenty of opportunity to talk to both Governments about what would be good outcomes for the negotiations on where our priorities are, but, as Chris says, it gets condensed into a very short period towards the end of the year and a lot of things often end up being pushed to quite late in the day.

Chris also touched on the specialised committee on fisheries. This is one of the many specialised committees that were set up under the governance of the trade and co-operation agreement. I think it is perhaps unfortunate that industry is not a bit closer to some of the discussions that take place at the specialised committee. They happen between the Commission and the UK Government. We are advised of what is going on the agenda. We have opportunities to have discussions with Defra about what is coming up. The minutes are pretty anodyne and you cannot read a lot from them. I think the specialised committee could be used to greater effect to help us work through some of these quite knotty and technical issues in a lot of cases where industry has a great deal to bring to the table.

The Chair: Thank you very much. I think that really helps to set the scene. Does Mr Scott want to come in? I am conscious that we have been talking about the management of the fisheries so far. We will come to questions that will be more up your street, Mr Scott, but you are welcome to come in at this point if you would like to. No? Okay.

I think perhaps it is time to move on now to the outcome of the UK-EU summit, so to take us there, Baroness Anelay, please.

Q165 Baroness Anelay of St Johns: To move away from TCA and the adjustment period to the summit, what is your understanding of what was achieved at the summit for the fisheries industry, as all three of you operate within it? Are there any areas that were published because of that on policy, on part of the agreement, that are still not clear enough for the industry?

The Chair: Shall we let Mr Scott start in an area that comes back into his interest?

Tavish Scott: I am very happy to talk to that. The principal advantage to the arrangements that were announced on 19 May is that they take away the physical checks that our salmon, and indeed seafood more broadly, are subjected to when they arrive in the European Union, or will when the agreement is implemented. I appreciate that there is now a process involving negotiators from the UK Government and European Commission to that end. In addition to removing those physical checks—and please do not underestimate what a burden that has been on business—we will lose the requirement to provide European health certificates, which again has been a costly burden on business. Furthermore, we will be able to provide our product to customers across the European Union quicker than we have been doing, because of the checks that currently take place.

One of the pushes for those changes has been our customers and consumers across Europe who have been making it clear to their own Governments that these checks provide additional costs and challenges to them in servicing customers. Again, from a business point of view, 19 May is an important step forward for us as export businesses rather than anything else. I would like to reflect that this afternoon.

Elspeth Macdonald: Certainly, 19 May took us by surprise, and not in a good way, in the outcome that was reached on fisheries. Essentially, in summary, the adjustment period has been rolled over from the middle of next year to 2038, a 12-year period whereby there will be reciprocal access to each party's waters. It is not simply that the EU can fish in our waters, we can also fish in theirs—but the key thing that is important to recognise here is that the EU fleet has a far higher dependence on being able to fish in our waters than we have in theirs. So this was a pretty devastating outcome for my membership in particular. I think it is fair to say that perhaps our expectations were not that high, but they were not that low.

You will recall that I said at the outset, when talking about the 2020 agreement, that there was a transfer of quota, albeit it fell very far short of what we would have hoped for in the zonal attachment of fish. That is a technicality that we probably do not have time to go into today. But this 12-year adjustment period comes with no further transfer of quota, and no transfer of fishing opportunities to the UK, so it is a massively unbalanced arrangement. By our calculations, we think that the EU will take around £6 billion-worth of fish at today's prices from UK waters over that 12-year period.

Tavish Scott has indeed rightly referred to the potential for an SPS agreement between the two parties, and seafood exporters will benefit from that, as will other food exporters, and indeed importers. I think that is the important point: having an SPS agreement between the parties will benefit both parties, but the arrangement on fisheries will hugely benefit the EU more than it will the UK. It is interesting reading the common understanding that was published after the summit. It talks very much about balanced arrangements and mutual benefit, and so on, but the fisheries arrangements are not of mutual benefit and are certainly not balanced.

The Chair: We will come to the SPS point more specifically a little bit later in the questioning.

Chris Ranford: I certainly agree and echo Elspeth's points so far. From an NFFO point of view, the announcement of the deal that was done on 19 May was a great shock. I think we were very clear as an organisation leading in with our priorities. A lot of them are priorities that we set out in the original Brexit agreement were not achieved. But in that five-year period, the industry worked towards this review renegotiation, and all of the hard work that the industry put in to develop the domestic management process was done in good faith, knowing that there was a window of opportunity to try to achieve some of the priorities that we set

out in 2020. The deal that was done on 19 May, which failed to achieve any of the priorities of the NFFO, has put a big dent in how the industry can exist and operate and have opportunity to grow for the next 12 years, until 2038.

A key point to tease out of this is the fact that the deal for reciprocal access into one another's waters is being handled through the specialised committee on fisheries, which has already taken place. On 20 June, last Friday, that agreement was done, signed in ink and access given away, while we are still waiting for the details of the SPS agreement to come to fruition. The specialised committee on fisheries has not had any public scrutiny, or any parliamentary vote. It is a mid-level Civil Service group from the EU-UK, which has been granted exceptional powers to be able to give that access away until 2038. To me, and certainly from an NFFO point of view, it is very uncomfortable that something of such significance has been given away so simply and easily without any of the details of what we are signing into, for the so-called benefits to Tavish Scott's sector. I appreciate the points that he made, but from a catching sector point of view there is no return. There is no guaranteed return about what we have just signed away. There is a big concern there.

