



# HOUSE OF LORDS

Revised transcript of evidence taken before  
**The Select Committee on the European Union**  
Energy and Environment Sub-Committee  
Inquiry on  
**BREXIT: FISHERIES**

*Evidence Session No. 1*

*Heard in Public*

*Questions 1 - 21*

WEDNESDAY 7 SEPTEMBER 2016

10.35 am

Witnesses: Professor Robin Churchill, Dr Bryce Stewart and Professor Richard Barnes

Barrie Deas, Bertie Armstrong, Marcus Coleman and Hazel Curtis

### Members present

Lord Teverson (Chairman)  
 Lord Cunningham of Felling  
 Lord Curry of Kirkharle  
 Viscount Hanworth  
 Duke of Montrose  
 Lord Rooker  
 Lord Selkirk of Douglas  
 Baroness Sheehan  
 Viscount Ullswater  
 Baroness Wilcox

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### Examination of Witnesses

**Professor Robin Churchill**, University of Dundee, **Dr Bryce Stewart**, University of York, and **Professor Richard Barnes**, University of Hull

**The Chairman:** Professors, Doctor, may I welcome you to the first of our evidence sessions on the UK's withdrawal from the European Union and its effect on the fisheries industry and sector? This is the first session. It is a fairly brief report, but obviously very important for the future in the areas that we look at, which are energy, environment, agriculture and fisheries. We will be taking a transcript of this evidence session. You will have an opportunity to look at that and correct it if there are any errors in it. We are also being broadcast and there is a live webcast which will be available on the parliamentary website in due course. I will ask Members to declare any interests when they ask their first question or make their first contribution. Can I make it clear that I am a board member of the Marine Management Organisation, so I have that interest? It would be useful if you would say a little bit about yourselves and why you are here so that we have that context and then we can go straight into questions. Dr Stewart, would you like to start?

**Dr Bryce Stewart:** I am Bryce Stewart. I am a lecturer at the University of York in the Environment Department. I have been working on biology and fisheries management for over 20 years and, specifically, on the management of European fisheries for over 10 years. At the start of this year, I was asked to be part of a report looking at all the environmental impacts of Brexit, as it has turned out, and my specialisation was fisheries, so that is why I am here today.

**Professor Richard Barnes:** I am Richard Barnes, a professor of law at the University of Hull where I specialise in fisheries, the international law of the sea and general environmental law.

**Professor Robin Churchill:** I am Robin Churchill. Until last Wednesday, I was professor of international law at the University of Dundee and am now emeritus professor as I retired last week. My particular interest is that I have done quite a lot of work and written quite a lot over the years on the legal aspects of the Common Fisheries Policy.

**Q1 The Chairman:** Thank you very much, gentlemen. I would like to start off with a general question and overview. What opportunities and challenges might arise for fishing and fisheries management from our exiting the European Union, and what are the key UK interests and objectives for a future fisheries relationship with the European Union? It is quite a broad question. Who would like to start?

**Dr Bryce Stewart:** Looking at the opportunities and challenges, something which the whole referendum campaign has done is to raise the profile of fisheries in the public consciousness and in the Houses of Parliament as well. I think that is important because, although they are not worth very much in GDP, fisheries are much broader in their social, cultural and historic value to the British people and British society. It is not just commercial fisheries, but recreational fisheries are very important to leisure. This is an opportunity to fine-tune what we already have. That is my take on it. I can see that there are many uncertainties. I guess everybody knows this, but, by leaving Europe, there is a potential for us to have a bit more control over some aspects of fisheries policy, in particular, the implementation of the discard ban, which could be tailored more specifically for local areas and regions. It also potentially will give the UK more influence at some of the international fisheries management bodies, such as the North-East Atlantic Fisheries Commission.

It is also potentially an opportunity to sort out some other issues which are not necessarily to do with the EU but perhaps, in a revision of fisheries policy, could be dealt with at the same time. These are, in particular, the distribution of quotas among the British fleet and complaints from the small boat sector, the under-10m sector, that it is unfairly allocated small quotas. Of course, the big issue is the proportion of quotas that are available to British fleets relative to other European countries that we share our fish stocks with. That is something that would have to be dealt with through very close working with the EU regardless of what arrangement we come to, but it probably is time to have another look at the concept of relative stability and whether it is in the right place at the moment.

Let me go through some of the challenges quickly. Uncertainty is clearly a major challenge and that is what fisheries are like, uncertain. Another real risk is potential harm to trading relationships. Seafood is predominantly exported—about 80% of what is caught by the UK fleet, with about two-thirds going to Europe. For some sectors, the proportion is much higher,

so over 80% in general for shellfish, with over 90% of scallops going to Europe. If negotiations over things such as quotas and access to waters affect that trading relationship, that could be very damaging for the UK industry. The other real challenge is the question of money; it is generally a problem for most people. The departments responsible for fisheries management in the UK, for example Defra and the MMO, have had severe budget cuts over several years now, but their responsibilities will increase after Brexit, so that will have to be addressed. We have to make sure, if the UK does set up its own management structure outside the EU, that it still negotiates and agrees quotas that are sustainable and it does not just walk away from the table because it thinks it is not getting enough of a share and sets unsustainably high quotas. Finally, also on the subject of funding, we have the European Maritime and Fisheries Fund, which has supported the industry for a number of years now to become more sustainable, but the future of that fund is also uncertain.

**The Chairman:** Professor Barnes, do you have anything to add to that?

**Professor Richard Barnes:** I would echo the view of Dr Stewart. I suppose there are three main opportunities. The first of these is to try to reconstitute the relationship between the regulators, fishers and possibly environmental organisations, and that may entail a higher degree of interaction with those groups and the regulatory framework. Something which was flagged up during the EU referendum debate was the need for greater localised interest within the fisheries regimes. Although that has already been discussed at the European level, it is something that we can take forward.

The other thing that the referendum debate flagged up was the lack of transparency and knowledge about what actually happens within the fishing industry and how it is regulated, so there is an opportunity here to provide greater transparency within any future legal regime. As Dr Stewart mentioned, there is the opportunity to engage directly with international fisheries managements, which perhaps we will come to later on. The third opportunity, which is qualified, is perhaps to build on some of the more recent successes of the Common Fisheries Policy. There is broad agreement that, in the last couple of years, there have been some positive impacts regarding reduction of capacity, improved effectiveness of fisheries and improved sustainability or at least a stop of the decline in the sustainability of some stocks, so perhaps building on that and addressing some of the gaps or problems with the CFP.

As for the challenges, there are two main challenges. The first one which we are most directly concerned with here is addressing what will be a large regulatory deficit once the UK comes out of Europe. Most of our fisheries law is based on European regulations and, once we come out, those will no longer be applicable automatically, so we need to implement some form of

interim measure to ensure that there is an adequate regulatory framework going forward. Obviously, this entails certain costs and considerations. As Dr Stewart alluded to, this is likely to fall upon Defra for the organisation and management, and it has been subject to quite considerable budgetary cuts. Those are the main opportunities and challenges, in my view.

**The Chairman:** Thank you. Professor Churchill.

**Professor Robin Churchill:** I agree with what both my colleagues have said and I will not waste time by repeating it, but I would like to emphasise two points. One is that, in the past, fisheries have often had quite a negative impact on the marine environment. For example, industrial fishing has very much reduced the population of sand eels, which has then had a significant adverse effect on colonies of sea birds in this country, so there is an opportunity to take greater account of the environmental issues when adopting regulatory measures for fisheries. Another challenge I would emphasise is that most of the fish stocks found in the waters of the UK are actually shared with our neighbours, be it the EU, Norway, the Faroe Islands or, in some cases, all three. If the stocks are to be properly managed, and this is true of all the North Sea stocks, there will have to be some form of co-operative management regime between the EU, the UK and Norway in the North Sea, I would think, pretty much like the existing EU-Norway arrangement.

**The Chairman:** Thank you very much. Lord Selkirk.

**Q2 Lord Selkirk of Douglas:** You have already touched on the subject which I am going to ask you about. Could you give a clearer picture as to what obligations the UK has, and will have, under international law to co-ordinate fisheries management with both the EU and neighbouring states?

**Professor Robin Churchill:** I would say there are two main obligations. The first is under the UN Convention on the Law of the Sea, which all relevant states in western Europe are parties to. Under Article 63.1, there is an obligation on states in whose waters the same stocks occur, what are generally called in shorthand “shared stocks”, to co-operate in the management of them. The details of how that is to be done are very vague, but there is a general obligation to co-operate. Then, there is a further obligation to co-operate in respect of species which are found both within national limits, the 200-mile zone, and on the high seas beyond. In UK terms, that would apply, for example, to blue whiting in the Rockall area. There is an obligation in the second paragraph of Article 63 for coastal states and high seas fishing states to co-operate, which is spelt out in much more detail in the Fish Stocks Agreement of 1995. In practical terms, in this part of the world, the management and all these obligations are given effect through the North-East Atlantic Fisheries Commission. At the present time, the EU has

exclusive competence for negotiating fisheries, so the UK is not a party to the North-East Atlantic Fisheries Commission. The EU is a party on behalf of all the Member States, so one thing that would need to happen post-Brexit would be for the UK to become a member of the North-East Atlantic Fisheries Commission and probably some other fisheries commissions in areas that affect our overseas territories, such as the south-east Atlantic, in its own right.

**Lord Selkirk of Douglas:** Do you envisage that it would not just be the United Kingdom involved, but also a lot of other neighbouring countries which are not necessarily in the EU?

**Professor Robin Churchill:** In the case of stocks on the high seas, yes. In practical terms, it is mainly Russia, Iceland, the EU, Norway and the Faroes, which are of course constitutionally distinct in this respect because they are not part of the EU.

**The Chairman:** To get it clear in our minds, are those articles within UNCLOS taken seriously and are they obligations which are actually working in practice and through the North-East Atlantic Fisheries Commission?

**Professor Robin Churchill:** Both obligations are very briefly expressed in the convention and in very general terms without any real detail. The obligation relating to straddling stocks, which are stocks between the high seas and national waters, has been fleshed out in considerable detail in the 1995 Fish Stocks Agreement, but unfortunately there is nothing comparable for the first paragraph which deals with shared stocks. In some parts of the world, things work very well and they have worked very well in the North Sea between the EU and Norway, generally speaking, although there have been some hiccups—for example, over discards—but generally they have worked well. In some other parts of the world, they have not worked very well.

