



Environment, Food and Rural Affairs Committee

Oral evidence: [Fisheries](#), HC 489

Wednesday 15 November 2017

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Members present: Neil Parish (Chair); Alan Brown; Paul Flynn; Dr Caroline Johnson; Sandy Martin; Mrs Sheryll Murray; David Simpson; and Angela Smith.

Questions 1 - 110

Witnesses: **Bertie Armstrong**, Chief Executive Officer, Scottish Fishermen's Federation; **Mike Cohen**, Chairman, The National Federation of Fishermen's Organisations; and **Dr Bryce Beukers-Stewart**, Lecturer, Environment Department, University of York, gave evidence.

Q1 **Chair:** Gentlemen, welcome to our fisheries inquiry. Today is to set out some of the parameters that we want to take into a future inquiry into fisheries. Thank you very much for coming this morning. Perhaps starting with Bertie Armstrong, introduce yourselves, work across the table and then we will start questions.

Bertie Armstrong: Thank you very much, Chairman. I am delighted to be here. I am Bertie Armstrong, chief executive of the Scottish Fishermen's Federation, which is the trade association that looks after the catching sector in Scotland and is an umbrella organisation, with nine constituent associations all round the coasts of Scotland.

Q2 **Chair:** Are you exclusively Scottish fishermen?

Bertie Armstrong: One of our associations is the Anglo Scottish Fishermen's Association, which goes down the east coast, and we have members who fish all round the UK. Putting it in perspective, to repeat something Angela heard last night, this is not, "My fire engine is redder than anybody else's" but the Scots industry catches 65% of the quota stocks of the United Kingdom.

Chair: You come down and steal some of them from the south-west, but we will not go into that this morning. I shall be very kind to you.

Mike Cohen: I am Mike Cohen. I am the current chairman of the National Federation of Fishermen's Organisations. We are the trade association that covers the fishing fleet in England, Wales and Northern Ireland. I am the head of a fishermen's association in east Yorkshire, the Holderness Fishing Industry Group. In my day job, I deal mainly with shellfish, but as part of the national federation we cover all fleets from small inshore boats to large pelagic trawlers.

Q3 Chair: It is the whole gamut of the fishing industry, from large quota boats to under 10 metres.

Mike Cohen: Yes, absolutely, from the largest boat in the British fleet down to the smallest boat in my association, which is five metres.

Dr Beukers-Stewart: I am Bryce Stewart. I am a lecturer in marine ecosystem management at the University of York. Half of my job is teaching, but hopefully the other half is research. I do a wide range of different things, but for the last couple of years I have been doing research into the potential implications of Brexit; now that it has been voted for, the game has changed a little bit. I have been involved in fisheries research for 20-odd years. I hope to bring some of that here today.

Q4 Chair: That leads me on quite neatly, because I will open up for you to answer my question, which I will ask you all to answer. It is a very simple question: will Brexit be good or bad for the UK fishing industry? That is not very broad at all. I will let you fire at that one because you have been doing research into it; then we will let the fishing people come in.

Dr Beukers-Stewart: That is a big question. It depends what you mean by good or bad. As always, it is all about how it is implemented. There are a number of opportunities and a number of risks. I will try not to go on for too long, but the priority for me as a scientist is that sustainability is at the core of any new arrangement. We have to ensure a healthy marine ecosystem because everything else depends on that. All the ecosystem services flow from that. Brexit offers opportunities to redress some of the issues with management to date. I am sure Bertie and Mike will talk about the potential for increased quotas and things like that.

Q5 Chair: Increased catch within the system.

Dr Beukers-Stewart: Exactly. I will leave that side of things to them. *[Interruption.]*

Chair: Apologies for my phone going off. I usually tell everybody else off for it. Carry on, please.

Dr Beukers-Stewart: To summarise, we should be managing fisheries as a public resource, because they are a public resource. At the moment, we have issues with things like quota and fishing opportunity being very concentrated in some areas. We have small under-10 boats that are very limited in their fishing opportunities and have mostly been forced into fishing for non-quota species. We have other sectors that do not have as much say in management as they should, people like recreational fishermen but even divers, wildlife tourism and things like that.

There is an opportunity to restructure the management system, to help deal with some of those past problems and, of course, to better integrate fisheries with environmental management. We all talk about ecosystem-based management but it is not done very well. One problem is that you often have competition between marine environmental legislation and the common fisheries policy. If you declare a marine conservation zone outside the 12-mile limit, it takes years to get it through all the different member states. We have an opportunity for a much more integrated system.

Q6 Chair: Would the Norwegian system be a good one?

Dr Beukers-Stewart: There are a lot of different ones you could draw on. The Australian system works quite well. We can talk about that in more detail. To finish from my side, what worries me is the threat to trade—a lot of people talk about that—but particularly the seafood processing sector and the potential impact of restrictions on its ability to get low-tariff or tariff-free imports, which make up the majority of fish eaten here. The processing sector is worth more than the catching sector and employs more people. It employs a large number of non-UK EU workers. What is going to happen to them with Brexit? Some of this stuff depends on big decisions that are way beyond fisheries. You have to keep this stuff in mind.

My worry is if we push too hard with demands like kicking out all the foreign boats or taking back the entire quota. Although there are lots of scientific arguments about how complicated that is, it is a political issue as well. It should not be linked to trade, but it will be. We have all heard the statements from our European counterparts. It is a mixture, but there are opportunities.

Q7 Chair: We will drill down on a number of these specifics with the questions in a minute. That is a good start.

Mike Cohen: Whether Brexit is good or bad depends on what Brexit ends up looking like. We seem to be some way from knowing exactly what that will be at present. Whether it will be good or bad for the fishing industry depends on exactly what you mean by the fishing industry. We are talking about a broad sweep of different kinds of activity. There are different fleets in different areas and they all have different needs. To echo something Bryce just said, it is good to think of this in terms of management of a natural and national resource. How often do we have the opportunity to rethink, from scratch, how we want to make use of a national asset? That is what we have here. We will no longer be beholden to the common fisheries policy; we will need a British fisheries policy. That is an enormous opportunity, if it is taken up and used well, to rethink what we do with this national asset.

Q8 Chair: Do you think that Defra is drilling down well enough on this?

Mike Cohen: What I have seen from the officials in Defra that I work with is that they are looking at this in great detail. Obviously I am well aware their resources are limited. They are dealing with the issue of Brexit before they can think about what comes next, but I have certainly seen a lot of careful work and innovative thinking from Defra. I am hopeful that this is going to be taken forward in a useful way. We have this opportunity to rethink things and rethink how we manage that resource.

Yes, there are risks and the risks most immediately come in the Brexit negotiation process. Fishing rights in the UK were traded away in 1973. I am very anxious to see they are not traded away again in favour of the needs of a different industry. We have a resource. It is not immediately going to be harvested to its fullest extent by the British fishing fleet. There is scope for the British fishing fleet to grow and to do more. We need the time to do that. This is not going to happen overnight. Boats and processing facilities need to be built. We need some time to do that. I am hopeful that, if that resource is not immediately tapped, it will not be given away in the first instance, just because we cannot deal with it domestically straight away. There needs to be some time for us to deal with that.

Q9 Chair: You are conscious that we can potentially catch a lot more fish, because no doubt the deal we had in 1972 was not good for fishermen at all. I think we all

accept that. As you quite rightly say, it is how we absorb the extra fish and are able to catch and process it. We can probably do some sort of interim deal, as long as it is not too long. You do not want that interim deal to mean you never see that fish.

Mike Cohen: That is precisely it. It is important that we see a realignment of fish resources, so that the ability and the right to catch are realigned with where those resources physically exist. That is very, very important for us. That is the key change we want to see, as we move away from the relative stability formula that defines quota shares across Europe to something that reflects where things physically are. Many of them are physically going to be within British waters.

Q10 Chair: We also need to process that fish if we can, because that will add value to it.

Mike Cohen: That maximises benefit to the British economy, which is what we all want to see.

Bertie Armstrong: There is lots of overlap in agreement here. Sustainability is front and centre. We visited Iceland and Norway to look at coastal states that run their own fishing establishments, and sustainability is front and centre. That is a given. Another given is that we can do better than the process that was given to us under the CFP. The really, really big bit, which, in my and our view, outweighs the challenges, is the opportunity. We retained 40% of the fish that were zonally attached, as Mike mentioned, in our waters. There is a serious study to cover that. Iceland retains 90% of zonally attached fish. Norway retains 84%. That is the substance of the opportunity.

We must not fall off a cliff edge. We will not fall off a cliff edge. No one is seriously suggesting that everybody is locked out and we keep all the fish. That is not going to happen and is not a realistic starting point. However, most significantly, on Brexit day the management of the seas will change. We will have sovereign rights and responsibilities for our very considerable exclusive economic zone. We can then start the movement towards the day when the sea of opportunity is realised and we have a more normal-looking grip on our national resource, which everyone agrees, including the fishing industry, is a national resource, as opposed to steel you make cars with, as an analogy.

There are challenges, but the opportunity way outweighs the challenges. We do not want to fall off a cliff face. A two-year transition period, which has been mentioned, is unrealistic for us, because we will have a seat at the table of coastal states at the end of the first year of Brexit. A nine-month bridge is what we are suggesting. This is a centrally important point. Because we will be in charge—I say we; I mean the Government—we would hope to emulate a Norwegian system where there is this well-integrated composite of government administrators, science and industry working together for a common purpose for the land.

Q11 Chair: You like the Norwegian model, do you?

Bertie Armstrong: There are aspects of everybody's models round the world that are good. Norway happens to be a coastal state operating successfully very close to us. There are many aspects of that model that are good. We do not want to fall off a cliff face. We want a nine-month bridge. Two years makes no sense, because nothing will have changed in two years when you start the movement.

Q12 Chair: We eat a lot of cod, and I suspect that Scottish fishermen catch a lot of cod. Of the extra waters and fish that we can get, how much is cod?



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Bertie Armstrong: It varies very widely from species to species. We catch quite a lot of the cod already. I am not sure it is necessarily helpful to go into the individual species, but there will be more cod, of course. There are bigger examples. When relative stability was formed, it was formed on a track record when everybody fished everywhere as hard as they could. The ecosystem has changed since then. There are vast distortions. A much better example would be hake, where we have a tiny fraction of the quota under relative stability, but we have a big zonal attachment of hake in our area. The problem with that is it makes life difficult for a discard ban. We would like a discard ban to work, please. As soon as we get close to zonal attachment—

Q13 **Chair:** We have questions about that in a minute. It is interesting with the cod, because due to temperatures in water to some degree they have gone north, have they not? There is that argument.

Bertie Armstrong: A feature of temperature change is that, if you range round the world looking for areas that have different temperatures, you will not find any barren wastes; you will find different fish. Yes, the cod will move north, with good old cod for Scotland, but that does not mean there will not be an abundant ecosystem of other fish. We are talking about the end of the next millennium, rather than the day after tomorrow.