From our point of view, as we have already talked about, our regulatory autonomy has a real threat now of being challenged. Essentially, until 2038, we must consult the EU. If we are proposing to do something in our waters—a way of managing a fishery, for example—we must consider their access into our waters. Does that take away their access? Are they going to challenge us based on what we are proposing to do? Despite it being non-discriminatory and making sure that we are doing the right thing for managing fish stocks, we still must consider their role in our waters now.

That might blend into marine protected areas. Obviously, we are hearing a lot of news, a lot of policy, a lot of development in that world at the moment. Again, that may come under challenge from the EU fleet, as much as any other spatial restriction. There are huge ambitions in developing offshore renewable energy around the UK coast—again, another spatial constraint to the fishing industry, which the EU may decide that they are being disadvantaged over. I think there is serious significance far beyond just the basic fisheries asks going into this deal that may cause us a lot of headaches for years to come.

To echo Elspeth's point, access seemed to be the only conversation that was happening that was relevant to the catching sector in this. We asked for multiple other things, including on quota shares and having a fairer balance, and there were lots of opportunities for the UK to negotiate that, due to the value of the EU fleet operating in our waters. Should nothing have been agreed by 2026, access would have gone to an annual agreement. So on setting catch limits, we would have gone through a process of agreeing that access into our waters, and it would have given us huge bargaining tools to negotiate some quota or zonal access—so, if they wanted to access our waters, perhaps they would stay and fish

outside of the 12-mile limit, giving much more opportunity to our inshore fleet.

There were some real opportunities to set the industry off on a positive trajectory in 2020, and again in the deal that has just been done, but none of those has been achieved. We have a lost generation of fishermen that now have to stay hemmed in by the EU fleet, which is fishing right up to six miles from our coast, and no opportunity to go and fish further from that and no change in quota to allow them to develop a business. We are working very hard trying to recruit young people and domestic workers into a very important industry for coastal communities and rural communities, and for healthy food production. It will be a hard sell now from a strategic point of view, when we could have had such great opportunities. I think I have made my point, but I just wanted to put that down.

Q166 Baroness Anelay of St Johns: Can I ask a follow up on that? You have given a lot of information there about the future and how things can be done differently. I know that colleagues have questions where they would like to drill into that. What seems unclear is the fact that the Government have promised a coastal communities fund. I know, Mr Ranford, that on your Cornish fishermen's organisation website you have a very clear explanation about why it is unclear. I notice that the Secretary of State said, in giving evidence to the Select Committee in the Commons, that the Government would have to be in close consultation and engagement with the fishing sector itself. Has anything happened since the May summit to give you a guideline about when you will be consulted? What has happened since then?

Chris Ranford: That is a good question, and definitely one we wanted to discuss. From the outset, the opportunity was far greater than the £360 million fund. Should we have secured our 6 to 12-mile limit and caught the same fish that the EU fleet were catching, it far outstripped the £360 million fund. It is important that we start with that. From a coastal and fishing fund, certainly where there is government support to help evolve the industry, take it forward, improve what it does and how it does it, we always welcome that support. I am slightly sceptical when we have the word "coast" mixed with "fish" in the same fund, because I can see how "coast" could easily take its own share—and I am sure there is plenty of interest in that and plenty of people making their own inroads.

The number is big, but it is over 12 years with a maximum cap of £30 million per year, so it is hard to understand how that will then extend beyond the next general election and any other spending reviews. I think we have two or three general elections between now and 2038 and however many spending reviews at the same time. It is starting in the next financial year, so there are three years at £30 million a year on the fishing coast, spread around the UK. How much will we see out of that fund? That is important, given the impact or loss of opportunity the fishing industry has had, as much of this fund is allocated to those doing the job, the catching sector itself and what its asks and requirements are going forward.

We have been asking from an NFFO point of view for a national fishing strategy for many years now and really set that out going into this general election. I would welcome the Government to take that approach to get the best out of any public money so that we support the industry from a strategic point of view and we do not just go and start spending money for the sake of it and appearing to be doing a good thing but not meeting the needs of the industry. I would certainly welcome a detailed consultation process with the people who are doing the job, not all the organisations and people that seem to do very well out of public funding that we have witnessed in the past.

Q167 Lord Jackson of Peterborough: Chairman, could I ask a quick clarifying question? In the run-up to 19 May and in the run-up to Friday 20 May in respect of the partnership council and the TCA specialised committee, were you consulted at all by the Government on what you expected? Rather than a normal run of consultations, were you asked about the specific outline, for instance, of last Friday's agenda, or anything like that?

Elsbeth Macdonald: No, we certainly were not in Scotland. We had lots of discussions with the Government in the run-up to the summit, as you would expect. We had many discussions with Defra and Cabinet Office Ministers. We set out what a good deal looked like from our perspective. The Government, after the deal was agreed and announced on 19 May, came back and said that they appreciated that our position had been very clearly and consistently set out but clearly it had not been achieved. We had no detailed discussion with government about what the outcome might be. We were certainly saying what we thought a good outcome would look like. Clearly it was an ongoing negotiation, and there was certainly no consultation with us on the text of what went to the specialised committee last week. I imagine it was the same for Chris Ranford.

