

Written evidence submitted by the Communities Inshore Fisheries Alliance (FRE0045)

- **What are the UK and EU fisheries industries' priorities for the future relationship negotiations? How do these priorities vary between different parts of the fishing, aquaculture and processing industries and by product, region and nation? Has the Covid-19 pandemic changed any of these priorities? What might be the consequences of a deal which does not meet these priorities?**

The Covid-19 pandemic has altered the current situation and future estimated scenarios for many of our members, and in particularly our shellfish members. The EU and Far East markets for live and fresh seafood have either stopped or are very small and are offering very poor prices. In addition a lot of the domestic frozen market for scampi tails through companies such as Whitby has reduced considerably due to the closure of restaurants and pubs, they have managed to supply slightly more to supermarkets but it does not make up for the reduction in sales. The situation was that pre COVID-19 the processors were preparing for Brexit and had frozen surplus stocks, months more stocks than they would normally keep. With the markets stopping/vastly reducing there is no storage room to allow the boats to continue to fish and for the fish to be frozen or chilled. This has resulted in many boats being tied up or operating at a very constricted rate for much lower prices, for many inshore community boats it is becoming financially unviable to go out to fish. An issue which is increasing pressure on the coastal shellfish fleet is the larger vessels turning more to shellfish (*many of these boats will fish predominantly whitefish normally but can also fish shellfish*) and selling into Ireland at very low price. This increased fishing and lower prices is increasing the already present surplus of stock and the prices are extremely low for selling on. Coastal fishermen worry this situation may take years to fix, and Producer Organisations are meeting regularly to monitor the situation. Further tie ups may be required to try and regulate the market, therefore COVID-19 has brought extreme challenges to the coastal shellfish fleet. Some direct selling to communities and businesses is occurring mainly for the smaller boats as the larger boats would struggle to sell what they would require to be viable, although there is a greater demand for fresh produce than was initially expected and in some areas community members are gathering in number to buy direct which is excellent to see. However there are real issues with direct selling even when fishermen are following all of the required guidance, this is a new area for most including environmental health officers and port authorities and some are keeping a very close eye on the new direct selling trend. At this point in time compliance is obviously important, but reduced unnecessary red tape and additional pressure at this time would be appreciated as these fishing businesses strive to survive. The direct selling model is similar to the Norwegian style straight from the boat scenario, its reviving life around the quaysides where it is occurring and we feel it should be encouraged wherever possible.

These cumulative new issues associated with COVID-19 are extremely challenging. Most coastal fishermen in our alliance hope to see EU and International markets return as quickly as possible to offer more stability.

With Brexit and new trade relationships its fair to say that some anxiety is felt with many of our members. The key issues picked up by the media in relation to fishing rights have often centred around the UK having control over who can access and fish UK waters, which is of course very important. We of course should stress that we agree that fairer access to stocks for the UK across its regions is a key issue. However for the inshore fishing fleets the ability to trade with the EU and international markets with no or favourable tariffs is also key. Much has been made of not linking trade and access, however its essential to get a good settlement on both issues.

The issues which have concerned our members are the barriers to trade through tariffs, process and direct action. Regarding tariffs, if No Deal is pursued with WTO tariffs applied this would result in a mark up of 12.5% tariffs on most shellfish. This 12.5% was an increase in cost that few could afford to carry prior to COVID-19, however due to the now very fragile nature of the coastal fleet as a result of COVID-19 these additional tariffs would have a devastating result on the coastal fishing businesses around our coast. We would stress to government that for our fishermen the ability to trade without tariffs, or at the very least at tariffs much reduced from WTO levels will be vital. There was a time when it was assumed that perhaps any costs of the tariffs could potentially be passed onto the EU and International buyers, however with the impacts of COVID-19 on the continental markets and less expendable income for consumers in general across the board (*especially for luxury goods like shellfish*) this is a less likely scenario now. We also note that many countries are actively promoting local produce including seafood, this may impact our viable export markets in going forward.