Angela Smith: Bryce, your comment about processing is very interesting. I am from Grimsby originally, which was the biggest fishing port in the world, but is now a very important part of the processing industry. I understand really well the importance of trade to a big port like Grimsby. We have been told that, of the 800,000 tonnes of cod that are caught globally every year, about 25% is consumed here in the UK. It is quite clear that portside Grimsby is and will continue to be dependent on imports of fish, given that we tend to eat what we do not catch in this country. We eat the fish that is imported and export the fish that we do not eat. There you go. I want to ask you to elaborate a little on the scale of the industry, as compared to the catching side of the industry, and its importance.

I want to ask Mike and Bertie a very quick question. I am very interested in what you said, Bertie, about the cliff edge. It seems to me—tell me if I am wrong—that you may prefer a model that keeps us as close to the European Union as possible once we have left and become a third country. In other words, we may want the Norwegian model in that sense, as well as the fisheries management sense. I would be interested to hear your view on that.

Chair: There might be one or two different views on that one, but it is a good question.

Angela Smith: I know. It is still my question.

Dr Beukers-Stewart: I have some figures here. The processing sector—I think this was in 2015—was worth over £3 billion to the UK, and employed 13,500 people full time, for example. I think there are about 12,000 fishermen. The income is a lot less. It all depends how you measure these things, but the first-sale landings are about 775 million tonnes, again in 2015. That is less than a third. I am sure Bertie can tell us about the add-on economic benefits. Even if you consider that they are equivalent industries, processing is really important.

I have had good discussions with representatives of the processing sector, from the Seafood Industry Alliance. They represent the majority of that sector and they are pretty worried about this. I guess the thing is, because of British tastes being fairly restricted to these five things—cod, haddock, salmon, prawns and tuna—a lot of that is not in our water. Even with cod, for example, we mainly eat Icelandic or Norwegian cod. That is because of the way it is caught and processed. It is mostly frozen at sea, so fish and chip shops get these blocks of cod fillets that are relatively cheap.

What the British fleet captures is a premium product. The average person in the street might think this is bizarre. We catch cod and sell them at a high price to Norway, and buy their cod cheaply. This is the nature of the seafood industry. The people I have talked to in that industry are very worried about anything that restricts their ability to still get those raw materials at a competitive price. That means either zero or low tariffs. They said that, if we do not, there is a simple outcome: either we will have to put prices up or the shelves will go empty. That might sound a bit dramatic, but this is what they are telling me.

On the other side, the catching sector relies on exports. If we put tariffs in one direction they are going to go in the other direction. For the moment, the drop in the pound has boosted the export industry to an extent. I am sure Mike could relate to this. Talk to lobster and crab fishermen and they will say they are doing pretty well at the moment. What happens after Brexit is another question. Like I said earlier, questions about trade are big decisions well beyond fisheries, but we still have the problem that, if we upset our neighbours too much, it might have unfortunate outcomes.

Mike Cohen: On the issue of remaining close to the EU, there are different aspects to it. In terms of trade, not interrupting the current beneficial trade with the EU is certainly useful. Speaking with my regional association hat on, we catch crab and lobster and we export around 85% of our catch to the European Union. We would very soon come unstuck, were we for some reason unable to trade with it. It really would be very, very quick. We are a live market fishery, so, once the local merchants have bought that catch from the boat, it needs to be with a wholesaler within a couple of days.

Q14 **Chair:** Is all your fish chilled rather than frozen?

Mike Cohen: Yes, it is chilled and live. People optimistically tell me we will find another market for it. If you can find me another continent two days' drive from Bridlington, I will happily sell my lobsters there. Until that day, it is a difficulty.

Chair: We will move America closer.

Mike Cohen: Quite. That is a real issue for some sectors of the fishing industry. The shellfish industry is a good one to pull out on that. The economics of different parts of the fleet I am not going to comment on, because I do not work with that sales aspect, but it is for shellfish. In regulatory terms, I do not think any of us would be keen to remain close to the European system and remain stuck with the common fisheries policy. It is inflexible. It is dogmatic. It is beset by disagreement between member states and compromises that are made on the basis of political expediency.

Q15 **Angela Smith:** How does Norway manage it, because Norway is in the single market?

Mike Cohen: Norway has its own agreements with the European Union, but Norway is an independent coastal state and it is very important that we take on the mantle of independent coastal state.

Angela Smith: Is it entirely possible to combine single market membership with the kind of model that Norway has?

Chair: Norway has a special arrangement and is still part of the single market.

Q16 **Angela Smith:** I am saying it is possible to combine independent management of fisheries through special agreements.

Mike Cohen: I would not want to see us tied to the CFP, with all the problems it has. This is the bit of Europe that every fisherman is keen to get away from.

Q17 **Angela Smith:** Norway manages to do that.

Mike Cohen: Norway has its own system.

Bertie Armstrong: We should be very careful to avoid being caught in the headlights of what happens now and assume that any change will be automatically prejudicial. That is not correct. Business will sort itself out. When the fleet out of Grimsby, Fleetwood and Aberdeen died as the world-leading distant water fleet, as you mentioned, the processing continued by inward investment. God bless us, we lost the ability to catch the fish, but we retained inward investment so they were beneficially owned by Icelandic owners.

Q18 **Angela Smith:** Iceland needed Britain for its markets, to bring the fish in.

Bertie Armstrong: Yes. Therefore, business asserted itself and sorted the problem out. The centre of this is an uplift of economic activity to the tune of more than doubling. We will sort the markets out. When the Russian sanctions were applied and we lost our main market for pelagic fish, it took a very short time to reset that. It is not without challenge or difficulty, but we do not have to look backwards and downwards at what is happening now and make an attempt to preserve it. We should say to business, as we are saying to ourselves, that there is a great deal of economic activity.

Mike is right about what is happening now. It is no surprise that we export to our nearest neighbour, but quite a lot of crabs and lobsters from the north-east of Scotland go to Korea and China. You can fly them there chilled. I think UPS operates daily flights from Norway to China to take fresh seafood. There are other markets out there. We do not need to duplicate that which is presently in existence. We need to recognise the opportunity that will come from uplifting.

Q19 **Angela Smith:** My question was about the cliff edge.

Bertie Armstrong: The cliff edge, as we see it, would be the exclusion of all foreign fishing vessels from UK waters and the catching of all that fish ourselves. That is what we recognise as probably unlikely, although that will be a product if we fall off a cliff edge and end up with no deal, because that would be the law. What we are suggesting makes perfect sense. It is not a two-year transition where everything looks the same and people cling to yesterday, but a nine-month bridge where we move towards greater opportunity in a sequential way. Because we are in charge, it does not necessarily make us the very bad guy of the northern continental shelf who bullies everyone else. That is nonsense.

Q20 Chair: You raise an important point, because any interim period, whether it be nine months or two years, must be about making that transition, not just, “We will breathe a sigh of relief and leave it as it is for two years”.

Bertie Armstrong: The reason we choose nine months is because governance will change. The opportunity for 2019 will finally be set, while we are still in the CFP, at the end of 2018. There is a great deal of inertia in this. Three months later, the governance world will change. The grown-ups table of coastal states, which sets the opportunity for the whole north east Atlantic, will have a place with the UK on it. That will happen nine months afterwards. That is when we can start the transition. It would look extremely odd to our Norwegian, Icelandic and Faroese friends if we said, “Thank you very much for the place at the table. That is great. We will continue to give away 60% of our natural resource to others”. They would find that hilarious and we would demonstrate ourselves, as a proud maritime nation, to be completely lacking in backbone.

Q21 Mrs Murray: So that we can clarify, is the reason you say nine months because the 2018 December Council will set the quotas under relative stability for the next year, for 2019?

Bertie Armstrong: That is correct.

Q22 Mrs Murray: We leave in March 2019. You are saying that we should use the remainder of that period to utilise the agreement that was made in December, but in December 2019 we will implement our own management system. Am I correct?

Bertie Armstrong: Correct. There is a tiny and relevant nuance there in that, in a normal CFP year, you would be giving away balls of string for penknives, because relative stability does not fit. It was set decades ago and does not reflect what is in the oceans.

We would need to act as a coastal state designate at the end of 2018, in saying, “We are still in the CFP and the European camp, but you need to test every decision you make with the question: will this be acceptable to the new member state that exists at 11 o’clock, our time, on 29 March?” If not, we have the means of remedy at our hand. It would need some adjustments, but what you described is exactly right. The sooner we assert ourselves as a coastal state, the better, not to bully anybody, be unkind or unreasonable in our movement towards zonal attachment—

Q23 Chair: But to establish our rights.

Bertie Armstrong: Exactly so.

Q24 Mrs Murray: Mike, everybody thinks there will be opportunities. There is legislation, once we come out of the CFP, that we have to operate under. Could you describe what it means under UNCLOS, and could you say what you think the surplus would mean under Article 62 of UNCLOS?

Mike Cohen: I have no expertise in UNCLOS and will not claim it. Somebody else might be better able to answer that. We still have rights under that, but, as my understanding goes, nothing in it would prevent us from acting as an independent coastal state and taking control of our fish resource.

Q25 Mrs Murray: It imposes certain conditions, like utilising the amount of fish in our waters. Bertie might be able to explain.

Bertie Armstrong: There is an existent model, and custom and practice, for the other coastal states. UNCLOS says that, if you have a surplus, you must consider—not give it away, like you used to—what you do with it. Other coastal states find themselves, not surprisingly, without overmuch surplus because you can quite quickly adjust. The fishing industry works at about half throttle. We can catch a lot more fish sustainably if we have the quota to do so. We took legal advice on this. There may be beneficial reasons why you wish to allow foreign nations—

Q26 **Chair:** Are you saying you could double capacity of fishing?

Bertie Armstrong: That is a bit of a hostage to fortune. A lot of the fishing vessels that exist are the size and capacity they are because they have to cope with weather and distance: the pelagic fleet, for instance. Mike mentioned one in his association; we have the remaining 26.

If you are fishing 100 miles west of Ireland in January, you had better be able to do that. That, rather like a car, will do 120 miles an hour, but it is only legal to do 70. The pelagic fishing vessels can catch a lot more, but it is only legal to catch that, which is what they do. It is a rather stumbling explanation that there is spare capacity there, but for no other reason than it just happens to exist happily. The same applies to the trawl industry.

Q27 **Mrs Murray:** Mr Stewart, going back to the processing side, in the south-west area, 7E, we get 10% of the cod and the French get 70% at the moment. If the quotas increase, surely some of those imports that the processing industry now needs will come from the domestic catch.

Dr Beukers-Stewart: You are best to talk to somebody in the processing sector but, from the advice I have been given—for example, I talked about cod—we are getting a cheap product, frozen at sea and filleted, which they turn into value-added products. The product that the UK boats are catching is more expensive. Fishermen are going to sell to where they can get the most money; they are going to sell the fresh, premium product to Norway and not necessarily to fish and chip shops. There are of course exceptions.

You raise an important point. If we increase quotas, how will we adjust? There are a few things. There is increasing catching capacity. I am sure Bertie is right: there is a lot of potential excess capacity, but there are things like blue whiting, herring and stuff like this that UK fishermen have not really targeted for a long time. It is a whole different way of fishing. You need to develop your knowledge et cetera.

