

The New Under Ten Fishermen's Association – Written evidence (EEH0041)

Post EU Exit note to the EU Exit Sub Committee with respect to fisheries issues as they pertain mainly to the UK's under ten metre sector

Preamble:

The New Under Ten Fishermen's Association (NUTFA) provides specific and dedicated representation on behalf of the UK fleet that use vessels of ten metres and under [the 'under tens']. This sector makes up 80% of the overall fleet by number, provides 50% of catching related employment, often in vulnerable coastal communities [where deprivation is higher than their inland equivalents yet has access to less than 2% of the UK's fish quota.

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Since the signing of the Trade and Cooperation Agreement [TCA] just prior to Christmas 2020, and certainly since the full extent of the betrayal of the UK's fishing industry by the current administration became clear, the media has been full of the tales of fishermen's woes created by the failure of government to keep their promises.

And even before the dust has settled on the situation we now face, government seems intent on maintaining their obfuscation with regard to the future of the agreement and what it will mean to the fishing industry up to and post the five and a half year interim period [otherwise known as kicking the can down the road].

From the under ten metre sector's perspective, probably the most damaging outcome from the TCA, and certainly the one that has produced the majority of calls from fishermen to our offices is the failure to secure exclusive access to the 6 – 12 mile zone of our own waters.

There have been any number of comments on social media along the lines of 'well you voted for it, don't complain now' to fishermen but the reality is that whilst fishermen could perhaps be criticized for being a little too willing to believe the government's rhetoric, in their defence, ministers from the prime minister downwards were constantly unequivocal with regard to a number of issues around EU Exit. A case in point is a response to a parliamentary question from Sally Ann Hart MP [Conservative – Hastings and Rye] who asked the Fisheries Minister: "Many fishermen, including those in Hastings and Rye who manage the under ten metre fishing fleet, voted to leave the EU to regain total control over our territorial waters. They are seeking clarity and reassurance on clause 12,

and that no foreign vessels will be permitted to fish or be granted licences to fish in the 12 nautical miles off the UK coast. Can the Minister give that reassurance and clarity?"

The Fisheries Minister, Victoria Prentis replied: "I would be delighted to. The Government have been clear throughout that access to the UK's territorial seas is out of scope for any fisheries framework agreement with the EU. Any access negotiated with the EU will cover only the UK's exclusive economic zone, and not the 0 to 12 mile zone. That remains the case".

Along with similar promises from senior government ministers, Gove, Johnson, Eustice et al, it is perhaps no surprise that fishermen largely believed what they were told.

NB: It is perhaps unfortunate that Ms Prentis admitted on television that she had not read the TCA as it related to her area of responsibility as she was busy on Christmas Eve organizing her local Nativity Trail, a comment that did not go down well with the catching sector.

Subsequent to the TCA, NUTFA wrote to government officials on January 1st and I copy the relevant extract of the letter here:

"I should of course now be writing to you on behalf of NUTFA and the under ten fleet in the UK to arrange meetings to discuss the allocation of the promised windfall of quota ["Thousands and thousands of tons" G. Eustice] that would once and for all have allowed the government to address the inequity and unfairness of the allocation of access to fishing opportunities perpetrated on the under ten fleet over many decades.

Instead we are now looking at returning to potentially scrabbling for the scraps from the table and having to continue to argue to avoid the larger scale sector from further inflating their allocations, apparently now in support of being able to offset their continuing rate of discards.

I do not intend to dwell on the outcomes of the deal, apart from the quota issue, other than to question the rationale for the continuing access to the 6 – 12 mile zone by elements of the European fleet.

It was helpful to have had Nigel Gooding's excellent resume of the negotiated deal the other day despite the inherently negative outcomes for the catching sector.

The thrust of Article FISH 9[1] is that in the case of withdrawal or reduction of access, compensatory measures should be commensurate to the economic and societal impact of the change in the level and conditions of access to waters. Such evidence shall be measured on the basis of reliable evidence and not merely on conjecture and remote possibility.