**Baroness Sheehan:** You mentioned the North-East Atlantic Fisheries Commission and the need for the UK to become a member of that post-Brexit. What is the process? I am assuming it is fairly automatic, but maybe it is not.

**The Chairman:** We deal with that at question 10, so we will come back to that then, if that is okay.

**Lord Rooker:** I have a quick question which goes back to Professor Churchill's answers to the first question. We have had voluminous papers and we are going to hear from witnesses. Do I take it from what I have read that there is no such thing as British fish? They are not British fish, as they spawn in different places, they are caught in different places, they travel in the seasons and they are all over the place, so the term "British fish" does not really hold any water, if I can put it that way? Is that correct?

**Professor Robin Churchill:** I am not a scientist, so I would not like to say very definitely, but my impression is that there are one or two stocks which are solely found in British waters. I suspect that the stocks of haddock to the west of Scotland are, but I may be wrong. I think it might be better if Dr Stewart tried to answer your question.

**Dr Bryce Stewart:** It is fair to say that the majority of stocks, especially the ones that are regulated by quotas, definitely are shared stocks and that is why we have a need to continue shared management. There are some exceptions normally for shellfish—things like crabs, lobsters, scallops—but we already have almost complete national control over those fisheries anyway. As to what will change after Brexit, yes, the vast majority. Maybe nephrops, scampi, Dublin Bay prawns, whatever you call them, are less mobile, but then almost all marine species spawn and release their young into the water and then they drift around and can go long distances, so yes, most things are shared.

**Q3 Viscount Ullswater:** Negotiations over quotas and TACs have usually been very prolonged in Brussels and agreement has only ever been reached almost at the last minute. To what extent would it be in the UK's interest to co-ordinate the TACs and quotas with the EU and neighbouring states moving forward and, therefore, do you see any scope for increasing quotas under a new policy?

**Dr Bryce Stewart:** From my point of view, it is vital that the UK continues to work with the EU and the other relevant countries which it shares stocks with. It comes down to the fact that the fish are moving around between the different areas and what we do affects other countries and, likewise, what they do affects our fisheries, so we have to co-ordinate better, and indeed that has been improving. I totally agree with you that these decisions are often made at 2 am on 23 December, for some reason, but things are improving. Medium-term and long-term management plans are being developed and, indeed, the performance of the Common Fisheries Policy has really improved, particularly over the last five years. We have a situation now where, most narrowly, the majority of the fish stocks are being fished sustainably and, perhaps more importantly, through the reformed Common Fisheries Policy there is a target to have all stocks at a maximum sustainable yield by 2020. That is obviously good for the fish stocks and good for the environment, but it is also good for the fishing industry. This maximum sustainable yield is also the maximum economic yield and, as a result of the improvements that have been going on, we have a situation now where the UK has the most profitable fishery in the EU.

**Viscount Hanworth:** I am not sure that the maximum sustainable yield is the economic maximum, because it requires fishing on a somewhat depleted stock. As a marine ecologist,

are you in favour of a national maximum sustainable yield because, after all, it is an unstable equilibrium and, if that level is exceeded, the implication is extinction?

**Dr Bryce Stewart:** Well, I was not advocating exceeding it. No, you are completely right, it is a measure that has to be used wisely, so it has been described to me as a “target”, but you do not want to miss the target and particularly you do not want to overshoot and overfish the stock because suddenly things start to decline. I was simplifying the maximum sustainable yield a little, but it is fairly complicated to implement because you often have, particularly in the North Sea, a mixed fishery, with different species, and it is hard to get it precisely right. However, if you are fishing at a rate, you may end up having a slightly higher stock in the sea than would provide you with the maximum sustainable yield, but you are not overfishing it. That is the sort of level that you should be aiming for.

**Viscount Hanworth:** Even in the abstract, I would dispute that it is the economic optimum because, after all, you are expending an extra effort on fishing a more depleted stock than otherwise, so I think at least the abstract model suggests that the economic optimum is somewhat below the maximum sustainable yield.

**Dr Bryce Stewart:** Okay, yes.

**Viscount Hanworth:** I think that point is not sufficiently understood by the people in Brussels.

**Dr Bryce Stewart:** Sure. I guess I was making the point that, if you increase the sustainability and the productivity of fish stocks, it is going to result in a more profitable industry, but no, you have to get that target right. I am not an economist, but you are completely right; I agree with you and perhaps I was being a bit casual there.

**Professor Robin Churchill:** A supplementary point coming back to your question is that one should perhaps distinguish the position between TACs and quotas. I think it is vital that the TAC for shared stocks is agreed because, if it is not, then we are likely to get overfishing. This may be more straightforward in some ways than you suspect because the TACs are recommended each year by a scientific body, the International Council for the Exploration of the Sea—ICES. The trouble with the Common Fisheries Policy in the past was often that ICES recommended a TAC and then the fisheries Ministers met and adopted an allowable catch that was higher than the recommended TAC. For North Sea stocks which are shared, if Norway, the EU and the UK post-Brexit can agree to follow the recommendations of ICES, then we should get sensible and sustainable TACs, but it will be much more of an issue over how that is divided up between the UK and the EU in the future. At the moment, there is a division between Norway and the EU and that is based on a long-standing principle called



“zonal attachment”, which was dreamed up in the 1970s on the basis that, if you had X% of the stock when it was mature in your zone, then you got X%, that same percentage, of the TAC. Now, with the UK, that principle may work, or the EU may say, “Well, actually the UK ought to have the same share that it’s had for the last 20 years”, which is based on relative stability, which, in turn, is based on historic fishing catches.

**The Chairman:** Is there any evidence about whether the current relative stability proportions are “fair” to UK fisheries? Maybe it is different in Scotland from what it is in north-western waters, but this is likely to be, I suspect, a very major part of the argument in that the fishing industry is not happy about the position of relative stability, so is there evidence around this area that can be brought to the table?

**Professor Robin Churchill:** A slightly flip response would be to say that fairness is in the eye of the beholder. To try to give you an objective sort of answer, although quotas are based on relative stability, those figures have been adjusted over the years to take account of different patterns of fishing, so, if you looked at percentages of the TAC for a particular stock by Member States, this year you would find they were probably quite different in many cases from 20 or 30 years ago. The notion is really based on several factors: historic catches, which of course were catches in the 1970s and so do not really correspond to the situation today at all; and then dependence of inshore fishermen on fisheries in particular regions, and I guess that may have changed over the years as well. I suspect that to sit down and renegotiate relative stability from scratch would be a mammoth task and one that the EU would not be very keen on doing. It was hard enough to get agreement on the relative stability percentages in the first place in the 1980s.

**The Chairman:** Do you think that is an area where there will be complete resistance from the Commission to negotiation?

**Professor Robin Churchill:** I suspect so, yes. This is going to be a very tough area for negotiation, possibly one of the toughest.

**Dr Bryce Stewart:** Robin is completely right: it is fairness in the eye of the beholder, and obviously there are a lot of complaints about people not having enough share. It is worth bearing in mind that there are different preferences among the different countries and boats and fishing methods are set up to favour certain species, so the UK fleet does not prosecute herring as much as the Dutch fleet does, for example. If you were to decide to change the partitioning of that stock, a lot of boats would need to completely change their practices and they may not necessarily want to do that, so you definitely need to consult closely with the industry about what their desires really are.

**Professor Richard Barnes:** Just to come back to the original question on quotas, there are two ways in which that can be done. The first is for the overall TAC for a particular species to be increased at a regional level, but I think we have to avoid that. Given the state of fisheries within European waters at the moment, that is, I think, simply impossible. What we have been discussing is whether there can be a renegotiation of quotas between Member States. I would just echo the points made by my colleagues, but emphasise that experience shows us that there is an unwillingness to move very far away from the existing practices and allocations because, as soon as you start to unpick and negotiate differentials in one area, it has a knock-on effect in other areas, so we do not want to make the house of cards collapse, as it were.

**Q4 Lord Cunningham of Felling:** Given the well-established and well-known complexity of the Common Fisheries Policy and given the length of time it has taken to make the progress that has been made, would it be in the UK's best interests after we leave the European Union simply to seek to align our fisheries policy with the CFP?

**Dr Bryce Stewart:** My view is yes, basically. This is a long process and we are finally getting somewhere and there have been a lot of positive measures, particularly in the latest reform. Whether or not the UK can become a sort of adjunct member of the Common Fisheries Policy or whether or not it has its own policy that is basically aligned, there are arguments either way. If it has its own policy, it has a bit more flexibility and it can change some specific measures to suit the UK better, but, if it becomes something like an adjunct member, then it has more potential probably to influence not just what the UK does but what the other Member States do as well, and I think you just have to weigh up those two options. Basically, yes, overall it is a system where, if you had asked me 10 years ago, I would have given you a different answer, but now it is definitely much improved and it is starting to really deliver.

**Professor Richard Barnes:** I absolutely agree. We have to align to a large extent whatever fisheries regulatory regime we put in place with that of Europe. I think any fisheries management has to proceed on the basis of co-operation, without which we will have to go back to situations of competitive overfishing. I think it provides mechanisms for sharing practice, but also in legal terms, as Professor Churchill has mentioned, under international law, there are particular requirements of compatibility between fisheries regulation within exclusive economic zones and on the high seas. While that does not require them to be identical, it does require compatible fisheries regulations. If we were in the situation where states failed to respect, for example, closed areas or allowed particular types of fishing gear to be used which were economically advantageous, that would start to undermine the overall effectiveness of fisheries management. That would have an adverse impact on stocks, which

everybody wants to avoid, but also would risk politicising and undermining the regimes that we have in place.

**Professor Robin Churchill:** I agree with what has been said.

**Lord Cunningham of Felling:** Whatever happens, whether we align our fisheries policy after leaving the EU with the Common Fisheries Policy or not, should the UK seek to preserve the conservation measures already established under European Union law?

**Dr Bryce Stewart:** Again, yes, I very much believe that is the case. The European marine sites, the special areas of conservation that have been brought in through European law, are actually the most effective marine protected areas around the UK at the moment. A lot of them now have fairly comprehensive management plans that are starting to work and it is vital that those measures are continued. Yes, those protected areas restrict some fisheries to some extent, but they are about the overall long-term sustainability of the marine environment, which is what fisheries and many other sectors depend on, so I am very much in favour of that.