Chris Ranford: Yes.

Lord Jackson of Peterborough: I think it should go on the public record that the Government did not publish a mandate for Parliament and has not reported back on either the partnership council or the specialised committee—and with the specialist representative bodies either there has been no proper consultation about the policy, which I think is disgraceful.

The Chair: Can we perhaps move on because one or two of these other issues will come up shortly? Lord Whitty, you wanted also to come in.

Lord Whitty: It is related to this question. Clearly the 12-year freeze came as a surprise to you and practically to every commentator. What were you asking for and what were you expecting? Were you expecting to have annual negotiations, or every three years, or what? Annual negotiations while we were members of the EU were a pain in the neck for everybody concerned. What were you expecting the Government to come and suss you out on?

Elspeth Macdonald: What we had set out from the SFF's perspective was that our preference was very much for the annual negotiations that Chris touched on a moment ago. The annual negotiations that would have been held between the EU and the UK under the fisheries heading of the TCA would not have been your normal, equal, bilateral coastal state relationship. Chris is right to say that they would none the less have given the UK opportunity to have a fairer share of the catching opportunities and fishing opportunities in our own water, because we would have had some leverage over control of access. It would not have been full control of our access in the way that we would have hoped, but there would have been some scope through these annual negotiations to improve the UK's position. That was very clearly our preference.

We knew that was going to be a hard thing for the Government to deliver, so I think we had some expectation that there might be another multiyear agreement on fisheries that would be the consequence. We were very clear with Government that, if it was to be another multiyear deal, it should be kept short and should come with a commensurate transfer of fishing opportunities back to the UK. Neither of these things was secured, so we now have a 12-year agreement on access with no transfer of fishing opportunities. We had been clear to the Government what our preference was. We had been clear about what we thought was a reasonable compromise, but the result was a far worse outcome than we had ever anticipated.

Baroness Hayter of Kentish Town: I do not think I took quite the same outcome from what Lord Jackson said. It sounds to me as if there were lots of meetings and consultation with the Government. The Government did not negotiate what you wanted, but the summary we just heard did not sound quite the same to me. It seems we have two assessments of the summit. Certainly Mr Scott seems very content, along with the industries he is representing, whereas the other two do not.

I have two questions. One is whether you have yet had time to start doing an impact assessment about how it will impact on the sectors you represent. You may not have done it yet, or you may want to send it to us, preferably by the end of the month so it can impact on our writing. Also have you heard from any of the consumer movements what they think the impact on the price of fish will be? That is also quite important as we look at the impact of this. It may not be an impact that you like, but I wonder whether you could look at that, and then I have a second question.

Chris Ranford: I am happy to come in on that. With regard to an impact assessment on the deal, loss of opportunity is the big thing. Nothing has changed, and we are getting told that, because of status quo, that is a good thing. We have security or guarantees for 12 years, and that is a safe place to be—but the loss of opportunity is the biggest frustration and biggest hit to the people who are out at sea producing seafood. We do not necessarily need to do an analysis, because everything that we asked for that we did not get is what we were presented with, which is why

people are frustrated. It was only five years ago that we left the EU and, as I say, we were working towards an improved situation, to improve opportunity for our fishermen and fishing fleet, so not to secure anything and then to sign away for 12 years is the assessment.

On the price of fish, from a domestic point of view, it is a question of whether we should have had greater opportunity and greater ability to land more fish. Should there have been a better transfer of quota or more space, more opportunities certainly in our inshore waters, that would drive a better demand for our seafood? We would have had a better, more developed supply chain in the UK. I like to think that would have improved the situation for our exports as well as our domestic market, because we would have had the opportunity to produce more seafood in our waters, which at the moment is taken from the EU fleet and exported straight into the EU market.

The Chair: Can I see if Mr Scott wants to come in, because it is always a bit of a disadvantage to be online?

Tavish Scott: I was going to make the observation that we send 59,000 tonnes of salmon into France alone every year. This trade agreement, once it is implemented—and that is the crucial stage for us now, the SPS agreement—will allow us to grow that marketplace. It will allow us, as a result, to grow jobs and economic value to the United Kingdom economy, in addition to all the supply chain businesses that we use in our sector, the logistics and haulage companies and so on. There is no question that freer and frictionless trade helps us, just as the India deal helps us. That is an important step forward for us, because there used to be 31% tariffs on salmon going into India and now there should be 0%. We do not know what the impact of the uncertainty of the US Administration's policy will be on tariffs on 9 July, and that is an uncertainty for business that we could do without but we recognise what that is.

The EU marketplace, as I said before, is the most significant one for our sector, and our jobs depend on it, right around the coastline of Scotland and across the UK. We hope that what can now come to pass is that the UK Government negotiators with their European counterparts will move, I think the Prime Minister used the words, "at pace". Business probably has a slightly different definition of "at pace" than Governments but, nevertheless, we need to see that move forward. That can then lead to the opportunities in a very competitive marketplace, which I hope can be advantageous for our companies but also for the economy at large.