I do not know whether those responsible for this climb down simply did not recognize the impact of European fishing effort in the 6 – 12 mile zone but please be assured that it has an ongoing and significantly detrimental effect, on the ability of fish to move into inshore waters [there were 17 Belgian beam trawlers on the 6 mile line from Hastings to Brighton in the days before Christmas] and by effectively trapping the inshore passive gear fleet into the 6 miles on the basis that any gear laid outside of that line stands a good chance of being towed away.

The key sentence in FISH 9 [1] is ".....in the case of withdrawal or reduction of access, compensatory measures should be commensurate to the economic and societal impact of the change in the level and conditions of access to waters.....".

Nigel was very clear during the telecom that from the evidence he had, the EU can quite happily fish all the stocks it needs to fish outside of our 6-12 limit. He went on to say that there was no reason at all for them to have access to fish in the 6-12 to meet their fishing opportunities. He finished on this subject by saying that any losses by the EU in these circumstances would be minimal or very low to minimal in his judgement and that one would expect that any compensation for societal loss to be very small in those circumstances.

I therefore struggle to see any good reason for delaying the withdrawal of access to the EU fleet to the 6-12 mile zone as what compensation may or may not be necessary would be extremely small bearing in mind the need for such impact to be measured on the basis of reliable evidence and not merely on conjecture and remote possibility.

I do not make this statement casually. It is abundantly clear that the catching sector has not come out of this deal well, in fact quite the contrary. As you know, a major red line wrt Brexit was the reclamation of the 6-12 mile zone and we have not even been able to attain that single goal. Unless the UK government is going to continue to roll over on almost every fisheries related demand then drawing a [red] line in the sand by removing access to the EU fleet to the 6-12 would at least give us some hope.

I will be writing to you under separate cover with regard to fisheries management elements but from my own knowledge together with the testimonies of many experienced inshore skippers, if we have to wait 5.5 years for any change [and any subsequent substantive change appears to be very doubtful on full reading of the Agreement] then we may as well not bother as there will be insufficient resources left after that period to sustain the inshore fleet based on current and past observations".

Prior to the agreement, it was difficult for anyone connected with the sector to put their heads above the parapet and question the outcome and impacts of the Brexit deal, not least as the constant trumpeting of the 'sea of opportunity' mainly by representatives of the larger scale sector demanded an element of solidarity from the industry.

Notwithstanding the above, representatives of the smaller scale sector and especially those reliant on the seamless export of live shellfish were questioning the basis for the government's promises, notably the Scottish Creel Fishermen's Association. We [NUTFA] also wrote to the government's chief negotiator in July of 2020 to highlight our concerns in this respect [Annex 1]

Committee members will not have failed to have seen the tsunami of comments and complaints in the media with respect to almost every aspect of the TCA as it relates to the fishing industry. Despite endless promises that there would be little if any issues with exporting fish and shellfish post EU Exit, it is abundantly clear that the reverse is true.

From the situation where prior to EU Exit, a consignment of live shellfish required one simple form for export, and no additional costs or delays, to the situation now where a similar consignment requires literally 100's of forms, some reliant on an inadequate government customs system that was late in development, the presence of a vet to certify the health of the load, prior notification to the receiving member state's customs department, very significant costs for customs clearance, massive delays resulting in the loss of income for both fishermen and exporters all underpinned by a frankly often pedantic approach by EU customs officials, to the extent that loads have been held up for a great deal of time on the basis of the use of the wrong coloured ink, to the slight misspelling of the latin name for just one of the species aboard and so on. Whilst dismissing these issues as nothing more than 'teething problems', the government has none the less offered £23m to assist exporters. At the time of writing and despite this financial offer being made weeks ago, and despite asking repeatedly for clarification, we are still awaiting a response on just how the support will be provided, to whom and on what basis. It is also relevant to mention that whereas larger scale exporters, carrying the catch of one vessel, in one consignment have slightly less but still considerable impediments to exporting, many smaller scale operators rely on 'groupage', the combining of a number of individual landings from a number of vessels onto one lorry. This has caused many additional challenges as well as very significantly increased costs and complexities for this sector. [see also Annex 2 Reuters report]