**Q5 Lord Curry of Kirkharle:** Professor Barnes mentioned the exclusive economic zones and I would like to explore this area a bit more. Those who voted to leave the European Union with an interest in fishing did so because they wanted to retake control of their own fishing policy and their own waters and they are not going to be happy if all we finish up with is the status quo, so to what extent within international law do we have the ability to control our own waters? It does seem that this is going to be another area of interest within the negotiations.

**Professor Richard Barnes:** As Professor Churchill mentioned, all states are parties to the United Nations Convention on the Law of the Sea, which has particular provisions on the exclusive economic zone, and coastal states are granted sovereign rights for the purpose of exploring/exploiting the natural resources of the EEZ. This comes back to a point about ownership, that this is a right to govern as it will, but it is subject to certain rights and responsibilities. The rights are to enjoy the resources, but obviously whether or not the resources are exclusive to those waters is another question. There are also certain responsibilities, which are to co-operate in the management of the fish stocks there. Again, exclusive of the sovereign rights, while the coastal state is entitled to set a TAC and to fish up to those limits, there are obligations to provide a surplus where we cannot catch that, so, regardless of whether we are in or out of Europe, that would still apply. Within the EEZ, I do not think there is anything which would suggest that coastal states have the right to exclude absolutely foreign states from fishing in these waters.

**Lord Curry of Kirkharle:** Forgive me, but you do not sound terribly certain about that. You are saying that you do not think there is the right.

**Professor Richard Barnes:** This comes back to the nature of the resource itself. It is incredibly difficult to view the regulation of fisheries in isolation from what other states do, but also from other activities, so, when it comes to implementing measures to do with allocating fish quotas or to determine where and when fish are caught, other factors have to be taken into account, so, as a matter of practical expediency, there has to be some degree of co-operation and there have to be concessions to other states' interests within these waters. How that pans out at a particular level is probably quite difficult to map out, but those general commitments prevail.

**Professor Robin Churchill:** There is a distinction between what is said in the UN Convention on the Law of the Sea and what tends to happen in practice. The answer to your question as far as the convention is concerned is that, if in a particular coastal state's EEZ the coastal state is capable of harvesting the entire allowable catch, it is under no obligation to allow any other fishermen from other states to fish there, so it can take the whole of the allowable catch. Where an obligation to admit other fishers comes in—again, this is on the theory of the convention—that is where the coastal state does not take the whole of the allowable catch and there is a surplus. It must admit other states to the surplus, but again it has a discretion, subject to admitting landlocked and geographically disadvantaged states in the region which do have an entitlement, but only where there is a surplus. As Professor Barnes explained, in practice states often admit foreign vessels to their waters because they want to get reciprocal access to the waters of the other state. This happens on a considerable scale with the EU and Norway where the EU is interested in fishing in Norwegian waters for cod, say, because that is a particular interest, and then it is happy to allow Norwegians to fish for more mackerel in the EU zone, even though in neither case is there a surplus.

**Lord Cunningham of Felling:** On that very point, when Britain leaves the European Union, who will decide what the total allowable catch is in British waters?

**Professor Robin Churchill:** Post-Brexit, that will be the British Government or whatever public body is responsible for managing fisheries.

**Baroness Sheehan:** Would it not be ICES?

**Dr Bryce Stewart:** That is what we would like to see, but it is not guaranteed.

**Professor Richard Barnes:** The UK is a party to the ICES convention in its own right and it would still be able to make use of the advice provided. What is critical here is that ICES is probably in the best position to provide overarching data about the state of stocks at a regional

level. While the UK could, in theory, calculate, estimate, monitor and so on its fish stocks, if that were duplicating what was happening at ICES, it would be an unwarranted task, but also it would not be able to account for what is happening in other Member States' waters, and I think that data is absolutely critical to setting sustainable TACs going forward.

**Dr Bryce Stewart:** Can I make two quick points? One, which is about excluding other nations from British waters, is that of course UK boats currently fish in other countries' waters, including Norway's and in other European EEZs, so about 20% of the UK catch is landed at overseas ports and about 17% of the value of UK fisheries is caught in the EEZs of other European nations. Presumably, if we could and did exclude countries from our EEZ, we would likely lose that access and then, of course, it comes back to what effects this might have on seafood trading relationships. I am not a lawyer, but I have some text from UNCLOS which says that one of the regulations is to "minimise economic dislocation in states whose nations have habitually fished in the EEZ and which have made substantial efforts in research and identification of stocks". For the last 30 years, a lot of European nations have been fishing in British EEZs, so do they qualify as having now habitually fished?

**The Chairman:** Perhaps we can move on to that. Baroness Sheehan.

**Q6 Baroness Sheehan:** As you have already started to move us in that direction, we want to ask about the historic access rights to EEZs. We have read a huge amount in the paperwork we have been given about the historic access rights and the fact that currently they are as defined by the London convention, but we have also heard about possible medieval access rights. Can you give us some background about how historic access rights are defined and claimed in both those contexts?

**Professor Richard Barnes:** I will kick off with a couple of brief observations. If we are talking about historic rights, it is quite a difficult thing to define under international law and I could not find any coherent definition which precisely pinpoints exactly what a historic fishing right is; it is very contextual. While you are right to refer to the European Fisheries Convention, which does deal with some of that, I think the question could be argued. Certainly international courts have tried to refrain from ruling on these in general because they are either incidental to the main issues in litigation or they are simply too problematic. In lay terms, what we are looking at here are probably rights that have been asserted by states on the basis of some form of practice or usage over a considerable period of time which had not been objected to and have been acquiesced to. There is no precise time limit for when these would have to have arisen and how long they would have to be asserted for. Professor Churchill can correct me on this, but the international court recognised fishing rights of about

50 years or so in the fisheries jurisdiction case of British fishing in Icelandic waters, and that was recognised by Iceland in that case as something which they thought had existed here. For European waters, I take the position that most of the historic rights, medieval or later, have largely been reduced down to those which are captured within the Fisheries Convention which, of itself, did not specify what those are. These have subsequently been reiterated not exactly but in the annexe to the basic fisheries regulation of the Common Fisheries Policy and that details where these historic fishing rights exist. They are largely limited to the territorial sea and are phased out in the six-mile zone, but continue to operate between six and 12 nautical miles. I can provide a list of where those that operate at the moment are. It is probably important to stress that these rights are limited to the territorial sea and historic fishing rights do not exist within the exclusive economic zone. There was recently some litigation between the Philippines and China which dealt with this issue and, while it was quite complex, one of the main findings of the tribunal was that, in effect, the emergence and creation of the exclusive economic zone put an end to pre-existing historical rights and states, by basically signing up to the convention as part of the package deal, forgoing any claims to historic fishing rights that would be contrary to the interests of the coastal state.

**Baroness Sheehan:** Thank you for clarifying that they mostly apply to the six to 12-mile limit. How important do you think these rights are going to be for Britain taking back control of those waters post-Brexit?

**Professor Robin Churchill:** I have been thinking a lot about this recently and have come to the conclusion that probably the UK could, and I will explain why. I am talking now just about the rights of foreign vessels to fish in the six to 12-mile zone off the UK. That was originally laid down in the European Fisheries Convention 1964. The background at the time was that west European states only had a territorial sea of generally three or four miles and many of them wanted to be able to claim jurisdiction over fisheries to 12 miles. No agreement was reached on that at the first UN Conference on the Law of the Sea in 1958, so this 1964 convention was a regional treaty to provide for states to have an exclusive fishing zone of 12 miles, subject to the fact that states that had historically fished in the outer six miles could continue to do so, where “historic” in that sense meant 10 years before the convention was drawn up. The convention operated like that quite well until the common fisheries came along in 1970, but one should realise that there is a provision in the 1964 convention which says, “Nothing shall prevent the maintenance or establishment of a special regime in matters of fisheries as between Member States of the EEC”. The first fisheries regulation adopted in 1970 on the eve of negotiations between the UK, Denmark, Ireland and Norway had a

provision in it for equal access to all national waters with an exception for the inner three miles. That provision was highly objected to by all the applicant states at the time and the 1972 Treaty of Accession introduced a derogation which was that, in regions where inshore fisheries were particularly important and sensitive, a Member State could establish a 12-mile zone where the equal right of access would not apply, but Member States that had rights under the 1964 convention could continue to fish there. That derogation has been replaced and repeated at 10-year intervals ever since and is in the latest 2013 regulation. Now, so far as the Member States are concerned, these rights to fishing in the outer six miles, which is what people generally mean when they are talking about historic rights, derive from EU law. They do not derive any longer from the 1964 convention, because that allowed the EU to have its own regime. The basic regime in the EU is equal access, and the 12-mile limit with the six to 12-mile historic rights are an exception to equal access, so those rights derive from EU law. Now, of course, when the UK leaves the EU, the Common Fisheries Policy and that regulation will no longer apply, so the question then is: will these rights from 1964 suddenly revive after 40 years? I am rather sceptical about that, but, even if they do, there is a way out for the UK because the 1964 convention said that it would last for 20 years and, after 20 years—so after 1986—any state party could withdraw from it, so the UK could cover itself and withdraw from that.

**Baroness Sheehan:** That is very clear. In your opinion, you think that the UK need not abide by the 1972 treaty obligations. What about reciprocity and issues arising out of that? If we were to refuse historic access rights to other nations, what about Britain's historic access rights in other countries' coastal waters?

**The Chairman:** We have moved on to question seven. Duke of Montrose, we have rather taken one of your questions.

**Q7 Duke of Montrose:** One is really looking at what the differentials are likely to be between the six to 12-mile band and the full EEZ. Professor Barnes was saying that, in some other aspects, the introduction of an EEZ had done away with historic rights, so are there any historic rights within the UK EEZ and will they continue, or will they differentiate from what you were explaining about the six to 12-mile limit?

**Professor Richard Barnes:** To my knowledge, there would be no claims to historic rights in the UK EEZ which could be sustained going forward.

**The Chairman:** So we are clear that it is from six to 12 and, in fact, we could jump all of that through the mechanisms that Professor Churchill has talked about, and historic rights are not recognised anyway in the EEZ outside 12 miles. Is that right?

**Professor Robin Churchill:** Yes.

**Professor Richard Barnes:** I agree with Professor Churchill's analysis of the regime under the London convention. However, this is something that probably could be presented as part of a political argument to maintain historic fishing rights and there may be some quite sophisticated attempts to argue, for example, the survival of historic fishing rights as a matter of local custom or international law or that, for example, while the London convention has largely been subsumed by subsequent EU laws, that would remain as an interstate agreement and, once we step out and are no longer bound by that, perhaps the London convention regime would resurface. The key point is that we could withdraw legitimately from that convention.