Currently our members wish our counterparts in Northern Irish fishermen the very best, and we hope to have parity in conditions and tariffs with them, especially as in many cases our members are fishing the same grounds for the same seafood, Kintyre is only 11 miles away from Northern Ireland. Our concern currently is there is a chance that the Joint Committee dealing with trade for Northern Ireland could negotiate no tariffs whilst the UK has WTO. There must be parity on whatever deals are reached to ensure no areas of the UK are disadvantaged, if this issue was to be the case we envisage that more businesses in fishing and aquaculture may relocate to Northern Ireland/choose to land to Northern Ireland. We hope this would not happen but we must raise it, this would see a negative impact on fishing infrastructure and the socio-economics in fishing towns and villages as businesses move.

We noted that during the Covid-19 crisis there was an issue regarding prices in respect to the whitefish fleet in the UK and the French which almost escalated to blockades on French boats landing in Scotland and in exporting to the continent for UK seafood businesses. Although this dispute was over the price and marketing of whitefish, the market and exports which would have been hardest hit by any blocks to trade would have been the shellfish fleet. This provides a somewhat perfect example of direct action being threatened and impacting the wider seafood sector, this is an issue which many of our members have considered a real concern for a number of years. We worry that such issues may become commonplace over access and exporting, indeed there may not need to be direct physical

action at the continental side as all it would take is a refusal to accept documentation. We have perhaps already witnessed similar tactical blocking of produce, for example the crab market in China.

Regarding process we are sure your committees have heard a number of concerns in relation to increased paperwork, licences and inspections. As with so many things in life the practical implementation of agreements is so often where problems can occur, we are aware that currently Local Authorities have capacity issues both with the export certificate systems and with Environmental Health Officers, vets and Export certificate systems, we envisage there could be problems with access to the continent and Far East markets if we are not able to agree and settle on practical standards between countries.

To conclude on this question, we support the view on annual negotiations on access and quotas and zonal attachment, but trade, tariffs and exporting are all vitally important to our inshore fleets as COVID-19 has demonstrated.

• To what extent did the UK Government consult the industry before publishing its negotiating aims? How well does what the Government has published meet the needs of different parts of the UK fisheries industry? What are your views on the EU's negotiating mandate and draft legal text?

Our organisation has had good contact with the Scotland Office in terms of general discussions, we were also involved in the original Fisheries Bill draft working directly with DEFRA, and once gave evidence to UK Fisheries Committee, we were also due to attend a stakeholders group in February too which was cancelled. The majority of our members are based in Scotland and as a result we also feed into Marine Scotland/Scottish Government who in turn work with their UK colleagues.

We would like to be more involved wherever possible, its often the case that rightly SFF and NFFO are contacted to offer views or provide evidence frequently. As CIFA represents much of the inshore fleet, particularly in Scotland we appreciate all contact and would welcome more.

Regarding the EU's negotiating mandate, we agree more with the UK's stance of annual negotiation as a coastal state on a similar footing to that of Norway, we also agree to zonal attachment as a general principle. We assume that access should be discussed reasonably, and that current or historical rights for other EU countries should not carry over. We understand that the concepts of trade and access are linked in the EU's position, whilst we respect the UK's position that there should not be a formal link, we reiterate that many of our coastal fishing communities absolutely depend on trade and export and this requires non-prohibitive tariffs and processes.

- **How is the UK Government keeping the UK fisheries industry informed of developments in the negotiations? Has the sector been given the opportunity to comment on any of the UK draft legal texts?**

Our organisation has had good contact with the Scotland Office in terms of general discussions, we were also involved in the original Fisheries Bill draft working directly with DEFRA, and once gave evidence to UK Fisheries Committee, we were also due to attend a stakeholders group in February too which was cancelled. We would like to be more involved wherever possible, its often the case that rightly SFF and NFFO are contacted to offer views or provide evidence frequently. As CIFA represents much of the inshore fleet, particularly in Scotland we appreciate all contact and would welcome more.