In the meantime, it has become clear that the very significant trade in live bivalve molluscs [mussels, scallops etc] from the UK to the EU has

entirely collapsed due to the UK becoming a third country and therefore unable to export live bivalves directly to the EU. This came as a great shock to the many companies, large and small who relied entirely on EU markets for their produce. Such is the disarray in this regard that the ban came as an initial surprise, closely followed by DEFRA announcing that it was only temporary, to the current situation where we are informed that it is permanent. It beggars belief that our negotiators were not aware of this issue or the implications for many businesses that will go out of business very quickly as a result. [

<https://www.politicshome.com/news/article/exclusive-eu-tells-british-shellfish-traders-that-a-post-brexit-export-ban-is-indefinite-not-temporary>]

Turning to the issue of the post EU Exit 'thousands and thousands of tons more fish', promised by the then Fisheries Minister, now Secretary of State George Eustice, I can do no better than to quote from a letter from the authors of the "sea of Opportunity" catch phrase, the Scottish Fishermen's Federation to the Prime Minister on the 15th January 2021 where their Chief Executive writes:

"I am writing to you as the second week of 2021 draws to a close, and our industry is facing mounting financial losses. Many fishing vessels are tied to the quay wall. Of the others that can go to sea, some are now making a 72-hour round trip to land fish in Denmark, as the only way to guarantee that their catch will make a fair price and actually find its way to market while still fresh enough to meet customer demands.

This, on top of the desperately poor deal on fisheries in the Trade and Cooperation Agreement, is not what you promised the fishing industry. In your letter to me of 6th July, you said: "*We are simply not prepared to agree to an arrangement that is manifestly unbalanced and against the interests of the UK fishing industry.*" Yet that is what has been agreed. You also said: "*We are committed to ensuring there are annual negotiations for access to, and sharing of, fishing opportunities, based on the principle of zonal attachment.*" Yet we find ourselves with an outcome where the EU fleet will continue to have full and unfettered access to UK waters until the middle of 2026, and should the UK want to change these arrangements at that point, the EU can impose a suite of punitive sanctions on the UK. No other coastal state in the world is in this position.

You and your Government have spun a line about a 25% uplift in quota for the UK, but you know this is not true, and your deal does not deliver that. The adjustment in shares falls very far short of your stated policy of basing these on zonal attachment. While there are some modest increases for some commercially important stocks, these fall very far

short of zonal attachment. North Sea herring is a good example – under zonal attachment, the UK's share would be around 90%. Your deal moves the UK share from 24.5% to 32.2% over five years – this can hardly be claimed as a resounding success. Of major concern, however, is the outcome for many key whitefish species. Your deal actually leaves the Scottish industry in a worse position on more than half of the key stocks and now facing acute problems with North Sea cod and saithe in particular.

This industry now finds itself in the worst of both worlds. Your deal leaves us with shares that not only fall very far short of zonal attachment, but in many cases fail to “bridge the gap” compared to historic catches, and with no ability to leverage more fish from the EU, as they have full access to our waters. This, coupled with the chaos experienced since 1st January in getting fish to market means that many in our industry now fear for their future, rather than look forward to it with optimism and ambition”.

I follow this quote with the continuation of the NUTFA letter to DEFRA quoted previously:

“Returning to the matter in hand, the allocation of additional fishing opportunities, I do not I hope need to reiterate how the under ten sector arrived at the current situation in this regard.

There was a general, albeit now clearly over optimistic hope that the promised very significant uplifts in quota would be sufficient to allow government to once and for all balance the books more fairly with respect to under ten allocations and importantly without needing to rob Peter to pay Paul.

The over ten sector has benefitted massively from the decision to secure their current allocations based on FQA's, and in doing so further cementing the privatization issue, despite the now Secretary of State stating whilst in his previous role as Fisheries Minister that; “As we depart from relative stability and have new fishing opportunities coming in, I do not think it makes any sense at all to compound the injustice of the FQA system.”

It is also the fact that new gains are largely for pelagic and North Sea species [Norway Pout, Horse Mackerel, Hake, Sprat] that are unsuitable for the under ten sector.

I am sure that there will be numerous and vocal claims for access to the additional quota, especially in light of the loss of the previously normal swapping mechanism utilised by the PO's with their counterparts in the EU.

So our first concern is to ask that due recognition is paid to the historic inequity in allocations between the sector and non sector prior to any decisions being made, especially in the immediate term as allocations made, even on a temporary basis have a habit of generating longer term expectations.