**Professor Robin Churchill:** There are some interesting court judgments from the European Court of Justice from the early 1980s involving Spanish fishermen, before Spain became a member of the EU, in which the court said that developments in the law of the sea had rendered the 1964 convention obsolete. It is not terribly well argued, but, if you wanted to bring in the authority of the European court for that course, you certainly could.

**The Chairman:** I think we might just leave that where it is for the moment.

**Q8 Lord Rooker:** This is a crude way of putting it, but do I have it right that, for practical purposes as far as the UK is concerned, life began in 1972 and a lot of what had been there previously has been parked because we have been a member of the EU and, therefore, it is 40 years old, which is quite a long period in economic terms? I also want to ask you, because nobody has mentioned them, about these claims that we could get our rights back to do and control everything within 200 miles. One of the claims made by some Brexiteers was that we could control everything within 200 miles and the only thing that might interfere a bit with that was the historic rights, but it looks as though the historic rights might be a bit flaky anyway. Do I have that right, that there is no possibility of us securing the rights to control everything that happens and who fishes and what they fish for in the 200-mile limit that is relevant around the UK?

**Professor Robin Churchill:** Well, there is, but then the UK could only do that without co-operating with the EU and Norway and the result is likely to be that fish stocks which are shared—most commercial species around the coast of Britain—would simply become overfished, so it would be rather a hollow victory.

**Dr Bryce Stewart:** And very damaging obviously to diplomatic relations, trading relations and all the rest of it.

**Lord Rooker:** From the UK's point of view, relying on the London convention as a default does not work, because it is too old now.



**Professor Robin Churchill:** The 1964 convention really operates to our detriment because there are far more rights for other countries to fish in British waters than the UK has in foreign waters. The UK only has rights in five areas of coast, whereas I think there are 32 areas of the British coast where other states can fish.

**Lord Rooker:** Do you think that the UK will have to work to re-establish claims to so-called historic rights? They will not be accepted as a default by our, at present, European partners. Will we have to make a claim for any special factors and historic rights as part of the negotiations?

**Professor Robin Churchill:** I would not have thought so, no.

**The Chairman:** Presumably, everything you have said about foreign, non-British fleets in UK waters in the EEZ will be exactly the same for us where we have far fewer historic rights, or is it more complicated?

**Professor Richard Barnes:** It is quite complicated. Formally speaking, the regime that applies to vessels in UK waters ought to be, in theory, the same as elsewhere. Even within waters that are subject to historic fishing rights, the coastal state can still regulate fishing activities, but that is done on quite a patchwork basis and I think a bit of a stocktaking exercise would be required to look at exactly which rules and regulations apply to different fisheries in different areas. I quickly did this and it is not an entirely consistent position, and that is only within the UK at the moment. We would have to look at the regimes in Germany, the Netherlands, Ireland and France where we have these historic rights.

**The Chairman:** We had better move on to what I think of as “quota hopping”.

**Q9 Viscount Hanworth:** You just mentioned quota hopping, which I think is a matter of foreign companies owning UK fishing rights. Is it a matter of asking whether we can take back the quotas from the quota hoppers where we can pre-empt them? Is that a realistic possibility where we can say “Shoo” to the Dutch, who own a very large proportion of quotas?

**Professor Robin Churchill:** Quota hopping is possible because of freedom of establishment, which is the legal basis for it. That is freedom of establishment under EU law, where one concern can set up in another Member State and engage in economic activity there. The big question will be whether the relationship that the UK has with the EU post-Brexit will have provisions for freedom of establishment either in general or for specific sectors. I imagine that the British Government will want to have some freedom of establishment at least for things like the financial sector, but it will be a matter for negotiation whether it is for all sectors or

some sectors. For example, in the European Economic Area, there is full freedom of establishment.

**Viscount Hanworth:** So, in practice, we could drive out the foreign owners who have quotas, but it will be particularly contentious and difficult.

**Professor Robin Churchill:** If we could exclude freedom of establishment for the fishing industry, certainly, yes.

**Dr Bryce Stewart:** Whether or not foreign owners are excluded is a matter of debate. We have foreign-owned football clubs, for example, so do we get rid of them as well? At the moment, these foreign-owned fishing interests have certain requirements where they have to demonstrate an economic link or benefit to the UK. I will not go through all the details of what they are, but they are to do with landing the catch here or employing crews here, so post-Brexit we could make those regulations more stringent perhaps so that more benefits come to the UK while still allowing foreign investment, but again that is a matter of debate.

**The Chairman:** We are running out of time, so perhaps we could move on.

**Viscount Hanworth:** We have been talking about pre-empting our fish stocks within the EEZ, or at least some people have. Can you tell me what the circumstances of Iceland are? Has it, in fact, declared a full 200-mile exclusive economic zone and excluded everybody from it, or am I right in thinking that we have a substantial number of vessels within that area? Of course, Iceland would be a precedent for anything that we might wish to do.

**Professor Richard Barnes:** Yes, Iceland has an exclusive economic zone of 200 nautical miles and it is largely excluded to support fishermen, but the circumstances of Icelandic fisheries are quite different from those of the UK and the nature of the fisheries is such that Iceland is able to maintain a higher degree of control over that, so we have to be careful about using it as a model going forward.

**Viscount Hanworth:** But we have 24 boats, so I believe, fishing there with something like 30,000 tonnes.

**Professor Richard Barnes:** There is a northern agreement that allows for some access rights, but this is something we would have to negotiate and, going forward, it is something we would have to negotiate in the same way as the EU does with Norway and other countries.

**The Chairman:** We will perhaps leave that for the moment. Lord Cunningham, finally.

**Q10 Lord Cunningham of Felling:** Historically, the UK has had international fishing agreements with third countries and is a member of regional management organisations through our membership of the European Union. What status will those agreements have when Britain has left the European Union?

**Professor Richard Barnes:** I thought that was quite a difficult question.

**Lord Cunningham of Felling:** They are not meant to be easy.

**Professor Richard Barnes:** There is a question about what is the status of the UK vis-à-vis any treaty regime to which the EU is a party and whether or not the UK would succeed to membership. I would take the view that, if the UK withdraws from the European Union, it is no longer a member of these and would have to apply to become a member of any regional fisheries management organisation. That would not be particularly difficult or contentious regarding the formal legal process. What would be more difficult would be the extent to which we would be able to enjoy particular shares of quota thereunder. As regards the fisheries partnership agreements, the more significant would be the one between the EU and Greenland, which has just been recently concluded. On an ad hoc basis, the UK would be looking to perhaps negotiate some form of arrangement similar to that in its own right and then, where it has the capacity and interest to do so with, for example, third states—in Africa and the Caribbean, and Commonwealth countries—it would proceed on that basis.

**Lord Cunningham of Felling:** If Britain made an application to join these organisations in its own right as an independent, non-member of the European Union, what would happen if the existing members objected?

**Professor Richard Barnes:** To clarify, it would apply to become a member of the regional fisheries organisations. The fisheries partnership arrangements are, effectively, bilateral agreements between the EU and the host state. The UK would not be able to participate in those.

**Lord Cunningham of Felling:** It would not be able to?

**Professor Richard Barnes:** No, they do not establish a regime which would allow the UK to participate.

**Lord Cunningham of Felling:** It is important to clarify that.

**Professor Richard Barnes:** However, I think that the UK would be entitled to negotiate its own bilateral arrangements with third states on a similar basis to that.

**Lord Cunningham of Felling:** And the consequences of that would be that the third states would have rights in UK waters.

**Professor Richard Barnes:** With the fisheries partnership agreements and sustainable fisheries agreements, these tend to be rights of access on the payment of a fee. The fee then is given to the Government, often attached to conditions to improve the quality of their fisheries. There tends not to be a reciprocal right of access to UK waters, so mainly these agreements

have been negotiated to provide space for excess European fleet capacity to fish in third-state waters outside Europe.

**Q11 The Chairman:** Perhaps I could just ask you, gentlemen, to give maybe one sentence of what you think is most important for us to concentrate on in the report that we make from this session. What would you see as the key issue or issues here? I will start with Professor Churchill.

**Professor Robin Churchill:** The things that I would stress are that, even after the UK leaves the EU, we will still need to collaborate with the EU over a lot of fisheries management. I would also emphasise that the UK needs to think carefully about trying to maintain tariff-free access for fishery exports to the EU and not be surprised if the EU then tries to bargain increased access to UK waters for that, which is what has happened with Norway in the past.

**Professor Richard Barnes:** I absolutely concur with that final point. We need to look at a short-term solution to fill the regulatory gap left by the withdrawal from the European Union as regards fisheries regulation. That is absolutely critical and would buy us time to more fully develop and engage with stakeholders to legislate perhaps a more discrete and complete fisheries regime for the UK.

**Dr Bryce Stewart:** I totally concur with my colleagues on all those points. Just to emphasise, it is fundamental that management should be science-led in the future and that many of the positive measures that have been developed with the reformed Common Fisheries Policy over the last few years should continue to be implemented whether we are a member of the Common Fisheries Policy or not.

**The Chairman:** Thank you very much indeed for your evidence. It has been enlightening, detailed and quite legal in some areas, and it will play a fundamental part in our report. Thank you.

### Examination of Witnesses

**Mr Barrie Deas**, Chief Executive, national Federation of Fishermen's Organisations, **Mr Bertie Armstrong**, Scottish Fisheries Federation, **Mr Marcus Coleman**, CEO, Seafish, and **Ms Hazel Curtis**, Chief Economist, Seafish.

**The Chairman:** We will start our second evidence session into our inquiry into the effects of the UK withdrawal from the EU on the fisheries industry. Can I first make it clear this session is being webcast? We are also taking a transcript, which will be sent to you as witnesses, so you can bring to our attention any mistakes that have been made in the transcription. Members here will give any conflicts of interest or any interest they have in this subject when they participate. I am a board member of the Marine Management Organisation, so I have that interest. Perhaps I could ask you to briefly introduce yourselves, not just for us but for members of the public.

**Barrie Deas:** I am Barrie Deas, chief executive of the National Federation of Fishermen's Organisations, which is the representative body for fishermen in England, Wales and Northern Ireland.

**Bertie Armstrong:** I am Bertie Armstrong, chief executive of the Scottish Fisheries Federation, the umbrella trade organisation dealing with the catching sector in Scotland.