Then there is the processing of those species. Blue whiting is largely used for industrial purposes. At the moment, we do not have capacity to deal with that. It would probably still be sold and landed overseas. 40% of the UK catch in certain years is landed overseas. It is not necessarily caught there, but it is landed there before of these differences in the market.

It emphasises our connection to Europe. That is not to even bring in the fact that the fish stocks are all connected. We have to share management. A good example is plaice and sole in the English Channel, which mostly spawns and has nursery areas along the coasts of France and Belgium. As it grows up, it moves out into the North Sea and it is in UK waters, but if you gave it a passport it would be French.

Q28 **Chair:** When it is in our waters, it is British.

Dr Beukers-Stewart: Yes, but it is a bit of a ridiculous argument.

Q29 **Mrs Murray:** I understand that. However, UNCLOS also covers that sort of scenario in Article 63, I think.

Bertie Armstrong: With the greatest respect to Bryce, that is not correct about blue whiting and herring. We have a considerable catch of herring.

Dr Beukers-Stewart: Herring, okay, but not blue whiting.

Bertie Armstrong: Our problem with blue whiting is inside the EU. A lot of blue whiting that would be caught and go for human consumption is presently used in a swap by the EU in order to get other things. That is fish that we certainly could catch and would not go to—

Q30 **Chair:** Is it good to eat?

Bertie Armstrong: There are some subject matter experts at the back.

Q31 **Mrs Murray:** I have eaten blue whiting. It is quite nice.

Bertie Armstrong: There is a human consumption market for it. That is a fact.

Q32 **Mrs Murray:** For those people who used to go to the conferences and have fish and chips, it was blue whiting.

Dr Beukers-Stewart: I guess the question is whether the market would be in the UK or overseas.

Angela Smith: Grimbarians only eat haddock.

Q33 **Mrs Murray:** I should have declared an interest: I am the joint Chairman of the All-Party Parliamentary Fisheries Group. I am also a former fisherman's wife. Sadly, my late husband died. I could go on with a great big long list of past interests, but I do not think they are relevant. What are the key areas that you will need to consider when entering into talks with the EU? What do you think we should consider? Do you think the UK can realistically prevent access to foreign vessels in the 200-mile limit? I include the territorial waters up to the baseline. Bertie and Mike, you might be aware of this: is there potential to reverse the Factortame ruling post-CFP, so that we go back to the original Merchant Shipping Act of 1988 with regard to ownership?

Bertie Armstrong: First, the Factortame case was when the UK in the late 1970s attempted to impose ownership, because it is a national asset. One of the economic links required was 75% ownership of the vessels. That was challenged in the courts by a Spanish fishing company, the Factortame company, which said that that does not work under European law, it is prejudicial and you are not allowed to do that in the European Union. It won, opening the UK fishing industry to foreign ownership. This is the matter of so-called quota hopping. No other coastal state does that. No other coastal state allows a majority stake in a vessel to rest in the hands of those who are not of that nation.

As far as I am aware, that will simply go away and the UK will be able, should it so wish, to take a more sensible national approach, recognising it is a national asset and a little different from steel for making cars. You can impose whatever economic links are appropriate. Yes is the long answer to that.

Q34 **Sandy Martin:** The ability of this country to control ownership does not have great precedent. We are not very good at controlling the ownership of our own real

estate—especially here in London—railways, electricity, gas or water. They are all owned by foreign companies. I would be interested to know how you think we can prevent foreign companies from owning all our fishing.

Chair: They have to be registered, I imagine.

Bertie Armstrong: There is custom and practice elsewhere. The UK embraces inward investment, of course. It always has done. That does not mean crown jewels are owned by anyone who wishes to purchase them. There is precedent elsewhere.

Q35 **Chair:** For me, it is very much where you land that fish.

Bertie Armstrong: That can also be made an economic link. Going back to the original point made by Mike, fish is a national asset. It belongs to the nation.

Q36 **Angela Smith:** You mentioned custom and practice, but we need a little more evidence to back that assertion up.

Bertie Armstrong: There is a man here who can perhaps verify the figure. Norway used to require 60%, and I think it is 51% now. Iceland requires 100% ownership of vessels fishing in its waters for that national quota.

Q37 **Mrs Murray:** Could you expand on what key areas we should be looking at and considering when we enter into talks?

Dr Beukers-Stewart: In terms of talking with Europe, the big one to sort out is the share of the quotas: the relative stability question. I am not sure if I got this right but, if Bertie was suggesting we can do that in nine months, that is not going to happen. This apparently took years in the first place.

Q38 **Mrs Murray:** Relative stability is linked to the common fisheries policy and, once we leave, it will not apply.

Dr Beukers-Stewart: No, it will not apply in that we will not be bound by the rules legally, but the principle and concept of it will remain. We will still have to share the catch.

Chair: Let the witness answer the question. You can disagree with it if you want to.

Dr Beukers-Stewart: If you do the science, you can work out that you have a stock of cod in the English Channel, and 60% is in British waters and 40% in French waters. Scientists are not working in those individual countries and should not be. They need to work together, because that is a single stock that is joined up, breeds and mixes. You work out the quota for the stock that straddles and moves between those boundaries. That is your TAC. Based on the science and a little bit of politics—

Chair: A little bit of politics?

Dr Beukers-Stewart: That is a British understatement, even though I am Australian—maybe you can get down to an agreement that means an increase for the UK of, say, 40% of where we are now. You still have to come to that agreement. You cannot unilaterally say, “Right, that is it”.

Q39 **Chair:** I think you would accept that we have to come to an agreement, but you would also accept we should be much more in the driving seat in coming to the

agreement than we are at the moment.

Dr Beukers-Stewart: We will be more in the driving seat than we are at the moment. That is absolutely a good thing. I totally agree with the fact that the current agreements are well outdated. There was a recent study by ICES that looked at 21 different stocks affected by climate change. Something like 17 or 18 had significantly moved their distribution, for example. Fishing practices have moved. There are lots of reasons that those arrangements should be redone.

This is long overdue. It has not been done through the common fisheries policy, because it is an absolute can of worms. It is not going to be easy to sort out from here, either. As a scientist, my concern is that, if the UK unilaterally says, “We are only allowed to catch 20% of that stock now and we want to catch 80%” and goes ahead and does that, if the French or whoever do not back down, you end up with 150% of the sustainable yield being caught. That is a problem. You have to make those agreements with the relevant neighbouring countries.

Mike Cohen: Yes, the joint stock management and quota share are the big issues, and they are linked. We have 100-plus stocks that are present and fished in British waters that are shared elsewhere. It has been highlighted that, when we leave and are no longer beholden to the relative stability criteria, we can start to look at zonal attachment. If France continues to catch the same amount of channel cod as it does at the moment, France will be overfishing because it will be catching more fish than it has in its waters. That is an issue for France and France’s behaviour.

I am not entirely sure that it is Britain’s responsibility to make every other country in Europe fish responsibly. Certainly, responsible fishing is going to be part of that coastal states agreement. The EU keeping its house and fleets in order, ensuring that they do not catch more fish than can be sustainably taken from their waters, is not just a British problem or something we have to compromise on to make them behave. It has to be a joint agreement as to where stocks sit. Exploitation of that stocks falls down to the European Union as a coastal entity, which has its resources and so do we. Neither entity should be overfishing its resources.

Bertie Armstrong: I take issue with the concept of relative stability. Let me very briefly describe how we got here. When we joined the EU, everybody fished everywhere as hard as they could. There were no boundaries or EEZs like there are now. We concentrated our efforts on a long-distance fleet that fished the Grand Banks, Greenland, above Svalbard and all round Iceland, which produced all this stuff to bring back to Grimsby.

When the cod wars happened, UNCLOS took a view that the UK was wrong and it would make this the property of those coastal states. Those fleets died. They had nowhere to go; they had a great capacity to fish and could not. When we joined the EU, the concept of equal common access to our waters was born. When we were on a downward spiral of overfishing, we had to apply limits. Those were done in accordance with the track record when everybody fished everywhere as hard as they could. The rest of the European member states were fishing as hard as they could in our waters because it was close and that was where they could fish. The bulk of our effort was long-distance.

The result was this huge distortion for us of 60% of the fish in our waters—our national asset—being allocated elsewhere. That concept will not continue. That is a nonsense. It is important to understand the history and the journey we need to embark on to rectify that.

Q40 Mrs Murray: How many species of fish spawn in other member states' waters but are very important to us because they migrate and are adults? Was there not a study?

Bertie Armstrong: There is a study. There is some measure of sense in saying, for instance, "Denmark, do not hammer all the juveniles in your area. I will let you in because it is beneficial for both of us to fish in our waters". That would be a beneficial thing. The exact numbers of stocks I am not sure of, but it is not widespread. I have provided a link to a paper for 17 stocks, and the zonal attachment of fish is stated in that. That had chosen, because we paid for it, 17 stocks of interest to Scotland. Cefas has done more work. I am not sure if Bryce has done some work himself on zonal attachment.

Dr Beukers-Stewart: We have done some, yes.

Bertie Armstrong: The big question is why we lose 60% of the fish from our waters. It is because they live here, and we have had a series of historical accidents and misfortunes that led us to this position where people come to our waters to catch them. That also happens to be where they live.

Q41 Paul Flynn: You speak of a series of misfortunes and accidents in the past. The cod war with Iceland was won by Iceland, although we had a defence budget of £25 billion at the time and it has a defence budget of nothing. They have a couple of coastal vehicles. They did not have an army, navy or air force. We lost against Iceland. The mighty United Kingdom lost.

If I understand what has been said correctly that the optimistic scenario you are painting—this idea that the tabloids preach every day that we kick the Europeans out of our waters and then catch fish at will—depends on the good will of France, mainly, and Spain. If they decide to be generous with us, we can win back our rights in the waters. If they do not, if they decide to be bloody-minded, which would not be anything new, we will not get the chance of getting our waters back. Is that not the situation?

Bertie Armstrong: I think not. I was there for the cod war in HMS Yarmouth. We could have destroyed the Icelandic fleet in one day had we chosen so to do. It was not a war like that. It was a war of international principle: does everyone fish everywhere in what were those days international waters, or are those waters better managed?

Q42 Paul Flynn: The outcome of the cod wars is that fishing here in the United Kingdom is a niche industry: 0.1% of people. What proportion of our GDP is fishing, and what proportion of Iceland's GDP?

Bertie Armstrong: I think you know the answer to that; you have just quoted it. The outcome of the cod war was not a defeat. International law took the view that everybody fishing everywhere is not the way we should proceed. The way we should proceed is that, under international law, UNCLOS grants exclusive economic zones with sovereign rights and responsibilities inside that. That is what happened in the cod war. Frankly, it was nothing to do with military activity. That was in international law. We fell foul of that

That would have been wonderful. We would have had our EEZ—you have a picture of it—had we not been in the EU. In fact, common access, which had been custom and practice in Iceland and everywhere else, was retained for us in Europe. We had everybody else in our waters. It will not be at the gift of the French or Spanish.