Elsbeth Macdonald: I will add to what Chris said about the impact assessment. As he said, we have stood still. We made it clear to Government that what we really wanted was that instability of annual negotiations. That would have been to our advantage, rather than the stability that they told us is a good thing for us but with which we disagree. Chris spoke earlier about the spatial pressures that our fishing fleets are under, whether that is from the expansion of offshore wind, subsea cables or conservation areas. There is a longer term piece of impact assessment that has not been done, because we will face that

spatial pressure, and our fleet will be displaced from fishing in certain areas that are productive. We will be perhaps forced to fish in places that are less productive—and that spatial pressure will be compounded by the fact that the EU fleet has free and unfettered access into our waters. There is a longer term piece of impact assessment that has not been done on what that means in the long term. You will have both fleets trying to make a living from perhaps less productive areas.

Q168 Baroness Hayter of Kentish Town: I will turn to the shellfish industry. Are any of you able to estimate what would be the benefit of this agreement to the shellfish industry, and particularly which parts of the UK will be most affected by that?

Chris Ranford: I am happy to speak to that. To an extent, probably part of it is out of my remit for aquaculture and bivalves. I know some of the issues they have had since 2020 in exporting some of their products, and I do not know the detail of how this new deal will be beneficial for them in getting their products overseas. I know that there has been some discussion on that, so I will be happy to send you any notes that I can pull together to give you better information on that.

In the south-west, and from a national point of view, we have a really productive shellfish fishery—crab, lobster, crawfish. It is important to point out that there is a lot of illusion around that—that we did not have an EU market, or that we have lost an export market since Brexit for our shellfish—when in fact a lot of the businesses had adapted, invested and purchased additional resource to find their way through the red tape and the additional paperwork and had spent in the tune of tens of thousands of pounds to meet the new requirements. Since doing that, we have had continued access to sell shellfish into the EU market, so we have not lost a market. This new deal does not give us a market that was taken away. Businesses have simply either adapted or invested and found ways to continue to export shellfish into the European market. That is probably an important point to put down.

Any removal of red tape is welcomed, obviously. If there is any way of freeing and smoothing out trade for something like fish and shellfish, which are highly perishable products, it is a good thing. But for the record a lot of businesses had found their way, by spending money, of getting through these complex processes, or had diverted their catch or product into domestic markets as well. That is a good thing and something we should celebrate, that we are driving more domestic demand for our product.

Elsbeth Macdonald: I agree with much of what Chris said. I think there is another element here to consider. We have talked quite a lot today about the arrangements on access and the arrangements and the sharing of what we call the quota species, species for which quotas are available. But of course there are a lot of stocks that we call non-quota species, stocks for which quotas are not set. It is important to recognise that the TCA and this extension of the 12-year period of reciprocal access also applies to non-quota species. There are certainly consequences there that

we need to think through for reciprocal access on non-quota stocks, many of which are shellfish species—and, again, how that is likely to be to the UK's disadvantage.

The Chair: Thank you very much. I am keeping an eye on the time. We are coming up to an hour and we have already taken up a lot of your time. We have more questions, so perhaps we can try to be a bit more concise to get through everything without holding people back too long.

Q169 **Lord Frost:** I have one last question on this set of issues. Suppose the 19 May deal had not been done and the admittedly unsatisfactory TCA arrangements had come to an end as the adjustment period had ended. Can you paint any picture about what you would have expected to happen in the next few years for extra quota access? Are you able to put any numbers on the market and what you expected for the industry, just to give us some sense of the counterfactual?

Chris Ranford: Of course. I am happy to give a brief case study. In my day job I represent the Cornish fishing industry. I appreciate I am here from a national point of view but we have done some analysis of potential gains due to getting an improved deal for access and quota as a way of allowing a continued access of the EU fleet into some of our waters. I think Elspeth made a good point; perhaps we could have agreed to a shorter period. Twelve years is an extremely long time, certainly from a working life point of view, in supporting our industry.

We have done some economic analysis, which was led by an independent consultant, to look at the 6 to 12-mile limit around the Cornish coast and an analysis of what the EU fleet take out of there in tonnage and value of fish. If we had secured that area so it was exclusive access for UK vessels and had the quota transferred that the EU fleet take out of that area, which is a small percentage of what they take in the whole of the UK waters, there would have been an uplift of £61 million in gross value. We would have had a huge significant uplift if we had had that.

Lord Frost: What is that in percentage terms roughly?

Chris Ranford: At the moment our GVA is £174 million per year, so it would have been one-third on top of what we already have simply by securing the 6 to 12 and a pretty marginal handover of quota in percentage of what they already have in our waters. That would have given an uplift of potentially 2,100 jobs across the seafood supply chain. A study we did last year in Cornwall that we call "the true value of seafood" was a full socioeconomic analysis. It is not just looking at what a boat is worth at sea or what it takes from our waters. It is understanding that that boat lands the fish to the market, it is then handled on the market—the auction—is bought by a merchant, it is processed, the value is added, it goes through the supply chain and is either exported or into fishmongers, retailers, hospitality. We have a huge amount of added value when it comes to the fishing and seafood sector. Again, it is that loss of opportunity should we have negotiated a better deal.

Lord Frost: Before I come to Elspeth, would those sorts of numbers or that sort of percentage be typical of other English and Welsh coastal areas? You made the point in your press release that control of access generates extra quota over time. Might the numbers have been greater or the uplift greater elsewhere where quota is much more in play?