Secondly, and despite government not now having the flexibility in allocation terms that would have come from a more generous outcome in this respect, we would ask that government keep to their word in relation to levelling up, as much as possible, with those stocks in those areas that are relevant to the under ten sector.

And finally I would respectfully remind you of the content and thrust of Section 25 of the Fisheries Act 2020 when considering all of the above.

We look forward to the application of genuinely objective and transparent social, economic and environmental criteria, not least in that common sense alone should lead those responsible for allocations to recognize that the vast majority of the under ten sector naturally meet those criteria in their daily work.

At the same time, the majority of our sector use selective fishing gear and techniques that have a reduced impact on the environment through using less energy and causing less damage to habitats than their larger mobile gear brethren”.

.....
Our concerns with regard to this issue were subsequently underpinned by work done by a leading fisheries economist, Griffin Carpenter and again, it will help to quote from his report:

Who will get the quota?

The skewed nature of the gains with most of the change coming from a small number of fish stocks raises a question of distribution as fishers in different areas with different sizes of vessel and different types of fishing gear will target different fish stocks.

How quota shares are distributed to the fleet at a national level was always national competency. One of the most controversial aspects of UK quota management in this regard was the share of quota made available to under 10m vessels that constitute the majority (77%) of the UK fleet but fish only a small amount (2%) of the quota. Due to their smaller size, the under 10m vessels target some species more than others. Of the large mackerel gain, the under 10m vessels will receive 1%, while the nearly 40% share of cod in the English Channel allocated to under 10m vessels does not increase under the TCA. This finding of larger gains for

quotas with a small under 10m share and smaller gains for quotas with a large under 10m share holds in general (Figure 1).

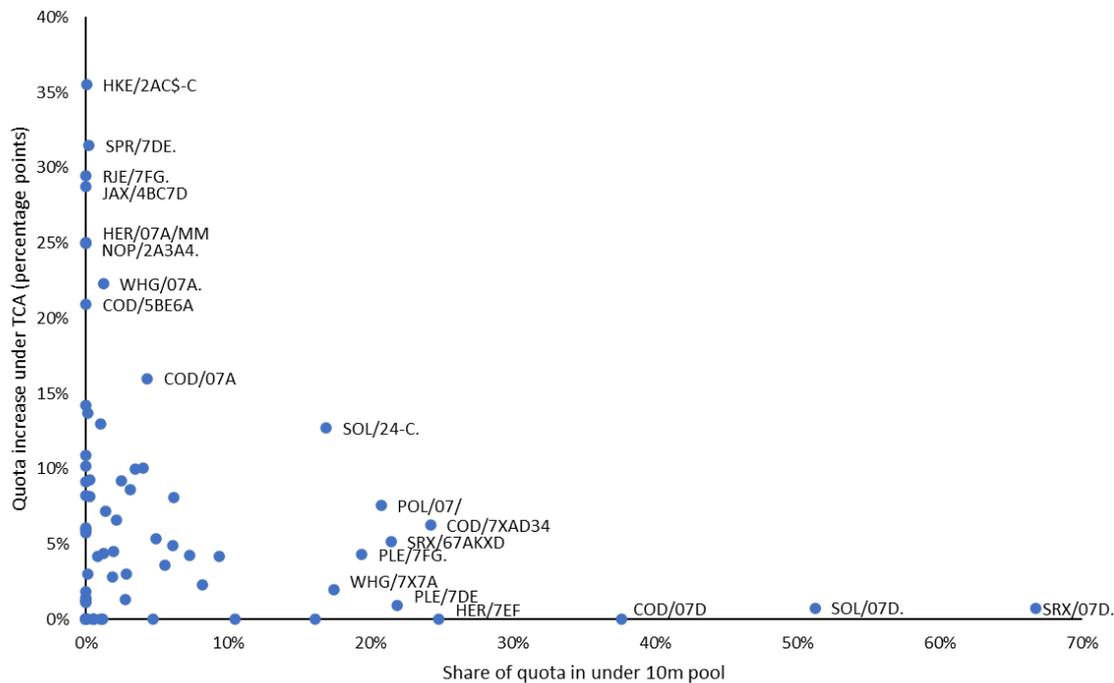


Figure 1: Quota increases under the TCA and share of quotas in the under 10m pool

Source: Author’s calculations based on MMO, 2018.