Q43 Chair: What you are saying, in a nutshell, is that we could regain the waters like Iceland has. It has its particular zone and area, and we are entitled to the same when we come out of the common fisheries policy.

Bertie Armstrong: It is exactly analogous.

Q44 Mrs Murray: First of all, that was the outcome of the cod wars: we declared the British Fishery Limits Act 1976. Can I very quickly turn to the six and 12-mile limit? We are also going to be withdrawing from the London convention of 1964. I did a little bit of research a while back about shared access to areas, through historic rights. While France has access to 15 areas in our territorial waters, Ireland has access to two, Germany six, the Netherlands three and Belgium five, for a variety of species. The UK has access to just two areas within German waters and one area within French waters. That will go. What opportunities do you think that will provide?

Mike Cohen: I would like to think we will see an area inside 12 miles protected for the UK inshore fleet, to help that small boat fleet develop and flourish. Picking up on something Mr Flynn said a minute ago, you make a great mistake if you characterise fishing solely as a percentage of its GDP.

Visit small coastal communities where fishing is a very large percentage of employment and you will see an importance of that industry that is utterly disproportionate to the percentage of GDP as a nation. Yes, we are not going to compete with the City of London. There are precious few banking jobs in Bridlington. We need that industry for what it can provide in those areas. Yes, there is an enforcement issue of preventing access to waters from other boats. Look to Norway, for example, which has waters bordering other countries.

Q45 Mrs Murray: Who enforces UK waters at the moment?

Mike Cohen: It is a mixture of different agencies. There is the Marine Management Organisation, the Navy has fishery protection vessels and inside six miles we have the inshore fisheries authorities.

Q46 Mrs Murray: The UK polices UK waters at the moment, within the common fisheries policy.

Mike Cohen: Yes, it does. I would imagine there will need to be funding for enforcement agencies. The Norwegian coastguard, which enforces the sovereignty of Norwegian waters, is extremely well-funded but it does its job. Norway does not have such a successful and well-managed fishery just because Russia chooses not to fish there. It has it because it has a coastguard that enforces that Russia will not fish there, other than by the agreements that have been made. It is possible. We see the example of Norway as another coastal state in waters that border ours.

Q47 Chair: You were saying quite clearly it will need to be resourced. It is not there at the moment, is it?

Mike Cohen: It will need to be properly resourced. At present, we would need more funding and resources for enforcement. There is no doubt about it.

Bertie Armstrong: Quite a lot of the enforcement now is electronically done. You do not need gunboats preserving all the integrity. The other significant thing is that we would not anticipate, on rule change and on distribution of quota change, widespread illegality by European nations. European has strode the world stage saying, “We are the champions against illegal, unreported, unregulated—IUU—fishing”.

It would be guilty of authorising widespread IUU fishing on its own doorstep if it permitted the fleets. There is a national requirement to make your own fleet attend to good order and regularity, which the French would have to do. Without hammering the nail beyond the desktop on Norway, we could take a leaf out of its book on robustness and zero tolerance of rule-breaking. That would go a long way.

Q48 **Sandy Martin:** I want to ask about quotas and sustainability. You have all said that it is important to maintain sustainability. Quite a large number of environmental groups believe that the CFP has not protected the sustainability of fishing in UK waters or, indeed, the rest of Europe either. Do you believe there is scope for catching more fish than are currently being caught altogether, or do you think there should be fewer fish caught than are currently being caught altogether? Do you believe it is necessary to have some sort of quota system in order to achieve that?

Bertie Armstrong: No, there is no scope to catch any more fish globally at all. That is set scientifically. You will find the recovery of fish stocks, certainly in the Scots area, in the hands of the Scots industry, which recognises with absolute clarity that this is lifeblood for our industry. We have come a long, long way to the happy situation we find ourselves in now.

There is scope for serious redistribution of who catches it, in ways we have just explored, but not for catching another fin of it. There is a myth that is worth busting about fish knowing no boundaries, so they will just catch them elsewhere. You cannot do that. They live here. It will not be possible for people to catch unlimited amounts of fish in other areas because they are zonally attached, to be general, in our area.

Mike Cohen: I would agree with what Bertie says there. The total allowable catch needs to be based on scientific evidence. It is at the moment. We have seen recoveries and improvements in stocks so that they are now at a level that will yield long-term sustainable good yields in a number of stocks. Improvement is in spite of the CFP, rather than because of it.

It has a lot more to do with better collaboration between the fishing industry and the scientific community. I hope that will continue. I expect that it will continue and total allowable catches will continue to be set based on the evidence of what is sustainable to catch.

After all, you have to remember that it is fishermen and the fishing industry who will lose out if we get that wrong. We talk a lot about stakeholders. If I place a bet, the stake is what I lose if it goes wrong. Fishermen are the people who will lose something if we manage fisheries badly; they will lose their livelihoods. They have a bigger interest in ensuring that we do not overfish than anybody.



Q49 Sandy Martin: Can I come back on that specific point? The fishing industry has lost out because we did get it wrong. I have visited Great Yarmouth and seen the fishing museum there. The two factors that limited the amount of fish people could catch were the size of their boats and the number of employees they could employ in order to gut them. There was certainly no limit to the amount of fish. They sailed the boat out and they hardly needed to put the nets over the side at all. The fish jumped on to the boat.

Chair: That is what they said.

Sandy Martin: It is a slight exaggeration, but the fact is, each time the herring fishery's fishing boats went out, they went out and loaded the fish on to the boat, until such a stage as the boat would sink if they loaded any more in. Then they came in, unloaded, gutted, went back out and caught some more. They carried on doing that for decades until suddenly they woke up and realised there were no herring left.

My view, and the view of quite a large number of organisations, is that even with the quota system that we have with the CFP, which I do not hold any candle for at all, the sustainability of lots of the fish stocks in Europe is still going down.

Mike Cohen: I see evidence that says precisely the opposite. We have to base this on science, not on supposition, what we would like it to be or what creates a particular narrative. We have to be clear on what the science says. Quotas exist to constrain mortality on particular species. Yes, fisheries management was poor in the past, and we introduced more sophisticated management, like scientifically based quotas, but we have to do this based on evidence.

Dr Beukers-Stewart: I will be a bit more optimistic about the CFP. There are lots of other issues that we have already talked about. In terms of controlling fishing mortality, it has improved dramatically over the last decade. I used to work for an NGO, 12 years ago, and I was front of the queue slagging off the common fisheries policy. The biggest problem in the past was they did not follow the science. There are a lot of studies about this. Consistently, quotas were set, on average, 30% to 35% above what was scientifically recommended. That is like spending your money faster than you are earning it. That is never going to work.

What has changed? In the last 10 years or so, in our waters in the north-east Atlantic—not in the Mediterranean, which is still in a very sorry state—they have started to follow the science. Fishing capacity has been altered and moderated more in line with the opportunities that are there. We have seen a recovery of fish stocks. North Sea cod is the poster child for overfishing. It is now certified as sustainable by the Marine Stewardship Council. It is a fantastic success story. Quotas are very much necessary. You only have to look at the history of fisheries around the world to know that fisheries do not manage themselves. In fact, it is managing the people, not the fish, that you need to worry about.

I think I can say this as a scientist. I heard someone say recently that fisheries management is not rocket science; it is much more complicated. Counting fish is like counting trees in a forest, except they are invisible and keep moving around. It might sound flippant, but that is important. Fishery science is not exact.

When we are talking about setting quotas and trying to work out zonal attachment, there is a fair margin of error in there. We have probably some of the best fisheries scientists in the

world in this country and fantastic institutions like Cefas and Marine Scotland. This is where it was all born, but it is still not perfect. You have to bear that in mind and be precautionary when making management decisions. When it comes to negotiating over things like share of quotas, let us not go for 100% and take out 50/50. Let us take out 45% each.

Q50 Chair: You want to take a fairly cautious approach.

Dr Beukers-Stewart: Yes. Australia fishes according to maximum economic yield rather than maximum sustainable yield. That involves doing that: it involves fishing at a slightly lower level, but because the fish are easier to catch you effectively earn more money per fish. There are some new ideas that we could take on board.

Q51 Sandy Martin: You all agree with the discard ban, presumably. How do you manage a discard ban with species-specific quotas?

Bertie Armstrong: The biggest single thing we can do to have a discard ban that will work is to make our fishing opportunity more matched to that which is in the sea, so that, when you put your net in the water, you get the sort of proportions that you have quota for. Because of the distortions of relative stability, that is not the case and you get the self-explanatory choke species like hake.

You are going to be out of hake by February most years. That would be something. With the sovereign rights and responsibilities—and you might regard not discarding fish as a responsibility—we can set rules to much more neatly accommodate that. Right now, we are trying to force a political decision over the top.

Q52 Chair: You are saying that, where you put your net into the water and you catch other fish than you are fishing for under your particular quota, if we had a bit of extra quota for those particular species you were catching as well, you would not need to discard as much. Is that what you are saying?

Bertie Armstrong: Yes. It is more down to the distortions that presently exist. To use the hake example again, roughly 85% of the hake quota, because that is what they were targeting at the time, rests with Denmark. About 5% of it rests with the UK. Hake has changed mightily. It is a straddling stock up there and there is lots of it. It is very valuable and we love, but with only 5% of the quota, if you are catching your haddock and you get a bycatch of hake, you will have difficulty producing quota to catch it. If we are in charge of zonally attached quota setting, we will have an appropriate amount of hake, haddock, cod and pollock for mixed fisheries.

Q53 Sandy Martin: Yes, but that is one of the reasons why the quota system has to fit in with discards. You talked about the 12-mile zone for small-scale fisheries, which is absolutely crucial. On the high-value as opposed to low-value catch, there is a market for very high-value catch that is caught locally by small boats. Do you believe we should have the same sort of quota system within the 12-mile zone, or should it be a different, adjusted one for the 12-mile zone in order to enable small-scale fisheries?

Mike Cohen: There is a good argument for taking the genuinely low-impact vessels out of the quota system and having a pooled allocation that is centrally managed. I know that some very good work has been started by Defra on that already. I am not sure exactly where it is at this minute, but I know it has been doing some very interesting work on it. There is a good

argument for that. It is a way of allowing people into the industry to make a start on a small scale; it helps the small coastal communities that rely on that sort of thing; and the impact on stock sustainability of those vessels is negligible.

Q54 Sandy Martin: That is more applicable to England than it is to Scotland.

Mike Cohen: Yes, because we have more and smaller vessels. That is all about reality, about looking at where fish are and what particular boats are actually doing. It is not putting a random label on vessels under a certain size or whatever. It is about identifying vessels that genuinely have a low impact on the sustainability of those stocks and allowing them to operate as they should.

Q55 Sandy Martin: When he came and spoke to us on 13 September, the Secretary of State suggested that we might move to a days-at-sea system rather than a stock-quota system. What is your view of that?

Mike Cohen: Negative.

Dr Beukers-Stewart: We are all in agreement in that.

Q56 Chair: That is one where you will get the panel to agree. Is that right?

Bertie Armstrong: It is implausible.