- **On which aspects of a future fisheries agreement are the UK and EU's aims farthest apart? Where do their positions align? On which areas does each side have the most leverage? Is there a workable compromise between the UK and EU's positions and, if so, what is it? What trade-offs must each side make? How might different resolutions to these trade-offs affect different parts of the UK and EU fisheries industries? If you see room for the EU's position on fisheries to move towards that of the UK, which Member States might support that change and why?**

Covid-19 has no doubt altered the resilience and long term planning of many EU countries, and we follow the debate regularly to see what can be achieved by the 1st of July. However clearly the points at which there is most convergence is the relative stability versus zonal attachment, the linking of trade, the difference of opinion on annual negotiations, the number of stocks for consideration etc. We are hopeful that solutions can be found for the UK which satisfy the requirements of access and trade. Obviously the access issue is likely to result in EU interests reduced, they are likely to lose some foothold here, however in trade there should be a mutual benefit in a sensible functional relationship. Our fleet requires continued trade, especially in light of COVID-19.

- **How much progress has been made so far in negotiations on fisheries? What effect has the Covid-19 pandemic had on the negotiations? Can an agreement be ratified by 1 July? What happens if nothing has been agreed by this date?**

COVID-19 has dented most countries resilience, resources and ability to take forward core workload. Our politicians and government civil servants are best placed to take forward decisions with a more detailed overview on what is possible, sensible or required.

- **What evidence is there that the UK and EU have considered how any agreement will be monitored and enforced? What preparatory work is needed to ensure the UK can monitor and enforce any agreement? To what extent will such enforcement require cooperation with the EU and other nations to be effective?**

The resources required to monitor non UK fishing in UK waters post Brexit will be an issue which we hope has been given serious consideration. Iceland certainly protected its interests during the Cod Wars and it would be expected that the UK Government and devolved nations would use every resource possible to protect its coastal fishing interests in going forward. Of course agreements will have to be struck with the Nordic countries out with the EU and the EU itself. On environmental regulations UNCLOS should offer a continuing framework and scope for agreement, however we would expect the UK and devolved nations to be considered in using models they agree to serve their conditions best. We note Oceana considering how MSY is monitored across EU and UK, and we would suggest that the UK works on an evidence base which they have confidence in. Where co-operation can be achieved between the UK and the EU and neighbouring nations it should be, however the UK should ultimately be able to create and monitor its own policies.

• Are the EU's fisheries agreements with countries such as Norway and Iceland suitable models for any deal with the UK? How does the deal the EU is proposing with the UK differ from such existing agreements? Is the EU correct to argue that annual negotiations with the UK would be impractical? How might a system of annual negotiation work? • How would a system based on zonal attachment differ from one based on relative stability? What steps must the UK Government and other stakeholders take to put such a system in place? How long might this take?

The Norwegian model makes the most sense, certainly for coastal fishermen. Annual negotiations are the sensible way to go to ensure reflexive management, any longer term ties could not be as reflexive to changing conditions in stocks, and of course even then the stocks discussed should only be those which could be considered shared as opposed to those stocks only found in UK coastal waters. If this system works for other countries it should be able to work similarly for the UK/EU. Whilst we understand the reluctance to formally link trade to access, trade is essential for many inshore fishing communities and must be considered as vital also to so many, therefore whilst not linked both issues are important. Zonal attachment would ultimately make more sense as it would allow UK/Scottish fishing communities to access the stocks in their waters at a more proportionate rate, if this was shared fairly domestically it could completely transform our coastal towns and villages. We would suggest working with the range of fishing associations, federations and alliances to build a reference fleet style relationship between neutral scientists, fishermen and government. Our current fleet has the capacity to help establish more reflexive partnership in conjunction with scientists and government etc, just as Norway does. This would mean a change in the way many work, but it could be achieved very useful science to help inform management decisions, rationales and negotiating positions, just as Norway do. At annual December Councils we note that Norway has a structure of working closely between industry representatives and the government negotiators/Ministers. We would advise a strong structure which maintains links between our government and the various sections of our fishing industry, this already exists and can be built upon. It may be worth emphasising that some fishing organisations are very used to