Chris Ranford: Yes, of course. That was a concentrated, intensive view that was done in the lead-up to these talks to build some evidence to help people understand, but of course if we took that as a whole UK approach that would have been very significant.

Elspeth Macdonald: This is a bit theoretical because we have not reached the point of having annual negotiations and we are not going to get to that point before 2038 unless something significant changes before then. It is fair to say that we appreciate that those annual discussions would not have been particularly easy because the TCA is pretty convoluted in how it would work. There are some I am sure very carefully chosen words about the provisions for access to waters and the annual consultations, which we have spent a lot of time thinking about and what that could have meant were we able to put it into practice. We appreciate that those annual negotiations would not have been particularly straightforward and were not going to deliver huge bucketloads of fish overnight, but we certainly thought that there was tremendous potential still for having that leverage in saying to the EU, "Well, what are you going to give us in exchange for having some access?"

We had begun to identify what our key stocks were, where our priorities would be, what we would be looking for. It is difficult to put figures on them in the way that Chris just has, where there is a pretty discrete situation in Cornwall, but we felt there was certainly opportunity through those annual negotiations to just incrementally uplift the UK's share across the different fleet sectors. We could see particular opportunity around some of the demersal stocks, some of the stocks that are jointly managed through the trilateral, and that has now gone from the table for the next 12 years.

The Chair: Does Mr Scott want to add? No? Okay, Baroness Ashton.

Q170 **Baroness Ashton of Upholland:** Lord Jackson asked my question so I get the chance to ask what I really want to ask you. I wanted to say that in my experience of being at the EU, where I was Trade Commissioner, before I was a higher representative fishing was always tricky. I do not think I ever met anyone in the British fishing industry who was happy, not because you did not want to be but because it was so difficult. Even when I was talking to countries such as Australia, we were arguing about kingfish, I recall, as well as with our colleagues in Norway. It is a difficult and challenging area and I am grateful that you have come to talk to us about it.

I want to challenge you a little bit and then ask you a broader question. The challenging bit is that you have put a lot of emphasis on the possibility of annual negotiations and yet annual negotiations with the EU

do not necessarily mean that you will come out with a better outcome. You could have come out with an outcome that was less good. That is the option. How far do you think that there is any benefit in security versus annual negotiations? In other words, for 12 years you know what is what. You may not. I am genuinely interested to see if there is anything that feels better, hidden underneath the general feeling of, "This is not what we wanted". I appreciate it is not what you wanted but to make you happier in the context of this committee, because we are looking at the reset, we are not bound by thinking that what has already happened is all that will happen. In other words, the summit will lead to another summit, which will lead to another set of negotiations. Briefly, because I know we are short on time, I am much more interested in knowing what you think now you want to say to the Government about what should happen next, against the backdrop of where we are, rather than being able to wave a magic wand and change it.

The Chair: Would you like to start, Ms Macdonald?

Elspeth Macdonald: Maybe, yes, on your point, it is possible that in annual negotiations you could end up worse off rather than better off. However, my membership was of the view that annual negotiations would, on the whole, be better. We had been hoping for that. That is largely predicated on the fact that the EU is so dependent on access to UK waters for its fleet.

Yes, indeed, what has happened might not be all that happens. We are already talking to the Government about making sure that they do not make a bad deal worse. We are exercised about holding on to what we secured the first time around and the scope for regulatory autonomy. We would absolutely not want to see that being lost or watered down in any way. That is important for the UK. The importance of the UK having its own seat at the table must not be lost.

As you say, this is a point in time. As Chris alluded to earlier, general elections will happen between now and 2038. The landscape will change. Who knows what might happen in the future? We would certainly look for ways in which this could be improved, but in the short term we would look to the Government to hold on to what we have. We have already given something pretty significant away, so hold on to what we have—do not make that worse.

Also, they must be absolutely ready to go into bat for the UK industry in the negotiations on TAC setting that we will be starting later this year and making sure that we maximise the fishing opportunities for the UK fleet because that is now the only opportunity that we have to get the best outcomes in the short term.

Chris Ranford: Yes, great question. That is a fair point on the annual process. Things could go forwards or backwards. Elspeth made the point that the value extracted from one another's waters shows how valuable UK waters are to the EU fleet versus our reliance on the EU's waters. We would have been in a strong position to negotiate there. Probably,

strangely, the benefit is we do not have to talk about this for 12 years. We have regulator autonomy. We have to start facing forwards and look at what we will do: how do we get on with this?

I said already that the fishing industry has been at the table for the last five years, working with fisheries managers, scientists and environmental groups all around the country with 43 different plans. The industry has put its commitment forward, its willingness, not just time but its own money, investing in science research, getting a better handle of what is happening in our waters. The more accurate the data, the more trust that fishermen can bring to credible science and the better decisions we can make for managing fisheries so that we are not going up and down every year in these annual negotiations. It is an opportunity that we should start pushing. We have to take advantage of getting as much backing from our Government on the willingness of the industry to manage our fisheries and in our waters and make a good go of it. It will be hard for a few months because of the reaction to this deal, but we have to get on with these things and we have to make a move on it. There is a definite bit of forward looking there.