Mike Cohen: There are so many reasons that is problematic. We have to manage shared stocks jointly with the European Union. How do we work on a days-at-sea regime when everybody else works on quota? How do you decide how many days at sea that fits in with? When you have mixed fisheries, do you end up with a situation where people go out to target the highest-value species earliest and so deplete those stocks? You lose the ability to constrain mortality of one particular stock that is under threat. You only have to look at the example of the Faroes, where they have had a days-at-sea regime since 1996, I think, and are desperately looking around for ways to get out of it.

Q57 Chair: Sandy, in talking to George Eustice, the Fisheries Minister, he is much keener to keep a system where you have a quota. You may be able to adjust it and do all sorts of things to it, but I do not think he wants to throw the baby out with the bathwater.

Sandy Martin: I do not think it is of any great surprise to the Chairman of this Committee that I did not agree with the Secretary of State either.

Mike Cohen: To finish the example I was giving, spawning stock biomass of cod in the Faroes is now 20% of what it was before they shifted on to the days at sea regime. I do not think any of us should be surprised that they are keen to drop it. They are seeing stock collapses under that regime, which I desperately do not want us to see.

Dr Beukers-Stewart: I totally agree with Mike, and I imagine Bertie does too. We had an interesting discussion, with Gove present, a few weeks ago. The room was full of NGOs, different sectors of the fishing industry and scientists. It was the only time I have ever seen everyone, apart from one or two people, united against an idea.

Chair: He is usually a very good politician, so he may take notice of that. We will have to see.

Dr Beukers-Stewart: Hopefully. I have a couple of comments on the discard ban. I totally agree with Bertie about problems. Hake is a classic example. The opportunities do not match what is there. That is a real problem. There is a recent study by Cefas showing that only about 25% of the fish that are discarded are because of lack of quota. Most of the discards are due to fish that are either unmarketable, not high value or juveniles. Juveniles is the big issue in fisheries. That is pretty terrible from a fisheries management point of view, because you are wasting the yield, if you want to look at it like that, but also you are never giving those fish a chance to grow up and breed.

A lot of good work has been done by the fishing industry to improve selectivity. I am sure Mike and Bernie could say more about this. It is really important that that continues going forwards. With Brexit, in terms of technical restrictions around what type of gear is used, this is a good opportunity for the UK to say, "If you want to fish in our waters, this is the gear you have to use". There are other management systems for dealing with this issue of choke species. You can have a floating pool of quota that fishers can exchange among themselves, importantly not for money. That is a whole other topic, but one of the big issues at the moment is that certain quota-holders are leasing out that quota for fairly high sums of money, effectively earning a profit from what should be a public resource, even though they do not fish it themselves. That is a big area for debate.

Chair: That is one for Government to deal with, probably a little further down the line, but it is good to put on register. It is legitimate.

Q58 **Angela Smith:** I have already asked part of my question, to be fair. I asked questions earlier about the impact of leaving the EU on the processing sector. What trade policy objectives do you think the Government should establish to ensure the sector prospers after we leave the European Union? Is there any specific set of objectives that should be established?

Dr Beukers-Stewart: Fundamentally, it is zero to low tariffs on imports and exports. It is as simple as that, but there are also the non-tariff barriers that Mike talked about, especially when you are dealing with a fresh product. This is based on my conversations with people, but they are more worried about that to some extent because, if you have something sitting on the port in Calais or wherever for three or four days, and it goes off or reduces in quality, you either cannot sell it or you sell it for a lot less. This is where we have to be cautious, working with our neighbours, because things could be slowed down if there is trouble with negotiations.

Q59 **Chair:** They want fish as well, do they not? They want to buy it.

Dr Beukers-Stewart: Exactly. It will be a game of cat and mouse, I imagine.

Mike Cohen: Absolutely, I would agree with that. The non-tariff barriers are potentially more damaging. As Bertie said before, industry will find a way. We will find a way of trading, doing business and selling. That is what we do, but there are real risks, particularly with a sector like mine in shellfish where you have a fairly short time to transport something. The danger point is the point where we actually leave. If we end up with some sort of brinkmanship between our Government and the EU, and we have a pause in trade while we work out an agreement, that could really hit small shellfish ports very hard.

They cannot afford to leave things in a lorry for a week. We are not selling car parts; we are selling animals. We cannot afford for merchants who bought that catch from a boat not to be able to sell it. That is too big a hit. We require a constant turnover of purchase and sales for the industry to work. We cannot have a situation where Government are playing around with trade prospects and causing a break in trade. The market and the industry will find a way of dealing with tariffs and things like that. I am sure of it, but we do not want trade to be stopped.

Bertie Armstrong: You asked what the objectives should be: as close as we can get to the free trade that presently exists. It is fair to predict there will be short-term disruption. The French always do this anyway. There is likely to be a kerfuffle, but we should not make that a stopping challenge. It is just a challenge. Presently, we are in the absolute absurdity of competing in the single market with our own fish, if we give away 60%.

There are a number of family businesses in France, Spain and Italy that depend on these imports, which are taking langoustine and rebranding them as Mediterranean-caught fish. I saw this in Croatia the other day. There are businesses that depend on this import and they will, in the end, not like to see trade barriers. It is perhaps not as black as we think. To the underlying question, business will sort it out.

Q60 **Alan Brown:** That touches on what you are saying in particular, Mike. You express concern about brinkmanship, because any interruption in trade could be bad. Right now, there are a lot of politicians in Parliament arguing to get ready for no deal and walk away. The flipside of that is that the Government want to set an absolute date for when the UK leaves the EU. That ties into it: if there is no deal, the UK leaves on that specific day. Therefore, do these two scenarios present the risk of brinkmanship in the way you outlined?

Mike Cohen: As Bertie and I have said, business will find a way to trade, but the ability to sell something is in Government's control, not ours. We look to Government to make sensible moves in the national interest and ensure trade can continue uninterrupted.

I am sure there are all sorts of points throughout this process where that risk might rear its head. It might be to do with the date we leave, the manner in which we leave or the agreements made between the UK and the EU. It is very hard for me to predict. We look to Government to do their part there and ensure that British industry can continue to do what it does, whatever trading environment it ultimately finds itself in. We just do not need that trading environment to be interrupted, because that is something we cannot control and adapt to.

Q61 **Alan Brown:** Touching on the comment that trade will find a way to resolve itself, Bertie, you highlighted that the Scottish industry already has a better market in Korea and China. Is the problem not that, if there is no deal, you revert to the World Trade Organisation? The other markets that are there now are partly founded on agreements that have been reached through the EU. You are falling back on WTO.

Mike Cohen: It is likely to be complicated, whatever situation we end up in. There is no doubt about that, but we have a product that people want to buy, and I see no reason that they will not want to continue buying it in the future.

Q62 **Angela Smith:** To follow on from what Alan has raised there, if we crash out on 30



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March 2019, at 11 o'clock at night, and we fall on WTO rules, what will be the impact? It does not matter that trade and business can pull round from that, but what would be the immediate impact?

Dr Beukers-Stewart: Obviously, no one really knows. There has been a modelling study done on this. I can send you the reference in due course. It is not my work. It predicts, if we revert to WTO rules, a roughly 30% reduction in exports of seafood from the UK. In terms of value-added, processed seafood, it is around 90%. It is pretty dramatic. That is not the main business that the UK feeds into.

These guys know more about that side of things than I do. The industry and business will find a way, but if that happens there will probably be a fairly hard hit to begin with and it may take quite some time. Yes, we can sell lobsters and crabs to China and South Korea. If you crack the Chinese market, it is enormous, but at the moment it is a small market. It all depends on whether or not that can be expanded. I guess there is just a lot of uncertainty, but a hard Brexit with no deal would be pretty disastrous for the fishing industry in that short term.

Q63 **Paul Flynn:** How long is the short term?

Dr Beukers-Stewart: We do not know. It could be months; it could be years.

Q64 **Angela Smith:** My final question is to elaborate on information in our brief. If the answer cannot be given, I would be grateful if it could be sent in. We have been told that 79% of the processing plants in the UK process domestically sourced fish, so 21% take fish from overseas. The key question is the percentage of the fish in the 21%.

Dr Beukers-Stewart: It is roughly round the other way.

Q65 **Angela Smith:** So it is 80%.

Dr Beukers-Stewart: I do not have the figures, but it is certainly the majority in terms of volume.

Q66 **Chair:** You can let us have that in writing. It is about 70%, from memory, but I do not know. You can give it to us in writing.

Dr Beukers-Stewart: Absolutely. There is good work from the Seafood Industry Alliance that has documented this. If you just look at the number of businesses, yes, there are lots of small businesses processing domestic catch, but the big volumes are in this imported material.

Q67 **David Simpson:** Welcome, gentlemen. You have talked about trade, investment, processors and that the market itself will find its own level because the economics will dictate all of that. When we look at the small coastal communities, how reliant are they on EU funding going into the future? That will be cut back and the British Government will have to fill that gap. How do we work around that?

Bertie Armstrong: EMFF, the European maritime and fisheries fund, and its predecessors account for a value to the tune of 1% of the value on first sale and landing. This is not an industry that depends on subsidy and handouts. It is widely different from, for instance, agriculture. That is no criticism of the agriculture system. It is just the way it is.

A lovely illustrative statistic is that Shetland, a coastal community that depends on fishing, received from the EMFF over a five-year period 1% of the value of fish caught by foreign vessels within 50 miles of Shetland. It is quite a dramatic illustration. If there is free development money, we will certainly apply for it and take it, but this is not an industry that depends on subsidy to exist. It is economic activity.

On Alan's most excellent question at the start about brinkmanship and the rest of it, we are in a ritual dance now with Europe. The standard MBA laws of negotiating are to aim for the sky, have a plan B for failure and be prepared to walk. We should not be surprised that all of those things are visible in this negotiation. What we are privately saying, or not very privately, is about a nine-month bridge.

Q68 Chair: That is one of the troubles. We are carrying on this negotiation in public, which in many ways could be done better in private, but that is the political situation we are in.

Mike Cohen: The EMFF and the EFF before it did a lot of useful things in the areas where they were spent. Some of this was spent at local level under the fisheries local action group programme. My area in my day job was an area that received FLAG funding. It is certainly helpful to various things around the edge of the fishery industry, but it is not necessary for the industry to function. It has done some very useful things; do not get me wrong. We have been able to set up our own programme of stock monitoring, for example, and get the industry more involved, but it is not necessary for the industry to continue.

It is certainly helpful but, if you look at the things that EMFF was spent on, many of them are very peripheral to the fishing industry. We had prettier railings for a local authority around a park and planters. In a number of instances, this has not been spent on the fishing industry. It is useful and I would not like to see us lose it, because of the additional benefits it can bring.

Q69 David Simpson: Are you quite confident that the local coastal communities will survive?

Mike Cohen: I am confident that the EMFF will not be what makes the difference to that. Going back to what Bryce said before, a hard Brexit and some sort of catastrophic leaving with no idea how we are going to trade would be very harmful for some communities. Industry as a whole is one thing, but look at a small community like the one I work in, where we are entirely dependent on exports. If we end up in a situation where there is no technical regime for exporting, with no agreed paperwork and no inspection system, that could be very harmful. It could be very harmful over very short period of time. We are talking weeks before that has a really severe effect on our coastal community.