**Marcus Coleman:** I am Marcus Coleman, I am the chief executive officer of the Sea Fish Industry Authority, otherwise known as Seafish. We are a non-departmental public body with about 80 staff working across the UK. We are there to support the industry and to help it be profitable, sustainable and socially responsible. I am here today with my colleague, Hazel Curtis.

**Hazel Curtis:** I am Hazel Curtis, I am chief economist at Seafish. I have worked there since 2000. My team collects data from the industry—sets of accounts, business information and so on. We pool that with official government fisheries statistics so that we can create a robust and independent evidence base and conduct economic analyses, economic evaluations, impact assessments and so on. We give expert fisheries economics advice to the industry, to Governments in the UK and to the EU. I am a member of the European Commission's scientific and economic committee for fisheries.

**Q12 The Chairman:** Thank you. We have a good panel here. Let me start with a broad question. In your view, what are the opportunities and challenges for the fishing industry of leaving the European Union? What are the UK's key interests and objectives for that future fisheries relationship with the EU? Does this give us an opportunity for any new type of, or

fundamentally different, fisheries regime from the one we have at the moment? We have a specific question later on about this, but we are also interested in the differences there might be in the different regions of the United Kingdom.

**Barrie Deas:** We had a referendum, and the UK will be leaving the EU at some stage, so we will be leaving the Common Fisheries Policy. The UK will then be responsible for managing its fisheries resources out to the 200-mile limit or—the median line. We will be subject to the UN Convention on the Law of the Sea. That will be the legal baseline as we understand it, which requires co-operation where stocks are shared, but the form that co-operation takes seems to be quite loosely defined, so there seems to be scope for different forms of management. Since shortly after the referendum our organisation has been working to define what we would like to see out of this, both in terms of the transition and the post-Brexit regime. We see a number of important opportunities. The main one is an opportunity to move away from the Common Fisheries Policy, which has not covered itself in glory over its history; it has been overcentralised, with one-size-fits-all blanket measures. To be fair, those deficiencies have been recognised even within the Commission and the system, and there has been a move away from that one-size-fits-all approach, but over the years it has tended to generate a lot of unintended consequences and perverse outcomes and lead us down a number of blind alleys. There is a great deal of relief in the UK catching sector that we have an opportunity to move away from that and design and deliver something that is tailored more to our fleets and is more responsive and dynamic than the very cumbersome decision-making system that we have operated under within the EU. We have to take account of the biological, legal, political and economic realities in all this, and our objective is always to have our ideas routed in the twin objectives of sustainable fishing and profitable fishing.

Leaving the Common Fisheries Policy will provide us with a number of opportunities to right some particular wrongs in quota shares and access arrangements. I think it is true to say that the fishing industry was not a high priority for the 1972 and 1983 agreements, but I think that has changed. My perception is that fishing has a political priority and is highly visible and almost emblematic, and that there is the expectation of a significant amount of change. On quota shares, in general we would say that the UK share of stock should reflect the catches within the UK zone with deductions for currency of agreements and fishing opportunities outside UK waters and probably inevitably market access, too. We will have to look at the deal in the round. There are some gross anomalies in the quota share arrangements. For cod in the channel, the UK gets 9% and France gets 84%. That means that for 30-odd years our vessels have been forced to discard high-value cod on a monthly basis, which is the kind of

anomaly in quotas that needs to be addressed. A lot of work needs to go into defining which shares need to be looked at, and that work is under way.

**The Chairman:** Could I ask you to go through the points very quickly, otherwise we will not get to the end of the session?

**Barrie Deas:** On access arrangements, we think there should be an exclusive 12-mile zone. Outside the 12-mile zone, we need some kind of collaborative management on shared stocks, and that is for discussion as part of the negotiations. It is important that we have market access on a free trade or preferential basis. That is also part of the picture. I will leave it there.

**Bertie Armstrong:** We have been characterising this as a sea of opportunity. I have the simplest of visual aids, if you will allow, Chairman. The blue area marked on this map I am holding is often a surprise to people who are considering this matter. It is the better part of the northern continental shelf and is our EEZ under international law, as Barrie has said. That gives us a very fine hand of cards, and that was removed from us in 1973. I do not think it was realised, when the UK's yet-to-be formed EEZ was turned over to common grazing, what would happen to our indigenous industry. We now are in the position, unlike other coastal states under UNCLOS such as Norway and the Faroes, where more than half the amount of fish removed from our area, depending on how you count it—fish, weight or economic value—is removed by others. That is simply not correct, and we would wish to see that moving in another direction post-Brexit.

**The Chairman:** When you say “not correct”—

**Bertie Armstrong:** It does not reflect reality. In the beginning, everybody fished everywhere, which proved to be completely untenable. You have to give control somewhere, and the way of doing it under international law is in the EEZ, where you have responsibilities and rights for the exploitation of resource. That will change things mightily. The CFP is very much unfit for purpose, not because we do not like rules but because it is impossible for the system to achieve its purpose. Twenty-eight Member States going on 27, in co-decision with 751 MEPs, most of whom know nothing about fishing, puts an inordinate burden on the Commission to deal with a sort of rolling emergency. That is simply not fit for purpose. We could do very much better on sustainability and on sensible management. The landing obligation or discard ban is the most perfect example of a CFP gone wrong, where an unworkable law with a plausible-sounding and supportable objective simply will not work. The key to all this is access arrangements, and our strongest recommendation, which we have put in a detailed paper to the Brexit department, is that access arrangements are organised for other countries that wish to fish in the UK EEZ after Brexit. We could start, if you like, with the share of fish

being static, but they would have to catch them elsewhere than our waters until such time as an arrangement had been made with us. That is a not so subtle a difference. In our strong opinion, you do not in the Brexit process organise access for all those who want it—there has been 40 years of distortion with that—you organise it afterwards. Allow them to have the fish, of course, but access is a matter of negotiation after Brexit. We are less nervous about market access than some, and we are not particularly shadowed by what we have been referring to as “project euro fear”. Markets are markets, and people have things to sell that other people want. Spanish fishermen do not buy Scottish langoustines because they think “There is a perfect market here and I will use that to buy my langoustines”. They want langoustines at a sensible price. We are sure, one way or another, that that can be organised.

On the other side of that coin, there will be other markets that are foreclosed to us, for example India, which will be opened up. So it is a huge opportunity. We can make the management sustainable, sensible and rational. Much better access is the critical path, and the sooner we are shot of the CFP the better, not because we do not like rules but because it simply does not work as an arrangement for managing fisheries. That is what we see coming from Brexit. We have lodged a detailed paper with the Brexit department, and if the Committee would like it for your future work, of course we could lodge it with you as well.

**The Chairman:** Thank you. Does Seafish have a view?

**Marcus Coleman:** Yes. We have a very broad remit. We look at the catching sector, which we have already talked about this morning, but we also look through markets and ports into seafood processing, retail and food service, so we are looking at the whole “catch to plate”—the term we sometimes use for that. It is significant that we estimate that there are somewhere between 110,000 to 120,000 jobs in that sector in the UK. There are around 11,000 fishermen, but there are also at least 13,000 people in the processing industry, as well as 85,000 people employed in our good old fish and chip shops up and down the land in that part of food service sector. The sector is worth £6.3 billion to the economy in the UK. We look at five primary areas of concern or opportunity.

**The Chairman:** You will need to go through them pretty quickly.

**Marcus Coleman:** I will do that very top level. One is what we have already talked about, fisheries management, so I will say no more about that. The second is international trade. Seafood is a very heavily internationalised trade. There are significant exports going out of here—0.9 billion into Europe every year more or less, 0.8 billion coming back from Europe—so any interruption in that trade arrangement is going to be a challenge, which is something to think about. There are more than 100 EU regulations that affect food service, food



preparation, et cetera, and we need to think how that will work post-Brexit and the impact of that.

EU funding was touched on earlier this morning. Hundreds of millions in blocks of tranches are made available to the sector, principally through European funding routes, topped up by national supplements and some private investment too, so what will happen, how will that happen, and will that situation actually be improved for the sector post-Brexit are other key questions. I can give you facts and figures if you like.

Finally, access to labour is really important, not just within the fleets, which commonly make use of a lot of European labour and, beyond 12 nautical miles, non-EU labour as well, but in our processing plants. Anecdotally, a very high percentage of European workers are used on the factory floor, as in many other agricultural or manufacturing sectors in the UK, to good effect. All those things need to be kept in balance as this negotiation is taken forward.

**The Chairman:** Thank you very much.

**Q13 Lord Selkirk of Douglas:** Can I ask two closely related questions? Given the different nature of the fishing industries in each of the devolved nations of the UK, how different are their needs in terms of the Brexit negotiations and outcomes? How should the devolved authorities work together best with their national fisheries representatives, and how should they be best integrated into the negotiations?

**Bertie Armstrong:** That is an excellent question. I am delighted to report that the industries are markedly different north and south of the border but there is very little mutual exclusion. The Scottish industry is characterised by larger scale fishing. That is not a “your fire engine is less red than mine” answer, it is a simple observation of fact. By way of volume and economic output, the Scots’ industry is the heavy end of the UK industry. There is no reason why the Administrations cannot work together to resolve any differences or mutual advantages internally. For Brexit, and most especially for the UK acting as a coastal state after Brexit, the size of the area creates a critical mass that gives you a very powerful negotiating position, which we would wish to retain and not have diluted by any—what you might call arm wrestling north and south. That can all be done internally if any of that exists. The size of the prize is large enough to mean that with the critical mass of UK waters we can do better for all aspects of the industry.

**Barrie Deas:** Devolved administration is an internal arrangement for how we manage our fisheries internally—quota management, licensing, that sort of thing—and that is governed by a fisheries concordat. It is important that we understand that the UK must take the lead in all international negotiations, and that arises from the constitutional situation where UK

Ministers, whether Brexit or Defra or some other department of state, are answerable to this Parliament. Devolved Administrations are responsible to their parliaments and Assemblies. The point is that the devolved Administrations do not have a duty of care outside their own devolved Administration. That would be our concern and why we think it is very important that the UK in all aspects of the transition and post-transition takes the lead.

In terms of fleet diversity, it is very true that we have now an extremely long list of sizes of vessel, target species, fishing methods. I think it is very healthy to have large vessels and small vessels. In England, Wales and Northern Ireland, we tend to have more fishermen and more vessels. As Bertie says, the weight of the landings tends to favour Scotland. That is all part of the mix, the diversity, which is one of our strengths.