As such, the quota gains by themselves will not lead to better distributional outcomes among the UK fishing fleet and will likely skew the divide between the over 10m and under 10m fleet further. Another important division in the UK fleet with respect to TCA changes is that much of the UK fleet uses pots, traps, and dredges to target shellfish species which are not managed under quota (with the exception of Nephrops). For these fleet segments, the increase in quota shares does not change their expected landed value.....

The UK Government and all national fisheries administrations have stated their intent to change quota allocations post-Brexit under the new UK Fisheries Bill. This has the potential to shift the previous results, however, it does not change the fact that most of the quota gains were for stocks that the under 10m fleet has little interest or ability to target. In addition, the government has committed to keeping the current allocations in place in the further and only changing allocation for any new quota that was gained through the TCA. As yet, no change in policy has been announced for the 2021 fishing quotas or beyond”.

All of the above is a snapshot of responses from the under ten metre sector to the TCA. There are ongoing concerns with regard to the issue of sustainability in the event that the UK, Norway and the EU fail to reach

agreements on the allocation of access to fishing opportunities with the net result generating overfishing.

It is also clear that the promise of significant improvements to the TCA with regard to fisheries after the five and a half year interim period is likely to be as believable as many of the false promises made by Ministers in the run up to the TCA.

We do not make these overt criticisms of government ministers lightly but they are a true reflection of the comments received from our sector. The views of fishermen were undoubtedly further strengthened by the initial use by ministers of the catching sector as 'poster boys' for Brexit when compared to the feelings of betrayal post TCA.

Please make no mistake, since the implications of the deal became clearer for under ten operators, we have had the full gamut of calls from skippers around the country. Mostly raging at the failure to keep promises made [the SoS recognized this when stating that we had not got as much as we had hoped for], to grown men nearly in tears at the loss of what they had anticipated in terms of levelling up allocations that would keep their businesses going and give them some hope for the future.

The additional quota promised was considered by many to be the last chance to redress past iniquities and provide a more secure future for the under ten fleet. In light of what has occurred, it is absolutely vital that the under ten sector is the main beneficiary in this respect if they are to actually survive and prosper, along with the coastal communities they support and who support them.

Jeremy Percy

Director New Under Ten Fishermen's Association

8.2.21

Annex 1

To: David Frost, Chief Negotiator, Task Force Europe

15th July 2020

Via e mail

Dear sir,

I write as Director of the New Under Ten Fishermen's Association [NUTFA], the only representative body specifically for the ten metres and under fleet in the UK.

This sector makes up 79% of the overall fleet by number [4760 vessels out of a total of 6036] and provides over 50% of the catching related employment in the country.

Around 80% of these vessels use passive gears, nets, pots and lines, and the majority of these vessels target shellfish species, whelks, lobster, crab and langoustine.

Whilst the main market for whelk is the far east, the vast majority of other forms of shellfish are sold live to markets in continental Europe, primarily France and Spain.

You will have heard from the organisations that represent mainly larger scale interests of the 'sea of opportunity' that awaits us post Brexit and indeed the Secretary of State, George Eustice promised us many thousands of tons more fish as a result of Brexit. All very well and good for those reliant on finfish but potentially not such good news for the shellfish sector. It is also a fact that many shellfish boats simply do not have the finfish resources in their immediate area that they could change to pursuing in the event of a loss of markets for their current catches.

As an ex fisherman, I can testify to the impact that becoming part of the Common Fisheries Policy has done to UK fishing interests over the years and there is no one keener than me to see a rebalancing of fishing opportunities in UK waters for UK interests.

I am however sure that you are aware of the potential for immense disruption to European supply chains and markets unless a reasonable agreement is reached in the current negotiations.

The aforementioned export supply chain is predicated upon seamless and speedy transport of live shellfish across the Channel, without pause or delay. Any hold ups either side of the Channel creates a risk of high mortality rates for the shellfish and consequent financial losses to producers, many of whom would become bankrupt overnight in the absence of markets for their catches.