Dr Beukers-Stewart: I totally agree. We do not want to see it go. It is not the be all and end all. The one thing it has been very useful for is improving sustainability. As the UK implements a new system, this is where funding could be useful. For example, I talked about technical changes to fishing gear to reduce discarding. That costs money. That is where that money should be going: to solve those sorts of issues.

Mike could probably comment better than I can on this, but where coastal communities can benefit most is from better fishing opportunities. Something like 50% of all the boats in the UK fish for shellfish instead of quota species because they do not have quota or would have

to lease quota at great expense. This is not necessarily a good thing. On average, most of the profits are being made by the larger companies and larger vessels. Those profits are not necessarily going back to the small local businesses and communities.

That is something that I would really like to see addressed through Brexit. If there are more fishing opportunities through the UK gaining more quota, for example, we want to have criteria that favour that going to these vessels and businesses that have a relatively low environmental impact but also feed back to the local communities. It is much bigger than the money; it is about the identity of those communities. That is what draws tourists to places in Cornwall and the pretty fishing villages. How do you work out the value of that? I put that in there for you. It is very true, is it not?

To be honest, in my opinion, that has gone wrong. Most of that, in the way quotas have been distributed over the last few decades, is a UK Government decision, not to do with the EU. Now is a chance to shake that up and do it much better in the future.

Q70 Mrs Murray: Staying with funding, first of all, could you tell me what happened before we joined the EU? If I remember correctly, there used to be grant funding available for certain things under the Sea Fish Industry Act of 1962.

I am also very concerned that we continue to fund domestically the collection of data, science and some of the good things that we saw available to the industry under the EFF fund, including safety equipment and, on top of that, technical conservation measures that will promote sustainable fishing. Do you think we should make sure that these are in the ballpark, so to speak, when we are planning to operate fisheries post Brexit?

Mike Cohen: I would certainly like to see some continued funding for those sorts of things. Funding for non-mandatory safety equipment was a big part of what EMFF did. That was certainly very welcome. The funding of fisheries science will be absolutely essential if we are going to have good management of the fisheries. It is necessary. Things like the Horizon 2020 programme and other European-level funds have been very helpful in encouraging good fisheries science which, as Bryce said before, is world class in the UK. We have to make sure we do not lose that because that is how we will have a well-managed and sustainable industry in the future.

Bertie Armstrong: There is a job to be done to reset this. The state aid rules were such that you could not use EMFF funding—indeed, there is an argument that says nor should we on any future fund—for increasing fishing capacity. That should be largely left to business and is best done if you have the economic activity to support that. Certainly pay attention to the science. There are a number of models available internationally, where other nations take a levy from the fleet and use that. You will find that, where that occurs, most fleets accept it as a fact. There are certainly areas of support. We must not let go of the science, of course. We must continue to support it.

Q71 Mrs Murray: There is a perception that this grant funding came with our membership with of the European Economic Community. Was there financial assistance for UK fishermen before we joined?

Bertie Armstrong: I cannot answer that, frankly.

Q72 Mrs Murray: I seem to recall there were white fish grants, particularly in Scotland. Maybe I am an old lady.

Bertie Armstrong: There were, in the early days of our European membership, grants for boatbuilding, when it was imagined that the sea was a bottomless pit of resource and you could have at it with a will. We did, and we learned a very painful lesson from that.

Q73 Chair: Bryce, this is a good one for you. Where would you like to see research, collection of data and fish sustainability improve? We have a chance to do that now. What would you like to see?

Dr Beukers-Stewart: There are a number of ways in which we can improve the collection of data. Probably the most important is for scientists and fishermen to work together more. There are different ways to do that: everything from chartering boats to do scientific surveys. I used to do that working on the Isle of Man scallop fishery.

I love to tell people it is the best thing I ever did in terms of fisheries management, because suddenly we are working alongside each other for days on end. Within the first day, the skipper said, “We are on the same side, are we not?” What we saw in that particular fishery, which started there and expanded, was not only better science, but also a lot more mutual understanding, much better respect of regulations and innovative management suggestions coming from the industry. This is really important. It has been going on, but let us increase it.

There are technological advances, for example electronic monitoring. Bertie mentioned vessel monitoring systems and the satellite monitoring of fishing boats. It is good for enforcement. It is also very good for science. We are already using this. For example, we are using cameras on board to monitor the catch. Funnily enough, we have just had funding from the EMFF, in collaboration with Bangor University, to do this on the channel scallop fishery, which provides us information on habitats, the bycatch and the stock. There are lots of technological advancements coming out. You can now train computers to recognise species and all sorts of fancy stuff.

Q74 Chair: Would you agree that it is essential to keep fishermen on board with what we are doing in getting the science and the catch? Otherwise it does not work.

Dr Beukers-Stewart: Yes. There is a lot of good science going on, particularly on the quota species, but there are a lot of stocks we have very little information on. Scallops are the most valuable species in the English fishery and the third most valuable in the UK.

This year is the first time a stock assessment has been done on the channel scallop fishery pretty much in history. That is ridiculous. Why is that? I guess it is a hangover from when other species were more important. Likewise, there is a lack of good information on many other shellfish species and species that are starting to come into our waters like squid, red mullet and John Dory, to pick a few examples. We have to be on the ball.

If you gave me an unlimited budget, I could do an amazing job, but that is not realistic. It is all about being cost-effective, taking advantage of technology and working with the industry. There are these funding suggestions, like Bertie mentioned, where we use a levy from the industry to help support fisheries scientists. Australia does this. It is overseen by an independent board, to make sure that money is used wisely and scientists are accountable. You do not want to be doing blue sky science and head in the clouds stuff. You want to do

stuff that will help improve the industry and sustainability. There are lots of different options.

Q75 Paul Flynn: One of the main reasons why the man in the Dog and Duck voted for Brexit was the belief, preached by the tabloid newspapers, that, if we had Brexit, we would be able to kick Johnny Foreigner out of our waters and he would not be stealing our fish any more. You tell us that what is likely to happen with a hard Brexit—you both use “disastrous” and “catastrophe” as possibilities—is a 30% loss in the overseas market.

You pointed out that Norway needs to protect its fishermen, if I understood it correctly. If there is a new wall between us and the French, and they or the Spaniards do not willingly agree to give up part of their income, which seems very unlikely, there will be future wars for our own areas. To do that, there will be a cost to patrol them. Is there a cost in Norway? Does it have a cost of its defence forces to do that? If so, what would it be and how would it be worthwhile?

Chair: I do not foresee the next world war being over fish quite yet, Paul, but please answer the question.

Dr Beukers-Stewart: Let us hope it does not go that far. I do not think it will. Norway is very different, in that it is much more isolated than the UK is. It has a big territorial sea, but it borders a bit of the EU to the south and Russia to the east. Look at the North Sea. It is like a jigsaw puzzle of EEZs, or it would be if everyone had one. It is a different situation. No one wants to see conflict over this. There are bound to be some strong feelings, but with most things the solution is not about threatening the other one or flexing your muscles; it is about coming to a mutual understanding. You can only do that by working together.

Q76 Paul Flynn: A 30% reduction in sea exports sounds like going over a cliff to me. This is what we are faced with here, whether we have a hard Brexit or a soft Brexit.

Dr Beukers-Stewart: Yes, with a hard Brexit, it would not be good, particularly for the shellfish industry, which is so important. Maybe that can be built up through increases in quotas of other species, but if we have just had a hard Brexit the other European countries probably will not want to talk about giving us more cod quota or whatever. That is going to be furthest from their minds. My simple recommendation is that we want to avoid a hard Brexit.

Q77 Chair: We are all trying to work towards that, but it is something that is always on the table.

Bertie Armstrong: The situation is rather simpler than is portrayed. The law-making responsibility of sovereignty in the EEZ will rest with the UK. It will be for the UK to say what is available and what is not to foreign vessels.

If they choose to catch more than that, there is a responsibility under international law for their own countries to take charge of them because they are guilty of IUU fishing. Europe has championed the fight against IUU fishing, rather than authorising it. I am sure you will get hot-headedness, but I do not think we are going to have any form of war in the channel, for absolutely sure.

Chair: I hope not. I do not think we will



Q78 Mrs Murray: As a last question under science, I have heard you quite rightly talk about data collection and sustainability of stocks. Incidentally, to reassure you, for decades we have caught squid, red mullet and other species off the coast of Cornwall.

Dr Beukers-Stewart: Sure. It has not been well recorded, which is the problem.

Q79 Mrs Murray: It is catch composition that I would like to focus on. I know my late husband used to take scientists out with him, and they would take a sample of his catch to see what it was made up of. If we are going to start to align the quotas available to fit in more with what the fishing fleets are catching, should we not be looking at perhaps spending some scientific money on ensuring the catch composition that is made up in a mixed fishery?

Dr Beukers-Stewart: Absolutely, that is what it is all about. You have to try to get an idea of the population size of each species, but you also need to know what their life cycles are like. I am not going to name a species, but species X you might find in abundance if you went and did some trawls off the south-west.

You might think there are loads of them, but there are loads of them because they have not been fished, because there is not a market for them or something like that. You might find they are slow-growing and long-lived, so they have a slow turnover. It does not mean that, because there are loads, you can suddenly catch loads, because you will fish unsustainably.

This is the difference between looking at the catch composition of fishing boats and scientific surveys. You need both, but the scientific surveys are hopefully done in a fairly non-biased way, to try to get a picture of what is actually out there. A fishing boat catch tells you what has been caught. They are slightly different things, sometimes very different and sometimes very similar, but you have to know.

Q80 Dr Johnson: I am going to change tack slightly with this. The Secretary of State has said that the important thing with Brexit is that we deliver a green Brexit. At the moment, we have a number of different ways of protecting the marine environment: we have marine protected areas, marine conservation zones, nature conservation MPAs, special areas of conservation, special protection areas, European marine sites, SSSIs, areas of special scientific interest, Ramsar sites and marine nature reserves.

To me, that is a completely and utterly confused lot of ways of protecting the environment. No doubt they are all trying to do something along similar lines. What opportunities does Brexit give us in terms of ensuring that our marine environment is well-protected, in general and specifically on stocks? What legislation may or may not be required in order to achieve that?

Bertie Armstrong: Unlike fishing, where the imposition of the CFP is absolute, environmental law is largely done by directive. Therefore, those that are accepted are already part of UK law. We are proceeding in roughly the right direction, so that is jolly good. The other half is the international requirements and obligations under things like OSPAR, which, again, to cut a long story short, are proceeding roughly in the right direction. The big benefit of not being in Europe—and I genuinely believe this—is that you can do a much better, quicker job yourself. You could pick the good picks.

Q81 Chair: We need to bring it all together somehow.

Bertie Armstrong: Making an aeroplane is an intensely complicated thing. Looking after the environment, by necessity, regrettably, has many facets and is quite complicated. If I am right, Mr Gove has announced recently that there will be an all-encompassing environmental policy, which presumably will seek to do exactly as you say.

Q82 **Chair:** We have been waiting a long time.