I mentioned briefly a fishing strategy and having something recognised by the Government. We are at risk of strategies happening all around us, whether it is energy, nature recovery and all these things. If they do not take fishing seriously, we have already made the point that spatial squeeze is extremely real right now. The fact is we have not made any difference to EU fleet numbers in our waters with this deal. We have left no room, basically, for movement. Having a strategy that supports the fishing industry to stop things going backwards would be a major important point to make.

I mentioned the fund earlier on. If that is serious, my challenge would be to frontload the £360 million spread across 12 years. Put £200 million in now. Let us go big. We have our ambitions. We know what we want as a fishing strategy and what we want as an industry. Let us be the world leaders in fishery science and fisheries management, using the fishing industry to collect that data. Where we have lost opportunities potentially in what we can catch, we can make a massive contribution in getting a much better handle on what is happening in our waters. Fishermen are best to do that. Yes, there is still some light in there, despite all the things we have spoken about.

The Chair: Anything else to add? Mr Scott, anything else from your side?

Tavish Scott: No. I feel a bit out of it. This is not my conversation, if you see what I mean, and so I should leave it there.

The Chair: That is fine. We will come to an issue that is very much up your street, which is the SPS agreement and how that will work. I turn to Lord Whitty.

Q171 **Lord Whitty:** We have seen the advantages of the SPS agreement to land-based industries and Mr Scott has expressed the benefits of it for

the salmon sector and the exporting sectors in general, but more generally what is the attitude to the SPS agreement in different sectors of the industry and different parts of the country to what impact it will have?

Tavish Scott: The perspective here is if you are an export-focused business, reducing business costs, reducing the time to consumers and removing physical checks are all advantages. For those of us who have put up with this now for all these years—and I have personally been to Boulogne-sur-Mer to see the French authorities handling not just salmon but seafood coming through the physical check process—it is significant. It has been encouraging to me how many of our consumers and how many customers in France alone, never mind other parts of Europe, have pushed us on the progress that we can now see made by the changes that we hope will be implemented within a reasonable course of time.

If we want to grow our economy, we need business to happen. Business needs certainty. This deal, if properly implemented, can create certainty and allow us to do what we are here to do, which is to put the right product into our competitive marketplace. That, for me, is the principal objective we see of the coming weeks and months and we hope the UK Government will take that forward with as much speed as they possibly can.

Lord Whitty: What about other sectors?

Chris Ranford: From our point of view, we are the catchers and so we gave a great appreciation for what happens in the supply chain and the reliance on the export market. Any way of improving trade, reducing red tape, increasing speed and getting something as fresh as seafood into the European market is good.

I made the points earlier on about the supply chain that I have engaged with and spoken to, how they have adapted and evolved and found their way through at cost, but this is not being given back to us that was taken away. We have managed to find our way through.

I guess the biggest thing from our point of view is how this is dressed up as the token in response to giving the EU fleet access to our waters for such a long period. The disparity of that is so significant because of the value that they have achieved as part of the deal versus the lost opportunity for a boat going to sea catching fish. They do not stack up in terms of a deal.

Elsbeth Macdonald: I completely agree with Chris. Having an SPS agreement will benefit both the EU and the UK. As Chris said, we have paid a huge price for that in the fisheries access that has been traded away for that. Indeed, the right SPS agreement—and of course all we have at the moment are some general words around starting the discussions around an SPS agreement—will indeed be welcomed by exporters. However, it is fair to say that the devil will be in the detail and it will be quite challenging to deliver. There will have been some

regulatory divergence between the UK and the EU over the last five years. There is a lot to unpick in what has happened in that time and how you then stitch that back together for what both parties will look for through this SPS agreement.

I completely acknowledge and our organisation acknowledges that it will be welcomed by many exporters but, as we say, it is of benefit to both parties, yet it has come at a significant cost to our industry and, as yet, we have no idea of what it will look like in practice. There is a long way to go on it and a lot to work through on this whole issue of alignment, how rules will be determined and how rules will be scrutinised in future.

Lord Whitty: Do I gather from that that you think it may be that the SPS gives greater access to EU producers to the UK market than the benefit that some sectors of the industry at least get from their access to the EU for British catch? The EU exports relatively little salmon from Britain. It does from other countries but not from Britain. In other sectors, it is the other way around. Will the SPS agreement help or hinder that balance?

Elspeth Macdonald: From a seafood perspective, overall, the trade between the UK and the EU in seafood is pretty balanced. We export and import about the same amount. It is fair to say that the EU's border controls are rather more rigorous than the border controls that have been put in place at the UK border. I sat in a meeting this morning where this subject was very much under discussion and there was a welcome narrative from EU businesses about an SPS agreement because it would also be to their advantage.

The Chair: Let us move on to Lord Jackson to dig more into the detail.

Q172 **Lord Jackson of Peterborough:** Thank you, Chair. I can understand your frustration. I have rarely read a press release that is more excoriating of the Government. I can understand that, because the issue has been about the conflation of wild capture with fish farming. You are quite right, as far as I can see, that securing a deal to 2038 has not necessarily been in our national interest—but that is a matter of opinion, obviously.