**Bertie Armstrong:** With regard to the practical nature of management as a coastal state, when different areas have different weights of interest in any particular issue, it would make perfect sense for that Administration to take the lead. Notwithstanding what Barrie has just said, which is correct in pelagic fishing, large-scale fishing, of very large volumes of mackerel, you would expect the Scots to be consulted on that matter and for the UK position to be formed with that in mind. So there is a nuance on top of that answer.

**Hazel Curtis:** Two very quick additional points. One is that it is worth remembering that many of the larger businesses in the seafood industry in the UK have their ownership located in one home nation and perhaps their activities in another, or their ownership located outside the UK, so an individual business is not always purely a Scottish or English business. That is worth noting. Also, it is an opportunity to consider within the devolved Administrations what is wanted from the fishing industry, what benefits society wants from fishing: do you want to maximise jobs, do you want to maximise profits, do you want to maximise community ownership? These different objectives can be achieved by different management regimes, and they might be strongly reflected in the different regimes operating in Scotland from England, from Wales, from Northern Ireland. It is an opportunity to look afresh and be clear about what society wants to achieve from having a fishing industry.

**Lord Rooker:** A little follow-up to what Mr Armstrong said. On your map, which we have, I have not worked it out but the percentage of the blue area that is in the North Sea, the Atlantic, what I would call Scottish, as opposed to that tiny bit in the south-west that is English, must be 95% Scottish waters. You seem to be saying, or requesting, that the Scots do not just get stuff handed down by the English Defra ministry, because that is what it is: it is an English ministry. Whilst we are in the EU, it talks for the UK. When we are out of the EU it is

a different ballgame altogether. From my perspective, as a complete outsider looking at the nature of the industry, it seems to me that the Scots should be calling the tune.

**Bertie Armstrong:** You would expect me to agree with that, and of course I do, but we are not saying that it should be our show. We are saying that due recognition should be given to where things have a heavier weight. The really central point is the strength of hand given by owning that whole area, which the UK does, and speaking as a coastal state for the whole of the UK. You would reasonably expect that Scotland's voice would be heard in the setting of policy, not by way of bullying or any other pejorative term, but just to take account of the reality. That is what we would really like.

**Lord Rooker:** Have either of you, or you in particular Mr Armstrong, met the Fishing Minister since 23 June?

**Bertie Armstrong:** Yes, we have, and we have lodged a pretty serious paper as the base paper covering all the major aspects, which of course we can share with this Committee if the Committee wants.

**Barrie Deas:** I have no problem whatever with the way Bertie has formulated it. It is extremely important that all the voices around the table are heard. The constitutional point is who actually takes the lead in the negotiations and where the accountability comes back to.

**Q14 Viscount Ullswater:** In the referendum debate, some fishermen called for full control of UK waters, and I think I know where Mr Armstrong stands on that. Is that a desirable objective for a future relationship with the EU? What impact would it have on the structure of the UK fishing industry, and how might it affect reciprocal access rights for UK vessels in EU waters?

**Bertie Armstrong:** We are frightened stiff of being sold down the river again, if you like, because economically, in terms of GDP, we are nearly invisible. In the grand weigh-up or the balancing of benefits, we would wish to have our voice heard because of the serious impact on local communities, some of which have very little else, and the reconstruction of the UK as a leader in the sustainable catching of sea fish, sustainable seafood and its export. There will be a rough period, of course, because for 40 years it has been common grazing. Industries have been built up in other countries—Belgium, France, the Netherlands, Denmark, Spain—that depend on access to that blue bit. Those were the rules as they stood and they will not like any alterations to that. We are not suggesting that they all be turned out now. I was asked on “Farming Today” the question: “This does not happen in Norway, because nobody fishes in their water, do they?” The answer is: “Yes, they do. We fish in their water, but under the exact prescription made by Norway”, and that is what international law will impart to that

blue patch for us. It will undoubtedly be a rough period, and I would imagine that every lever will be used by the fishing nations that presently benefit from said common grazing, and in our view—you would expect me to say this—it must be resisted. It will require some political will, because the prize is the prospect of returning us to being a world leader in sustainable harvesting of seafood and its marketing. We can do much better.

**Viscount Ullswater:** We have always fished on the right-hand side of the median line running up the North Sea, the eastern side of that, in Norway's waters.

**Bertie Armstrong:** Yes.

**Viscount Ullswater:** And it has been a very profitable part of the fishing industry. Will that have to be given up?

**Bertie Armstrong:** There is no reason whatsoever why that should have to be given up. We, as a coastal state in our own right, could negotiate similar access rules that the EU presently negotiate, only on our terms. Be aware of this, if I may say so. We could do without access to that. The industry would not collapse if we did not have access to that, because that blue patch is so overwhelmingly productive and sized. Everybody else needs access to us, which is why more than half the fish coming from our waters is not fished by us. We have a fine hand of cards if there is the political backbone to chase this grand prize.

**Viscount Ullswater:** Thank you very much. That is a very important statement.

**Barrie Deas:** I would probably want to use more calibrated language. The reality is that most of our stocks are shared, so some level of shared management is not only desirable but inevitable. The question is: what form does that take? There are different ways. The EU already has shared management of most North Sea stocks with Norway, so it does not take too much imagination to say that instead of a bilateral we have a trilateral arrangement. I think you have to break it down into segments. At that level you have to agree exploitation rates: how much fish to take out of the sea, high-level objectives, long-term management plans. What you do not have to do is agree technical measures that apply within our zone. There is great advantage to having perhaps slightly different arrangements on either side as long as when EU vessels are fishing in our waters they are subject to those rules, and when we are in their waters we understand that we have to be subject to their rules, and similarly with Norway. I think that would work very well. Of course, when you come down to the Channel and the south-west, the situation is not quite as clear cut. We need access, we want access, to Irish waters, to French waters. We fish for hake in Irish waters, we fish for scallops in French waters. That is why the issue of access, the issue of quota shares and the kind of management

regime, as well as market access, which is an important issue for us, will all be part of the deal that we need to think about.

**The Chairman:** That is a useful perspective. Thank you very much.

**Bertie Armstrong:** All that is relevant and correct, absolutely, but the great difference in our negotiating position as a coastal state is that we can have access to French waters, of course, and they can have access to our waters of course, but on our terms. That is the difference. We do not need to—

**The Chairman:** I think we have that message actually. I do not want to hold your enthusiasm back, but I think you have got the message over.

**Bertie Armstrong:** Great.

**Marcus Coleman:** On the term “relationship”, that was in the question: business relies on relationships. I do not disagree with my colleagues to my right, there is opportunity to improve the current situation, but we need to be so careful about business relationships, and trade, EU funding, regulations. All that needs to be taken in the balance.

**The Chairman:** We are coming on to that, and I will ask Lord Rooker to pursue some of those.

**Q15 Lord Rooker:** I have no interests to declare, but I did once visit the Peterhead fish auction at about 6 am. All those fish heading down to Spain and the slabs in Paris within a few hours was a sight to behold. It was quite an incredible sight. There is this issue of balance, and I can see where you are coming from when you start off saying, “That’s ours and we will negotiate access”, rather than, “We are all in this together. We will divvy it up”. I can see a different starting point, but the same issue arises: at some point in the negotiations the Government will have to choose between controlling the waters, if you like, for foreign vessels and access to the single market to sell what is caught there, because we do not eat enough fish and it is clear that the fish is wanted elsewhere and we have to be able to sell that to maintain the jobs or get extra jobs. So there is going to be a balance and it is not going to be black and white. We are keen to know where you would see the line. We have also heard that there is not much prospect of extra jobs for Scottish people if we are going to keep everything manned by our colleagues from Europe. I do not know whether it is the plan to build a new industry, having got the blue area under control, to rebuild what was there before. Is that the aim? It is this balance. It is not that what you can fish for everybody wants, so they will have it on your terms because, and I am not an expert, there is always the question they will go somewhere else if the price is too high. How do you see the issue, as far as the Government is

concerned, of having to give tariff-free access—and presumably you want tariff-free access—to the single market for fish and fish products?

**Bertie Armstrong:** That is another very important question. Two things are above the pay grade of the fishing industry. One is the eventual market arrangements the UK will settle on with the EU and the rest of the world, and the second is the immigration policy of the United Kingdom. As far as we are concerned in the catching sector, Europeans are used, of course, but we are rather hoping that with the enhanced circumstances that might prevail after Brexit, in the fullness of time as we evolve we would become less dependent on labour from elsewhere and have an industry attractive enough to grow our own. That would be very helpful.

On the market, we hope that will take account of the fact that we are the fourth or fifth biggest economy in the world, the second biggest in Europe, and that markets are two-way affairs. Walk down the supermarket aisle and see where the produce is coming from. We are rather hoping it will be less gloomy than that. Both those questions are above our pay grade, and I cannot give you a sensible answer as to where we think the balance will be because no one is going to ask us about that. We would wish to see a market arrangement that allows us to sell our fish at a reasonable cost. We would also like to see new markets explored urgently. A recent example is when the Russian sanctions appeared. We had a market slammed shut and the industry was able to find other markets. It is a sample of one, but it does not mean that lack of a single market will mean that there will be no market at all. That is not correct.

**Barrie Deas:** I agree with the supposition behind the question that this is going to be a balance, so when we want to renegotiate quota shares we want different access arrangements to our waters. That will be balanced against tariff-free access. There is a lot of work going on now and it is too early to get into the detail, but that is the raw reality: that we will have to find some sort of balance there.

**Marcus Coleman:** The most important thing is that we get as informed as we can about the different scenarios that could emerge, so that the Government, or whoever is negotiating on the industry's behalf, can go into those negotiations with their eyes open understanding what the implications might be in whichever sector we are talking about. The good thing is that we have some time to put that analysis into place, so that is what hopefully we will be looking at with other colleagues in the industry.

**Bertie Armstrong:** I am not absolutely sure that the debate on access to markets against quota distribution will be a pure one. The whole market issue will be decided at the macro-level,

and I think we delude ourselves if we think that fishing will necessarily shape any part of that debate.

**Q16 Viscount Hanworth:** I agree that the exclusive economic zone limits were not created solely or even primarily with fish stock management in mind, but, be that as it may, I would like to revisit an issue that has already arisen. I believe that approximately 19% of our catch is derived from Norwegian and non-European Union waters. The question is: how valuable is that catch to us? We have heard from Bertie Armstrong that we could do without access to Norwegian waters, but I am not sure that is the general opinion; I believe Barrie Deas has a very different opinion. Could we have the value of these waters to us examined more fully, as well as the value of the various reciprocal arrangements that we may have at present and the preservation of them?