Bertie Armstrong: We in the industry see no great threat for that, as long as everybody talks sense. The problem with the European process was that it was always so distant and remote, and done in co-decision, that you were never sure what was what.

The European Parliament would be lobbied by green groups that had nothing to do with your waters. Sometimes the situation got a bit out of control, distant and remote. If it is in the UK, at least you can have a go at contributing to it, which I hope the fishing industry would continue to do. Quite a lot of the initiatives come from the fishing industry, I would hasten to add.

The second big point about that—this applies to science too—is that the fishing industry is there all the time. If you are looking to place an MPA for—picking a random feature—marl-beds, the person who knows where the marl-beds are is the local onshore fishermen. There is a lot to be contributed. I am quite relaxed about the fact that we can do a better job, rather than a worse job.

Q83 **Dr Johnson:** You think Brexit offers us a better opportunity of having a greener approach to our marine environment.

Mike Cohen: As Bertie says, a number of these bits of legislation are not going to be affected by Brexit because they are not European. That said, while we are about the job of formulating a fisheries policy for the UK, it would be a good opportunity to integrate that with other policies. Start amalgamating that great list of different sorts of protected sites all with different regulations. Start to think about those in a more sensible way. Indeed, start to have a more comprehensively joined-up approach to spatial management of the sea.

Marine conservation zones are being considered at the moment, to give an example, based on protecting a certain percentage of particular habitat types. Regardless of their ecosystem value, we have to hit a number. It is a target. We have a situation in the North Sea at the moment where there is talk about designating one particular area called the Silver Pit as an MCZ, because it is deep and a certain percentage of water below a certain depth has to be hit. That is the only deep spot in that bit of the North Sea, because the North Sea is shallow, so let us talk about protecting this.

There has been a trawl fishery in that area for generations. An MCZ in that area might very well displace that trawl fishery from an area that has been trawled for many decades into the areas around, which have not been trawled. You face the possibility of having a marine conservation zone that moves fishing effort from an area that has been intensively fished for a long time into an area that has not been fished. There is no conservation value in that. It is a target that does not work. It is not a useful way of approaching it. Why not take a more integrated view of what we are doing with the sea as a result?

Q84 **Dr Johnson:** Really, you are saying it gives us an opportunity to have something that is dedicated to what applies to our waters, rather than a one-size-fits-all.

Mike Cohen: I think so.

Dr Beukers-Stewart: I very much agree with what Mike said about it being an opportunity to join up legislation. For example, at the moment we have European marine sites, special areas of conservation in the sea, which are probably the most stringently protected areas, apart from a few exceptions: there three or so no-take zones in the UK.

In some areas, say in Scotland, mobile gear has been banned. These European marine sites are designed to protect a certain feature. Recently, there have been some positive changes to the management of those. That is good. I would personally like to see that system being used more for what is happening in the MCZs, which have been very slow to develop management plans.

I do not know the specifics of the Silver Pit MCZ, but maybe the reason was that it is deep. That sounds a bit arbitrary, but perhaps there are unique biological communities because it is deep. There is ecological theory as to why you should protect a certain percentage of each different type of habitat.

There are different ways of looking at it. With all this legislation, you have to look at the features you are trying to protect, the activities and whether they are compatible. Often, things like static gear are compatible. That can solve other problems, for example conflicts between lobster fishermen and scallop dredgers. At the moment, that is a really big issue in many areas. You have to look for those win-win solutions.

It is important to remember that being green is not just about protected areas. They are a useful tool, but there are lots of other aspects to it as well. Fishing stock sustainably is probably a central tenet to all this, but so is encouraging low-impact methods. It comes back to my point about supporting these inshore fishermen much more than we are at the moment, who are generally using low-impact methods, and using that as part of the quota allocation system. That is green. You can extend it further. You can encourage more green facilities onshore for processing, produce more efficient boats or whatever it is. You have to be a bit careful with that one, but there are lots of different aspects.

I really like this idea of integrating the legislation. This competition between fisheries and conservation legislation has been a big issue. It can work, but the way it has been designed so far has not been fantastic, and it has generally not provided the best solutions.

Q85 Chair: The trouble is that it evolves over the years.

Dr Beukers-Stewart: It evolves. We have a chance to start again. We know a lot more than we did 30 or 40 years ago. This sort of stuff was barely a concern then.

Q86 Angela Smith: The MCZs, marine conservation zones, arise out of the Marine and Coastal Access Act 2009, which I remember being involved with. The concept of the marine conservation zones is an ecologically coherent network around the UK, which is why Mike's evidence there needed challenging a little. I would particularly like to ask Bryce how he thinks the implementation of that ecologically coherent network is going, and whether it could be a useful tool to focus on in terms of integrating fisheries, management and conservation efforts legislation in the UK.

Dr Beukers-Stewart: It is going pretty slowly; that is the honest answer. We have a decent number of MCZs. Scotland has MPAs. It is moving in the right direction in terms of what is

down on paper, but as I said before the management plans are not in place, or only a few of them are.

The strictly protected areas were taken out completely. I have no desire to ban fishing in whatever percentage of the seas, but you need more than what we have. I happened to study, for example, the Arran no-take zone; I have done a lot of work over there. We are learning stuff about the ecosystem that we just would not know otherwise. A lot of people would be surprised at what can exist in these areas if extraction is removed.

By no means does that mean everything has to be brought back to that, but it gives you a very clear objective for your management. It tells you what you should be aiming for, for a fully functioning ecosystem. Without those reference areas, you do not have that.

Mike Cohen: My point was that this is not being set up as an ecologically coherent network. Areas are being picked for one single feature, such as depth or bottom type, without bearing in mind the other things. The Silver Pit is deep but has been fished. There is not that coherence. There is a focus on just bottom type, depth or one single feature and getting a percentage of them around the UK. A really ecologically coherent policy would be looking at other uses and things that are done in the area.

I am not just thinking about fishing. I am thinking about where we put wind farms, extract gravel and do all the other things we do. A really ecologically coherent network would involve all those things. We have MCZs in the Holderness area that have wind farm export cable routes running right through the middle of them. That was not taken into account—only the fact that it was a gravel bottom and we needed a percentage of gravel bottom. That is a gravel bottom with a load of cables being ploughed through it. That is not ecologically coherent.

Angela Smith: That is a good point.

Bertie Armstrong: The equivalent system in Scotland is proceeding in what we regard as a logical way, with proper co-operation with the fishing industry. On the oft brought up method of a light touch to get more quota to the inshore, you cannot catch a million tonnes of fish on hand lines. You cannot. You cannot go 100 miles west of Ireland in a five-metre boat.

The answer is that there is room for everyone, and there is room for improving the system. What has emerged is a rather confrontational description of this. We need to get away from that. There is room for everyone. There is fish, providing the vessels are there to catch them, for everybody. We can do a better job. Let not start by giving statistics like 5%.

Chair: Talking to George, the Minister, I think he sees that as a way forward.

Q87 **Dr Johnson:** I am delighted to hear the whole panel speaking as one voice to say that Brexit will give us a good opportunity to improve and have control over the marine environment in our country. That is brilliant. We are essentially here as legislators. Are there any specific legislative challenges we need to be aware of as we bring it together?

Bertie Armstrong: The big challenge has been integration. Bryce has described, as has Mike, a few of the difficulties of this. It is just plain difficult. One of the rather more basic

difficulties is what a more ecologically coherent network might be. If you ask 50 people, you will get 55 different opinions on what that might be. Are they close enough and big enough so the fish can swim between them? I would make the observation that it is a work in progress, but one that we are going to engage with in the industry, because it is in our plain, simple self-interest to do so. A healthy ecology suits us all.

Mike Cohen: One legislative thing worth considering is the way in which these measures can be introduced and changed in the future. One of our big complaints about the CFP is how slow it is to respond and how inflexible it is. Many in our industry would hope that, when we have a UK fisheries policy integrated into whatever other policies there are, it is capability of flexibility and change. We get into the thorny issue of delegated powers versus primary legislation here but, if we have to wait for new primary legislation every time something, say a quota, is decided and it has unintended consequences, we will be in no better position than we are now, having to wait for the wrangling.

Q88 Chair: That is where we could possibly use statutory instruments. Bryce, can I add to Caroline's question? For years, we have been talking about carbon; then suddenly it is nitric oxide and particulates. From the scientific point of view of fisheries, do you think you have it exactly right? Have any changes happened over the years and can we adapt the system to be better?

Dr Beukers-Stewart: Do you mean in terms of fisheries management?

Chair: Yes, fisheries stocks, engaging where the stocks are, the management of them and what levels they are at.

Dr Beukers-Stewart: No, we do not have it exactly right. I tried to make that point before. We never will. Survey techniques are getting better. Our ability to statistically analyse and model things is getting better. We have always known the importance of environment factors, but now we are able to do analysis that really brings them in. When you are working out a sustainable quota, you need to factor in not only the fishing mortality but also trophic interactions, sea temperatures, currents and all sorts of stuff. We are getting better at all that. I do not think there has been any particular—

Q89 Chair: I am not saying there is. I am just giving you an opportunity to say where you think you would tweak it.

Dr Beukers-Stewart: Yes, not necessarily. The biggest thing now is factoring climate change into management decisions. That means you need to be a bit more careful. It does not mean that you go, "We do not need to worry about fishing as much, because it does not account for so much mortality". It means you need to be more careful than before.

Can I make one point about the environmental legislation? I know something people have been worried about is the loss of the European Court of Justice as an environmental watchdog. We heard Gove say, just the other day, that he has plans to bring one of those bodies back in. That would certainly be welcomed, because an independent arbitrator in anything like this is really important. It is good to see that is being put on the table, for sure.

Q90 Alan Brown: If we move on to devolution, given Bertie highlighted that the Scottish fleet accounted for 65% of the UK catch, it is clearly still a major issue. I have an unloaded question for you, Bertie. You campaigned in 2014 for Scotland to remain

part of the United Kingdom, and you campaigned for the UK to leave the EU. We now have the position where Scotland is in the UK and the UK Government tell us we are a sovereign country. Do you therefore agree that the UK should centralise all negotiations on the fishing policy, rather than them remaining devolved?

Bertie Armstrong: On a strong point of order, we did not campaign for staying in the EU in 2014.

Q91 **Alan Brown:** No, I am saying that your personal view was that Scotland should remain part of the UK in 2014.

Bertie Armstrong: My personal view is irrelevant. I am here in my day job.

Q92 **Alan Brown:** Okay, but you were on the airwaves quite a lot.

Bertie Armstrong: We are down a rabbit hole here. I was not on the airwaves campaigning against—

Q93 **Alan Brown:** If it makes some people uncomfortable, I will withdraw that. I asked about centralisation.

Bertie Armstrong: That is a very important question. It is, and I want to get there.

Chair: Let us stick to that particular part.

Bertie Armstrong: I will. I just wanted to correct that, on the record.

Chair: I understand. You were quite prepared to defend yourself. Carry on.