Mr Scott, can I just press you a little bit? It seems to me that this is about opportunity cost. If one was being pejorative, one could say that the fishing industry has been thrown under the bus for the SPS agreement that you will benefit from. I understand that you have £500 million worth of trade. Incidentally, almost half your trade is not the EU—45% is not the EU—so it is not overwhelming; it is about half and half. You said 55%. The figure you gave was 55%, so 45% is not the EU, as I understand. To step back a bit, how much of your members' stock is intensively farmed in Scotland?

Tavish Scott: First, Lord Jackson, 62% under HMRC figures was exported to the European Union in 2024. That is the Government's own figures.

Lord Jackson of Peterborough: But still almost 40% is not outside and so—

Tavish Scott: We are clearly in the cup half empty or cup half full view of politics, I suppose, but this is an opportunity for us. You may take a different view. I quite understand that.

Lord Jackson of Peterborough: Back to my question, how much of your members' stock that they export is intensively factory farmed?

Tavish Scott: I do not recognise your pejorative use of language. They farm sustainably in a way that is in the interests of our—

Lord Jackson of Peterborough: You know what I mean. You are choosing not to answer that. Fair enough. I will go on to another—

The Chair: Lord Jackson, give Mr Scott an opportunity. It is difficult online. Perhaps come back on that question of the proportion of stock that is not wild. That is what you are getting at.

Lord Jackson of Peterborough: Yes, okay. Thank you for the clarification, Chair, not wild.

Tavish Scott: I am sorry. I did not hear that. I am not sure what I am being asked.

Lord Jackson of Peterborough: The Chairman has used the expression or the term "not wild".

The Chair: I am inviting you to come back on what Lord Jackson's question was getting at.

Tavish Scott: Thank you, Chair. Self-evidently, farmed fish is farmed in a sea pen on the west coast of the northern isles and the western isles of Scotland. That is all our production.

Lord Jackson of Peterborough: Has your carbon footprint been increasing or decreasing over, say, the last 10 years?

Tavish Scott: It is decreasing. We will hit the 2045 net zero target that the Government have set out. The carbon footprint of salmon is very low. Indeed, it is considerably lower than many other terrestrial forms of agriculture. We are proud of that record and will continue to be so.

Lord Jackson of Peterborough: It was slightly incongruous in your statement, "Since Brexit, our members have faced costly delays moving 500 lorryloads of low-carbon salmon across the channel every week". Lorryloads do not sound carbon friendly, or climate-change friendly. That said, can I continue to—I do not need any help in asking the questions. Thank you very much, Chair, but it was kind of you anyway.

The statement you issued was very positive on 19 May, but is not the key question that none of the legal wording has been published and, at the moment, you are very much reliant on the good will of the EU to expedite

a satisfactory SPS agreement, which has not been forthcoming—and, therefore, Ministers may not be in a position to get the deal that you would like? Therefore, you would perhaps have better held back before you concluded that it was a brilliant deal for your members.

Tavish Scott: To be super clear here, the Opposition as it then was asked us and many other export industries what we wanted with the change of Government. We asked for an SPS agreement to reduce cost and bureaucracy—which we face right now, Lord Jackson, every single day of the week with this. Yes, those 500 lorryloads of salmon are going into Boulogne-sur-Mer. Cost, bureaucracy and time is taken to get our product to market that did not exist when we were members of the European Union.

We now hope that an improved relationship between our country and the European Union, which was set out on 19 May, will be good news for business. Indeed, ours was not the only business organisation that said on 19 May this was good news for the British economy. In our sector, it is most certainly good news for our ability to provide our customers with the product they want.

I do not recognise—how to best put it—the slightly depressing tone that is taken to this approach. I notice that you have Ministers in front of you in a week's time or so, and you will have the opportunity to put that to them. I believe the Prime Minister when he said, "We want both sets of negotiators to operate at pace in putting this agreement together". That is what business wants, and that is most definitely what our sector supports.

Lord Jackson of Peterborough: I agree with that. My point, Mr Scott, was simply that there is a long way to go between the warm words of 19 May and the final legal wording. You have to get a lot of ducks in a row for it to make a seismic change to your members. I accept that there has been some disruption at the border since Brexit in 2020. Nevertheless, you would not welcome a house sale unless you had seen the deeds and you had legal advice on that. That is merely the point I am making. At the moment, it is not set in stone, and indeed Parliament has not had an opportunity to look in detail at the SPS agreement that the Government may well come forward with.

Tavish Scott: You are absolutely right. Of course, we want the detail to be ironed out and that is, I am sure, why you have Ministers in front of you in short order. We need to and will work, as we have over the many months now, with Ministers on that detail. When they ask us for information—and they have many times in previous months—we will provide that to assist, as I know other sectors of the economy have too. Is there a process to be gone through? Yes, of course. You are quite right, there is. Will we help and assist with that? You are absolutely right, we will.

Lord Jackson of Peterborough: Thank you, I appreciate your candid responses.

Q173 Baroness Ludford: Can I ask you about how you respond to the prospect of dynamic alignment with EU SPS rules? Ms Macdonald, you talked about how there had been regulatory divergence in the last five years. I was not clear what the scope of that divergence was, because an earlier reference to regulatory autonomy seemed to be more about fisheries management, strategies and so on. I do not know how much regulatory autonomy we had on SPS matters but, in light of whatever we have had with regard to autonomy divergence, how do you react to the prospect of dynamic alignment and the fact that, although we were promised decision-shaping, it is not the decision-making that we had when we were members of the EU?