**Bertie Armstrong:** Do you have some figures?

**Viscount Hanworth:** I would like to hear other opinions. I think I have understood yours.

**Hazel Curtis:** The value of catch from UK waters by UK vessels and non-UK vessels, and then the value of catch from other EU waters by UK vessels, is all subject to Member States' own data collection regimes, and Seafish has been in discussion with the MMO, Defra and Marine Scotland to establish an agreed method to establish those values in recent years. That analysis has not been done, because it was not terribly relevant when we were in the EU, so it is a new data analysis and collection exercise. We are hoping to demonstrate that, for instance, X per cent of Germany's pelagic catch comes from UK waters, or that X value from non-UK waters has been caught by UK vessels. All that is in the works at the moment, I am afraid, and we cannot give specific values at this stage.

**Viscount Hanworth:** How soon will you be enlightened?

**Hazel Curtis:** As I say, we are in discussion with the MMO and Defra. There are no definite plans established with publication dates yet.

**Viscount Hanworth:** So we are all working in the dark.

**Bertie Armstrong:** When I made the statement, which I believe is entirely correct from the Scottish industry's view, that we can do without fishing in Norway's waters, there have been periods of difficulty in negotiation when that has been the case for several months at the start of several years. We would of course wish to fish in Norwegian waters and reach an equitable bargain with other coastal states; such is the nature of fishing on the northern continental shelf. But I re-emphasise the point—and I know the nail has disappeared beneath the level of the plank by hammering by me—that we will be in such a stronger position to negotiate these things satisfactorily.

**Viscount Hanworth:** Did you ever believe that others would buy this notion that we have every right to pre-empt our EEZ, which some people regard as doubtful?

**Bertie Armstrong:** In the progress of EEZs, and you are right in your timing of course, there were two fleets in the United Kingdom. One was the long-distance fleet, the predominant one, the big vessels from Humberside, Fleetwood and Aberdeen that fished up in the gaps, in the north, and on the declaration of the EEZs they died. That was the consequence of that, hard and nasty as that sounds. Our present fleet was what then was known as the inshore fleet. So there will be consequences of declaring an EEZ, of course. I am not saying that it will be the death of the rest of Europe's fishing industry—that will not be the outcome—but there will be consequences. We should remember that we are leaving the golf club. We should not insist on paying the fees.

**Barrie Deas:** The external waters fleets did not quite die, and we have a very important interest in fishing in Norway, both north of 62 degrees and south of 62 degrees on a reciprocal basis. That is why our benchmark in all this—we certainly see opportunities to improve things—is that we must make sure that we do not disadvantage any part of the UK industry as we go forward. Taking that as our benchmark gives us some sort of assurance that we are not taking up an extreme high-risk game, we have no interest in any kind of fish war, cod war or otherwise. What we want to do is come to a settlement that addresses the anomalies in the quota shares and gives us an exclusive 12-mile zone, which we should have had in the first place.

In terms of reciprocity, we have very little, if any, interest in other Member States' 12-mile zones, with the single exception of an arrangement around Northern Ireland, where the Northern Ireland fleets fish in the Republic's water, which pre-dates the CFP: the Voisinage agreement. Apart from that, that level of reciprocity just does not exist. We certainly have an interest in access to other Member States' waters and Norwegian waters, and that has to be part of the picture.

**Viscount Hanworth:** Thank you.

**Q17 Baroness Wilcox:** I must admit that I was and am part of the south-west fishery inshore fleet traditionally, and I am also involved with the experimental lobster hatchery in Padstow, Cornwall, and for that we are EU-funded. My question relates to the previous question: to what extent should the UK co-ordinate total allowable catches and quotas with the EU and other European countries?

**Bertie Armstrong:** The volume of fish to be caught by everybody is set scientifically, and to put it simply it is an uncrossable line. Certain stocks, such as lobster, are not quotaed at all



and are not subject to negotiation with anybody other than our own sensible management. Given that the global amount of fish is fixed and we have charge of our EEZ, the present arrangements of relative stability, which were a snapshot in time a long time ago and which have now passed into history—that is the basis of splitting, because you have to have some basis between the EU states—could be revisited by us, and the great lever for the re-visit is access. We could decide who had access once those figures were set. This could be set to advantage for all parts of the United Kingdom, and it would make sense to do so, not by bullying but by recognising that the situation has changed. A monumental decision has been taken, and that will create a different set of circumstances.

**Barrie Deas:** As I mentioned before, it makes sense to break this down into digestible chunks. Bertie is quite right that, in future, decisions on total allowable catches will be science-based and based on the recommendations, as they are now, but after that there are a lot of management decisions about setting TACs in relation to mixed fisheries and how to reduce discards, which need to be taken into account. It is also desirable to have long-term management plans so that we do not have to revisit everything every year, so we have a five year plan or something sensible. All that is sensible to do within bilateral or trilateral arrangements, which could have a regional dimension, and I would not rule that out. So there is setting the exploitation rates and the fishing mortality rates.

Below that, the technical measures—what kind of mesh size you use, what kind of twines you use; all that—is better done in the different zones by the countries involved. That would be a workable arrangement.

**Hazel Curtis:** Could I add a nuance to the setting of TACs based on scientific advice? The scientists answer a question they have been asked, so it is not some exogenously generated total allowable catch that scientists say there should be. It depends what question you have asked them, such as what fish stock size you want and how risky are you prepared to be. Are you willing to risk the stock going down? I think it is worth reviewing the example a few years ago of the mackerel stock. Mackerel started to come through Iceland a bit more, and Iceland decided to take 100,000 tonnes where it used to take 4,000 tonnes, or some such difference. It decided that it would risk the stock to that extent. That was its political preference. So the total allowable catch is based on scientific advice, one would hope, but it is a political decision, and I think it is important not to lose sight of that. When you are negotiating, you first have to agree on a fish stock assessment, so do we agree what the stock size is, how big do we want it, and are we trying to grow it like the cod stock in the North Sea at present or keep it the same size that it is? Then, after you have agreed the sustainable

annual harvest for an individual year, what are the international shares, what are the technical measures, and what are the enforcement and control measures that all the countries will accept?

**Baroness Wilcox:** Thank you. That is a very good answer.

**The Chairman:** I assume that everybody will say we should still use ICES as our scientific basis, is everybody agreed with that?

**Hazel Curtis:** That is pretty universally accepted, yes.

**Q18 Lord Cunningham of Felling:** A number of you have mentioned regional dimensions in all this and you have also said that you have been in touch with Defra and the Ministers in charge of negotiating our exit from the European Union. What kind of regional management models have you been suggesting to them would be in Britain's best interests in these new circumstances?

**Bertie Armstrong:** Do you mean in regard to our relationship with other coastal states or our regional relationships inside the United Kingdom?

**Lord Cunningham of Felling:** I mean in relation to other states—the people we will be negotiating with. I am asking you what model you would recommend the UK pursue. We are going to have some kind of management structure for our own regional waters, so what would it be like?

**Bertie Armstrong:** There is already a model for coastal states dealing with each other: EU-Norway and EU-Faroes.

**Lord Cunningham of Felling:** But we will not be in the EU, will we?

**Bertie Armstrong:** No, but it will then become UK-EU-Norway, UK-EU-Faroes, with the predominant, I say again, patch of water belonging to us and therefore the whip hand in the negotiations. That, in a nutshell, is the model.

**Lord Cunningham of Felling:** Barrie, it is good to see you again after all these years.

**Barrie Deas:** Indeed. I think you have to look at the fisheries concerned and who has jurisdiction. In the case of the North Sea demersal stocks, it would be trilaterals with the EU, UK and Norway. For the north-west waters, on the Atlantic side and the channel, that would just be a bilateral arrangement, with the EU and Norway. For the pelagics, highly migratory stocks that go into international waters, coastal states agreements make sense. So it is horses for courses. In the case of western waters, where there are very complex fisheries, with highly mixed species and a lot of species, it might make sense to break the negotiations down into Irish Sea, Celtic Sea and Channel subsets, but the ultimate decisions would be made bilaterally or trilaterally if we are talking about harvest rates and those kinds of decisions.

Any decisions about fleet policy, about technical measures, about enforcement and control, would be the UK for UK waters, the EU for EU waters, et cetera.

**Lord Cunningham of Felling:** Mr Armstrong, you have said more than once that we will be doing this on our own terms; that is the phrase you have used. The reality is that in negotiations, to get agreements, you have to be prepared to do a deal.

**Bertie Armstrong:** Of course.

**Lord Cunningham of Felling:** So the impression you give, that we could say, “Take it or leave it, these are our terms”, is not the reality, I would suggest to you, in these international negotiations.

**Bertie Armstrong:** I may have laid the wrong nuance on that. The circumstances that exist, of the UK as one of 12 Member States trying to influence the negotiating position of the EU for a, say, EU-Norway or coastal state, is a very different position from the one we would find ourselves in as the owner of that sea space. Of course it would be a question of give and take, but it must be recognised that the weight of argument deployed by the parties would shift monumentally in favour of us. I am not recommending that we become a bully; I am just recommending that due cognisance is taken of the size of our stakeholding, which would be very different.

**Lord Cunningham of Felling:** Do you think in these negotiations, to use your phrase “give and take”, we would have shared objectives in terms of the rules and regulations which applied?

**Bertie Armstrong:** We would have shared objectives in terms of stock health. The rules and regulations in our waters, as they are in Norway, for example, would be a matter for Norway in their waters and the UK in UK waters.

**Lord Cunningham of Felling:** I was thinking more of the European Union side of things.

**Bertie Armstrong:** This is in law, and unless somebody negotiates it away, this is what will happen. The regulations as they apply inside our EEZ will be the regulations as we decide them—as the UK decides them. That is the way it works and that is how Norway does it.

**Baroness Sheehan:** Could we have comments on the Greenland-EU deal and how that would reflect on the possible deal that the UK could have with the EU?

**Barrie Deas:** I think it is a partnership agreement with the EU, and the UK has some advantage from it. Quite a number of the stocks obtained by the EU at the moment are used as currency for other stocks. It is quite a complicated transfer arrangement. There are two dimensions. One is a fisheries dimension and then there is a development dimension which goes from the EU to Greenland.