Bertie Armstrong: Fishing is presently devolved; that is, the day-to-day management of fishing is presently devolved to all the home nations. We are assured by the Secretary of State for Scotland, who said it in front of committees in this House and the northern one, that that would remain the case. There is no reason to disbelieve that. That is correct. It is the place it ought to be.

The other half of the equation—and this is all really rather self-righting—is that the heft given to the UK as a coastal state by the sheer size of its EEZ is worth noting. Because the UK is the withdrawing unit, the seat at the table in coastal states will say “the UK”. It is in that era where co-operation and fishing opportunity across the whole north-east Atlantic are sorted out.

Q94 **Chair:** The seat at the table will be a UK seat. How we then devolve that back to Scotland is the issue.

Bertie Armstrong: Precisely. Therefore, the really vital, central part of setting opportunity, which we as a major stakeholder are very concerned about, would be done on a UK basis, but the rest of fisheries management would be devolved. There are common-sense areas where we would wish to overlap. It probably makes sense if a discard ban looks roughly the same north and south, but we would wish to preserve—and I will seek your persistence on this—the Scottish input to that, not to accept whatever is coming from Westminster.

With regard to the big bit of economic activity and the setting of opportunity, I would see that being subject to some form of instrument, maybe a memorandum of understanding. The

place at the table in international negotiation is not Ministers now. It is only Ministers inside Europe. Civil servants do it outside Europe, in accordance with the national mandate.

The setting of the national mandate needs a process, probably an MOU, but, sitting at the table, it is self-righting. If the stock at issue is north-east Atlantic mackerel, you would not expect to hear a Defra voice because it is managed by Scotland.

On the other hand, if you are talking about channel cod, you would not expect to see a Scots civil servant who has no idea what he is talking about negotiating on their behalf. It is all rather self-righting. Fishing must remain devolved in its day-to-day management. There is going to be lots of overlap. The big piece, the matter of setting economic activity and fighting for quota, needs to be done on a UK basis but with voices from the home nations in accordance with the stakeholder.

Chair: Do Mike and Bryce want to get involved in this particularly interesting Scottish scenario?

Mike Cohen: What Bertie is saying there is pretty much to keep things as they currently work, with responsibilities devolved to those who are best able to have input into them or manage them. If we work on that principle, there should not be anything for anybody to object to, so long as we do not somehow have artificial barriers erected to an internal UK fishery or market, which would not benefit anybody. Fisheries management input needs to come from those who know most about what they are managing.

Chair: Bryce, do you want to put your head into the political oven?

Dr Beukers-Stewart: I do not have a lot to add. What has been suggested seems like a pretty sensible way forward. The UK has to continue to work together and present a fairly united front. If we are going to be working with Europe, we do not want to be fighting among ourselves as well. Let us try to avoid that. The suggestions coming forward seem very sensible.

Q95 Alan Brown: To follow up in terms of the MOU suggestion, who would be signatories to the MOU? How would that input be gathered and agreed for the UK to be at that negotiating table, to the satisfaction of the parties?

Bertie Armstrong: The signatories would be the home nations, all of them. A small and thankful observation is that there is much that is mutually exclusive. I do not want bits of Mike's fishery, and he does not want bits of mine. We have our separate ways to go there in perfect harmony, and there is much we can do by co-ordinating.

Alan Brown: That is not what the Chair said at the start.

Bertie Armstrong: Those would be the signatories, in answer to that direct question. It would be worked out. Last Friday, there was a UK stakeholders priority meeting. It rotates, and it happened to be Scotland's turn. It was in Edinburgh, chaired by Fergus Ewing, with all the home nations there. That is the end of a process that happens in an ad-hoc way. We are down here all the time talking to Defra. I am in Edinburgh all the time talking to Marine Scotland.

It would be quite easy to design something that would set the mandate. The hopeful bit is that much of it is mutually exclusive. When I stated those quantities, the big tonnage is

mostly pelagic fish, and it is us who catch it, for reasons of geography and evolution of the business. The second stock—langoustines and prawns—is mostly but not exclusively in Scottish waters. That sorts itself out, and that is of interest to us. The channel fishery and the shellfish all round the coast are another matter.

Q96 Chair: We cannot claim that some of these prawns are born in England, so are English prawns.

Bertie Armstrong: There are English prawns off South Shields. We would like an arrangement so a Scots boat can catch his prawns off South Shields, put them in a lorry and have them shipped to Peterhead without there being two separate organisations to deal with.

Chair: It was a slightly facetious remark.

Q97 Alan Brown: The historical context is that everyone is unhappy with CFP and access to water, so there is this opportunity. As has been touched on in earlier responses, it is difficult to separate quotas from trade negotiations. It is also a fact that the Scottish fishermen—this was the quote—were seen as expendable against other trade negotiations.

Even if there is an MOU and a desire for what is wanted in terms of fishing, how do you separate and control that risk over all the other trade negotiations, given, as we have heard, that fishing is only 0.1% of GDP? There are other massive considerations, even though we know how important fishing is for each of these communities that completely rely on the industry.

Q98 Chair: We all agree on that. How do we make it important enough of an issue in the negotiations?

Bertie Armstrong: The one piece of advice that we got from our travels in Norway and Iceland was not to let them conflate trade with access to waters and fishing opportunity. Access to waters and fishing opportunity are your national asset, managed under international law by yourself. Do not trade that away for 30 pieces of silver. They are separate. In any case, when Europe says to us, “I am going to try to conflate these two issues”, you could say, “You are in the wrong room. This room is about fisheries management and access. There is a room down the corridor talking about trade”. I suspect that fish will not be levered away from the rest of trade; it will be part of it, but we should resist overlapping trade and access. They are two distinctly separate things. One deals with a national asset; the other deals with day-to-day business.

On matter of expendability, we were. We got the worst deal in history, for reasons explored earlier on. Let us stop repeating that we got the worst deal in history and start focusing on not repeating the damn process. We got an absolute seeing to on the way in. Let us not have a seeing to on the way out.

Q99 Alan Brown: I agree with that, but how do we make sure that does not happen? You will have other Ministers competing.

Bertie Armstrong: My life, being, every fibre and all waking hours are spent trying to make as much noise as is physically possible, so that, if we are sold down the river—a bit of a cliché—it is transparent and obvious who is doing it and for what reason.

Chair: There will be a lot of us watching that. Do not worry.



Q100 Alan Brown: The *Sea of Opportunity* document touches on the aspiration for taking larger quotas from UK waters. The *Sea of Opportunity* estimates up to 30,000 jobs could be created by taking advantage of the right circumstances, which clearly would be great. How do we get the labour force and the skills for that? Are there any other devolution issues that need to be considered, in order to take advantage?

Bertie Armstrong: Absolutely. These are challenges, not stoppers. I would encourage all members of the Committee to look at the difference between a challenge and a stopper. There are already negotiations going on with the Home Office about access to non-EEA labour. That will go the way it does. An interesting reflection is this: the pelagic industry, which at this point in history is well-funded, well resourced, making money and replacing boats. There is not foreign crewman in the whole pelagic fleet in Scotland. They are very prized jobs, which often go to family members of the small partnerships and consortia that run them.

The answer to the problem, without ignoring the challenge, which you are right to bring up, is that the rise in economic activity and profitability that we are hoping for, returning at least some initially and then all of the 650 million quid's worth we give away, will produce a better-quality job. We are hoping to attract people.

The cart has to be before the horse. We can go round to schools and say, "I think you should join the fishing industry" but their parents will not let them, as soon as they see some of the fishing vessels that exist. There will be an evolution when they go down into a pelagic boat. You would like to work there. I would like to work there, with the quality of accommodation and what can be done. That is a very long answer. Economic activity will hopefully help with this, but you are right to bring up the challenges. They are challenges, not stoppers.

Q101 Alan Brown: Would there be a benefit in Scotland having control of its own migration and immigration policy, in terms of meeting these challenges in the short term?

Bertie Armstrong: To be honest, that is not an area I am necessarily qualified in. I know there is a problem to be addressed. Whatever legal or constitutional arrangement best addresses it is the one that will get our vote. It is an evasive answer.

Q102 Chair: We can probably drill down a bit more when we take evidence from the Scottish Parliament at some stage. There is one final question, which Sheryll wants to add to. We will add it together because of time. There are UK overseas territories. What should the Government be considering when undertaking trade negotiations with the EU?

Q103 Mrs Murray: Gibraltar only has a three-mile baseline limit. There is obviously going to be a lot of contention, particularly within the negotiations. I accept that you might not want to answer, but do you think we should look at extending the Gibraltar territorial waters, to ensure they are in line with the rest of the UK?

Bertie Armstrong: I really do not have a view on that. I know, from my personal experience in another incarnation, the incendiary nature of Gibraltar, its existence and Spain's interface with it. I suspect there will be bigger things than the very small-scale artisanal fishery that exists in Gibraltar.

Q104 Chair: I have experience. When I was an MEP, I was a Member for Gibraltar.



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There is not much of a fishing industry here. There could be more. It is an issue. Generally on the overseas territories, do any of you, such as Scotland, go out and fish in these territories? Are most of them too far away?

Bertie Armstrong: We simply do not fish in overseas territories. We go to other places overseas, but not to overseas territories.

Q105 **Chair:** Do you go to the Falkland Islands or anything?

Bertie Armstrong: We do not, no. I have long personal experience of that. They run a licensing system. It is mostly Korean and large-scale European squid fisheries, with some Patagonian toothfish. There is no indigenous fleet there.

Q106 **Chair:** I suspect they have very deep sea fishing there.

Bertie Armstrong: They have. Getting your stuff to market is another matter.

Q107 **Chair:** They might sell it to the Argentinians, but that is another matter. Mike and Bryce, do you have anything on that one? It is slightly a wider question, I accept.

Mike Cohen: It is outside my field of knowledge, I am afraid. We do not have any involvement with overseas territories' fisheries at the NFFO.

Q108 **Chair:** Bryce, Australia is not quite an overseas territory. You are self-governing now, are you not?

Dr Beukers-Stewart: We are not any more. Yes, we do all right. Gibraltar I have been advised not to comment on, so I will not.

Chair: That is probably wise. Are you going to Spain on holiday?

Dr Beukers-Stewart: The other territories, like you say, have their own arrangements: often squid in the Falklands, tuna in Ascension Island and places like this. They are in some ways simpler, because most of them are islands in the middle of the ocean with no complications, no shared boundaries or anything like that. Brexit will not really change things in any of those areas, as far as I know.

Q109 **Chair:** I suppose it will all revert to international rules anyway.

Dr Beukers-Stewart: Yes.

Q110 **Chair:** The French have integrated a lot of their territories, because they use them for getting money from the common agricultural policy. They have been quite clever with that over the years. We have not done the same, so I suspect it is the same over the fisheries side of it.

Dr Beukers-Stewart: I cannot really comment.

Chair: Gentlemen, that has been a really good session. Thank you. We have had some very thought-provoking evidence. It was really good, this morning. We are coming forward to a time when we are expecting a fisheries White Paper and then a fisheries Bill, so the evidence you have given this morning will be very useful to us. You have had good banter and a slight argument, not a big one, but the panel has worked well because you have interacted with each other. Thank you very much.