Elspeth Macdonald: You make an important point about the distinction between what are truly SPS arrangements and fisheries management arrangements. It is critically important that the UK Government, in the negotiations of the SPS agreement, do not allow scope creep beyond strict and genuine SPS arrangements into fisheries management arrangements. We absolutely do not want to be sucked back into the ambit of the common fisheries policy. We will be stressing to the Government the importance of vigilance to ensure that that does not happen.

I cannot speak in any detail about regulatory divergence on SPS issues specifically around seafood, because my function is clearly with the catching and not the processing and onward transport. However, I was in meetings this week, yesterday and today, when this topic was being discussed with other sectors. There is a recognition that in some sectors there has been divergence in the EU rules, not specifically around seafood but with some other agricultural products. There are many questions. What will happen with the things that have changed in the last four or five years? Will the UK have to roll them back? Will there be an acknowledgement that they should be carved out? There is still no clarity around that. The most important point you make and that I would want to make back to the committee is to keep SPS and fisheries management rules separate and for fisheries management in any shape or form not to get sucked into the SPS agreement.

Baroness Ludford: Tavish Scott, you have made clear your welcome for an SPS agreement. Do you think that dynamic alignment will mean giving up any regulatory autonomy or divergence that has been good for the salmon farming sector, or is that pretty overwhelmed by the benefits that you have eloquently talked about this afternoon?

Tavish Scott: Probably the best answer is to reflect that we do not envisage any massively significant challenge on this particular point that could in any way equate to the costs and the bureaucracy that we already deal with. Probably not alone in sectors of the economy, we need to re-engage with Brussels in a way that we simply have not for some time—so we understand their perspective too. We are comfortable that we can work through the details as asked by the different departments of the UK Government on these matters and ensure that any change is kept to a minimum—but we are not concerned about the offset at this stage.

Chris Ranford: I have a point on it from a slightly different angle. Similar to Elspeth, our job is to represent the catching sector in this. From experience post-Brexit, or certainly over the last several decades and probably centuries, our boats have not just landed into UK ports but have also landed into EU ports and landed our fish directly into French markets at times. Upon the original Brexit agreement a few years ago, some of our vessels continued or attempted to land into French ports. There was a big restriction in the number of ports and the places we could land into. As a third country, we were treated very differently. There were a lot more checks, a lot more bureaucracy and a lot of inconsistencies in how our vessels experienced the ability to land into French ports, so much so that it prevented our boats landing. I am speaking certainly for the members I have in Cornwall. They stopped landing directly into those French markets and decided to then land entirely into UK markets, which can be seen as a good thing—but the ability to spread fish in various ways is a better option for markets, so you do not oversupply one place with one species. Keeping competition up is important.

Since that initial Brexit agreement, some additional ports have been added and some additional markets we can land into, but our boats lack confidence and willingness to go and land. We are dealing with highly perishable products. Any delay or any problem or being made to take fish out to weigh it on the quayside prior to them putting it on to transport, on to a market all has an impact on the quality of the product. As a result of that, we are not having those opportunities. This new EU reset deal must have confirmation or much more clarity on the conditions that we will be met with, if our boats decide to land into French markets or other European markets.

Baroness Ludford: On the specific point of having to—in the jargon—dynamically align with EU SPS rules, it sounds to me like the value of better access to those landing catches in those ports, which hopefully an SPS deal will confer, might outweigh any problems of having to align with EU SPS rules. Is that fair?

Chris Ranford: Yes, the detail is important and we would need to see and analyse it. On Elspeth's points, any threats that makes to our ability to manage our waters or any hooks that might get put in there, we will have to have a keen eye on any conditions that come with that. As we have already said, that is the fear with this. We have given away access to our waters for something that we are still talking high-level about and are unsure about. We are using the word "hope" a lot, which is not where I want to be operating from, considering we have already signed away access into our waters for 12 extra years.

Q174 **The Chair:** Finally, do you have any particular thoughts or advice that we could put into our report on how the Government should engage with businesses as they go through the issue of dynamic alignment? They will probably want to look at quite a lot of areas where there perhaps has been divergence over the last five years. Would you like to register

anything with us on how that will operate between the Government and the business sector?

Elspeth Macdonald: I will reiterate my point about ensuring that it is kept within the confines of SPS and does not start to sweep in any way into fisheries management, because that would be massively problematic for our sector.

The Chair: Thank you. Good—message received on that. Mr Scott, any last thoughts on how the industry would want to engage with the Government on this?

Tavish Scott: I agree with Elspeth Macdonald's point. That plays exactly to your point, Mr Chair. The crisper and clearer you keep it, the easier that process will be. We recognise as a business that we have had very good engagement with UK Government departments. The more of that the better in moving it forward, please.

Chris Ranford: I agree with the points made. Yes, we should keep it as simple as possible and as straightforward as possible. Let us start seeing some of these benefits. Let us not take as long as what could be taken to get to one of the benefits that might have come from this deal.

The Chair: Thank you all very much indeed on behalf of the committee. It was an interesting and informative session in some complex territory, and there were some frank and useful answers. With that, I bring this public section of the meeting to a close.