**Baroness Sheehan:** I was talking not about how the current deal impacts the UK but about it as a possible model for the future deal that the UK could negotiate with the EU. As I understand it, they have had to make a number of concessions and yet still pay into the EU coffers.

**Bertie Armstrong:** It is the wrong model for us. As a dependency of Denmark and not inside the EU, it is a rather odd and distorted single example. The model that we would automatically gravitate to, unless someone decides otherwise, would be the model of Norway or the Faroes, in that we are a coastal state with responsibility for exploitation in our own zone.

**Baroness Sheehan:** So am I right in thinking that an EU-Norway model for fisheries would be acceptable to you?

**Bertie Armstrong:** The fact that the EU-Norway model exists where shared stocks are discussed and arrangements are made means that that model is suitable for an EU-UK-Norway model.

**Baroness Sheehan:** With all the conditions attached.

**Bertie Armstrong:** You need to be careful about separating what is dependent on what. Norway's relationship with the EU is what it is and may be reflected to a certain degree; it is not reflected to much of a degree in the fisheries negotiations. There is a wholly different question about what relationship the UK will have as a whole with the EU and that has yet to be decided before Article 50 is triggered. It would be wrong to connect that directly at this stage to fishing, in my view.

**The Chairman:** I am desperate for a short answer on this, if I can get it. You have talked about differences in technical measures and I understand that entirely; that is something clearly we would be able to do. However, in the more crowded waters in the channel, if you have different net sizes or whatever, and on one side you are not allowed to have a net size below a certain level even on your vessel—that is normally how it is controlled, because if you have it there you will use it—do you not risk segmenting it so vessels cannot cross that line, and does that not get in the way of efficiency and making money? It is a genuinely open question.

**Barrie Deas:** On this kind of transboundary fishing, where you have one set of rules on one side and another set of rules on another, my presupposition was initially the same as yours, that this is going to be problematic, but the soundings that we have taken from our members is that it is a price worth paying, and as long as we know what the rules are on either side, we know what is involved and we know what we have to do. I received an email this morning

from the north-east coast, where the Royal Navy is having problems interpreting the EU rules on farmed deep nephrops, so it's important to appreciate that we are not moving from something that is warm and efficient; we are moving away from something that is dysfunctional, and probably the sphere of technical measures is where it has been most dysfunctional.

**The Chairman:** That is useful, thank you.

**Q19 Baroness Sheehan:** Moving on to the funding that the EU provides to UK fishermen and specifically the European Maritime and Fisheries Fund, that will be withdrawn once the UK leaves the EU and will include loss of access to research and funding for sustainable marine management. I wonder if I could get your views on how important you feel the EMFF funding is for fishermen. Would you expect the Government to replace the funding?

**Bertie Armstrong:** I will make two observations. One is that, as I understand it, the UK is a net payer into the EU at present, so money is expended and then there is money coming back in a variety of investments and structural funds such as the EMFF. Therefore as a net payer—and I know public financing is nowhere remotely near pigeon-holed in this simple form—if more money is going out than coming in, theoretically there should be enough money to pay for those projects that you already value enough to have applied for EMFF money for. The other observation is that it is a very poor industry that depends on handouts for a lifeline. I am using deliberately provocative language. It is being used in “Project Euro Fear”: “Oh, my God, we are all going to die if we do not get the EMFF funding”. That is so much nonsense. It is almost the jam doughnut question: “If there is a jam doughnut and you are offering it to me, I would very much like it, but I am not depending on it for my survival”. We see the overall prize of the development of the UK fishing industry as the primary prospect here, and the loss of any funding is always regrettable but we are really rather hoping those projects that have value will continue to be funded by the UK Government.

**Barrie Deas:** Of course the fishing industry does not and never has received a direct subsidy like agriculture has done. Our feeling is that often the money from the European schemes that have been put in place over the years has been misdirected. If we are going to retain at least some of the money that currently goes to the EU for this purpose, we could design and deliver a more tailored approach to funding. The fishing industry is geographically spread and fragmented. That was the original rationale for the various fisheries funding schemes and that geography is still a reality. I would say it is important to us but it is not top of the list.

**Q20 Lord Curry of Kirkharle:** This question is to Seafish. We are very interested in the importance of the EU market to the UK fishing industry, the scale of it and how important

access to that market is. Inevitably when we get into these tough negotiations, this is going to become part of the deal, so I am keen to hear your views on the scale of it. If there was the risk of loss of access or tariffs, how important would that be to our industry?

**Marcus Coleman:** To give you that perspective on scale, I have some figures here. For example, global seafood exports from the UK were £1.3 billion, of which 70% went into the European Union area zone, and £900 million into the European Union. Conversely, coming back to us in the form of imports, overall global imports of seafood into the UK are worth £2.66 billion, with about £830 million coming from the European Union, so about 30% of our seafood imports are coming from European Union Member States. On that basis alone, it is clear we are very dependent on that flow of trade into Europe and back into the UK and would not want any kind of interruption to that. The margins for some of our processors are very tight; our fishing fleet lands, as we have already heard, a lot of its fish into European markets. So there needs to be caution with all these actions. There is a need to be mindful of the particular barriers that would go in place, which could create issues locally in the UK around jobs, profitability, et cetera. In addition to that, obviously the EU negotiates trade arrangements and tariff arrangements with countries beyond the EU in many cases and, again, a not insignificant amount of trade is done outside the EU as well, so we need to be mindful of the impact there.

**Lord Curry of Kirkharle:** Are there specific species or sectors of the market which are more heavily dependent on the European market than others and which would have a very deep concern about this?

**Marcus Coleman:** There are indeed. I do not know if Hazel has those figures to hand. Certainly there is a tendency for the UK to export most of what it catches and to import most of what it eats. That is down to a number of factors, sometimes around product form and sometimes around national taste and preferences, and these things have built up over years and years.

**Hazel Curtis:** I think that is the main point. I can list different species—mackerel, nephrops, scallops, whatever you like—but the main point is that we export the majority of what we catch in UK vessels and we import the majority of what we eat in the UK, although when we are on holiday in Spain we will quite happily eat the seafood that we will not eat at home.

**Viscount Ullswater:** If we import much more than we export, what is the tariff placed on the fish we import?

**Hazel Curtis:** If we are importing from the EU, then my understanding is that we do not have tariffs.

**Viscount Ullswater:** We are not importing it all from the EU. What is the import from external sources? I think that you said £2.6 billion came into Britain.

**Hazel Curtis:** The majority of which is from the EU.

**Viscount Ullswater:** The majority comes from the EU, but what is the tariff placed on fish from outside the EU?

**Hazel Curtis:** I do not have exact tariff figures.

**Baroness Wilcox:** Canadian lobsters, for example.

**Viscount Ullswater:** What tariff are we frightened of?

**Hazel Curtis:** I am sorry, I am not a big tariff expert.

**Marcus Coleman:** We would have to come back to you on those. They vary around the world.

**Q21 Baroness Wilcox:** I have the last question. The basis for the question is that Seafish has begun assessing which EU regulations and aspects of the current UK-EU relationship in fisheries are most crucial to the industry. Does the industry as a whole have particular concerns relating to the UK-EU relationship or EU regulations that we should be aware of?

**Marcus Coleman:** Regulations, as I touched on earlier, are one of the big five areas that we need to be mindful of. It is not impossible that each of the devolved Administrations could decide to replace the current set of, let us say, 100 EU regulations with their own 100 regulations. I hope common sense would apply, but it is not out of the question. We need to be mindful and careful what we are wishing for on regulations. Equally, as we exit, there will be regulations that are currently being discussed and negotiated, so what do they mean for the UK? Do we adhere to those as long as we are in? Do we have to invest in the control and compliance measures which would be relevant to regulations being negotiated now or should we be exempt from those? There are some questions on that. There is also a question on protected geographic interests. If my memory serves me, there are 65 different protected food groups in the UK, of which 10 are seafood/seafish related—Arbroath smokies, Cornish sardines, Fal oysters, Scottish farmed salmon, Scottish wild salmon, et cetera—and there are regulations that help those protections stay in place and help protect those markets and there is a question about how that will be taken forward alongside the regulatory element.

**Baroness Wilcox:** In that case, we are looking at work in action that you are doing now. I wonder whether when you leave, if the Chairman says so, you could think again about the question that I asked and come back with anything that would be useful, because you have half said it but you half have not. It would be useful for us, as I think the Chairman will accept, to know what it is you are most concerned about.

**Marcus Coleman:** Okay.

**Barrie Deas:** For the catching sector, leaving the Common Fisheries Policy will provide a huge opportunity to simplify the rules and that is a big prize. In doing so, it is very important that we recognise, notwithstanding the deficiencies of the Common Fisheries Policy, that since about 2000 there has been a huge reduction in fishing mortality and we have seen the stocks coming back up. Measured in terms of tonnage, about 80% of our stocks are at maximum sustainable yield, and in all this we do not want to move away from that, as we have a big interest in high-yield fisheries and keeping it like that. We want to simplify the rules but not lose the conservation advantage that we have gained over the years.

**Lord Curry of Kirkharle:** Are you aware of any EU legislation in the pipeline? The Government have not been able to answer this. What will we do about EU legislation in the pipeline? How will we implement it? Do we intend to demolish it? Is there anything in the pipeline you are aware of?

**Barrie Deas:** Yes. The big one is the landing obligation, the discard ban. I am guessing but I think it is the intention of the UK to see how far that will be implemented at EU level. It should be fully implemented by 2019. There are a lot of problems associated with that, particularly in mixed fisheries. Post-Brexit a decision could be made about whether we are going to follow the same kind of approach or do something different. Associated with that, there is a new technical measures regulation and there are multiannual management plans for the North Sea and north-west waters all in train, as well as the annual cycle of TAC setting. We have to keep all these balls in the air while we consider the Brexit aspects.

**Bertie Armstrong:** We as an industry must work terribly hard to have plausible, sensible replacements in time. The default position of just taking that on and running it the way it always has been would be very silly and, in the case of the landing obligation, would be absurd.

**Lord Curry of Kirkharle:** Urgent work to be done.

**Bertie Armstrong:** Absolutely, urgent work to be done.

**The Chairman:** Thank you very much indeed. Landing obligations and discards are outside the control of industry, but it is a big task. It has been a really interesting session. We have had some very direct messages and some good information. We will have our second session on fisheries next week, when we have the Minister in front of us. I bring the public session to an end.