I recognize that you have a difficult path to tread to on the one hand regain much of what we lost after joining the EU and through being tied to relative stability markers but at the same time seeking to ensure that European markets are still available for our produce and that the current supply chain scenario of seamless transport remains intact.

It is worth noting that the profit margins of the UK's larger scale whitefish fleet are among the highest in Europe whereas the smaller scale sector tends to operate at much tighter margins in this respect and are therefore far more vulnerable to the loss of markets.

I would therefore implore you to find a balance that provides benefits to all but does not undermine the thousands of fishing businesses reliant on European markets and risk substantial business failure, especially as so many of these vessels operate in areas where there are few if any alternative employment opportunities.

Annex 2:

'We've lost 30 years': Brexit shatters supply chains for French fish hub

By Richard Lough
5 MIN READ

BOULOGNE-SUR-MER, France (Reuters) - French fishmongers and seafood factories are suspending orders from Britain and battling to salvage just-in-time supply chains, after they were upended by post-Brexit red tape that impedes next-day delivery of salmon and lobster from Britain to Europe.

Importers in Boulogne-sur-Mer told Reuters that deliveries were sometimes being held up because the Latin names of fish species were incorrectly entered on papers.

Other reasons for delays included sanitary certificates missing the required stamps and French agents adopting a zero-tolerance approach to mistakes in the cumbersome process.

The result is a chaotic breakdown in supply chains from the outer reaches of the British Isles to the northern French port of Boulogne, which used to see Scottish langoustine and scallops in French shops just over a day after they were harvested.

Deliveries were taking at least one or two days longer than previously, if they got through at all.

"We've never known such delays," said Arnaud Mille, head of sourcing at Demarne Freres, who counts Britain as his number one supplier. "It's been apocalyptic."

Now in its second week, the disruption meant it was almost impossible for importers to place orders in a truck carrying multiple consignments from different suppliers.

Mille said he had sent an SMS message to French customs officials asking them to go easy while the industry learned to navigate the new bureaucracy, but was yet to receive a response.

The delays mean seafood is not always hitting European markets as fresh as it once did. In a consignment of English-caught crab that arrived at Mille's warehouse a day late on Saturday, 20% of the crustaceans had perished.

Brexit had undone decades of cooperation to finesse the supply chain, some importers in Boulogne, Europe's biggest fish processing centre, said.

"We've lost 30 years," said Mille.

SENDING FISH TO MARS

Britain's divorce from the EU heralded the return of a customs border and additional paperwork and costs. Those moving seafood from Britain into the bloc face some of the toughest requirements, including mandatory sanitary checks.

Stephane Pruvost, chief executive of fish processor JP Maree, said he had suspended all imports from Britain. For now he was trying to fill the gap in his salmon and monkfish orders from markets such as Norway and Denmark.

"When you have fewer sellers, there's less choice on price, and sometimes quality," he said. "For now we've no other choice."

Scottish truck driver Robert Marshall spent a day sat in his cab at Boulogne's sanitary control checkpoint, a few hundred metres from the hangar-like complex where he was to drop off his salmon cargo, waiting for a snag with his customs documents to be fixed.

"My wheels are not turning so I'm not making money," the ex-soldier said. "I'll be looking at this over the next couple of months to see if it's viable."

Sanitary control agents were conducting tests on 15% of consignments of wild-caught fish and 30% of farmed fish and molluscs, said Charles-Henri Goeury, head of Boulogne's SIVEP checkpoint. The checks involved opening iced crates to check the merchandise was fresh and conserved at the correct temperature.

He denied trucks had been held up for hours because of the checks, pointing instead to customs paperwork. His team had been flexible with minor administrative oversights but would soon get stricter, he said.

Fish exports have also been hit in the opposite direction.

The need for Boulogne wholesalers to obtain the license, signature and boat registration of each skipper made it impossible to send a mixed load of mullet from France, turbot from Belgium and sea urchins from Spain to a buyer in Britain. Customs charges added hundreds of euros to costs.

In charge of exports at L'Argonaute, Pierre Haem said he had spent more time chasing papers than selling fish since Jan. 1, and had resorted to shipping only squid.

"Sending fish to London used to be as simple as selling it down the end of the road," Haem said. "Now it's like sending fish to planet Mars."

Reporting by Richard Lough; Editing by Mike Collett-White

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