operating at a strategic level domestically, at EU level and on a more international level, with the landscape of fisheries management changing it is very likely that the fisheries organisations who already work at a strategic policy level are likely to have more capacity than other fishing interests, however with the dynamics in fisheries management this circle of communication should be widened out to other fishing organisations who also have an interest in fishing policy as it changes and develops should also be included. There may be a capacity building component to this work, but its vital all fishing interests have the ability to represent their own thinking and to grow in a new system.

• What fisheries agreements does the UK also need to reach with other European countries such as Norway and Iceland? How much progress has been made to date? How would these agreements interact with any future UK/EU agreement?

Norway and Iceland have longer standing relationships in negotiating with the EU than they do with the emerging new coastal state of the UK, and in this respect we are sure that they may in some respects be concerned that if the EU loses access to the UK, that their countries too may face tougher negotiations as the EU looks to replace any losses for their fleets. In short the Nordic countries are unlikely to wish to pay extra themselves to the EU in any way for the results of a changing landscape in fisheries policy between the EU and the UK. To date there has been a number of good practice exchanges between representative of the UK/Scottish and Norway and Iceland etc. Of course some UK fishing representatives have established relationships with the Nordic countries already over pelagic and whitefish issues, but again the governmental relationships and the relationships with wider fisheries stakeholders should now also become important. Of course relationships with the Nordic countries, particularly in relation to shared stocks, is already established between the EU and the Nordic countries, but now a new relationship must be formed, of course this should add some level of complication but we trust that UK/Scottish governments will work hard to find solutions.

• How important is access to the EU market for the UK fisheries industry? What additional customs, regulatory and sanitary/phytosanitary barriers might the UK fisheries industry face under any future relationship with the EU? How might these barriers be reduced? What barriers would exist if no trade deal is reached before the UK leaves the Transition Period?

We have detailed extensively how important the EU market is to shellfish boats, all of the barriers above have been discussed in detail and all would have severe consequences for shellfish boats. We have also noted how a lack of parity in tariffs with Northern Ireland and direct action could be an issue, along with issues such as transport/licences and with export certificates and capacity to fulfil requirements from the UK side (in respect to operational systems, availability of EHOs etc). The only way we can assist in these areas is to place a high priority on negotiating favourable terms. In addition we can try and ensure that any domestic direct selling is encouraged and that ports, EHOs etc do not place unnecessary barriers in place, we may well need support in building domestic markets in a new way as well as ensuring measures for the much needed trade needed with the EU.

- **What obligations concerning fisheries does the Ireland/Northern Ireland Protocol place on the UK, EU and EU member states and their respective industries? What elements of the Protocol's implementation concerning fisheries remain to be decided by the Joint Committee or are otherwise unclear, for example: the conditions under which fisheries and aquaculture products landed by NI vessels will be exempt from EU duties? How might these issues be resolved?**

As discussed above, we seek parity with Northern Ireland, if the results of the Joint Committee see no tariffs for NI and consequently tariffs for the UK and Scotland then we expect this will result in a loss of critical fishing mass certainly around the Scottish coast. We Do not believe there should be a situation where one region is more competitive by at least 12.5% due to lack of tariffs. In this scenario not only would Brexit not result in an ability for all fishing towns and villages to flourish, but it would actively disadvantage some communities in the UK and especially in Scotland and the West of Scotland.

- **If no fisheries agreement is reached by the end of the year, what obligations remain on the UK and EU under international law, for example: access to fishing waters and landing rights? Would you be concerned about the sustainability of fish stocks if the UK and EU do not manage to reach agreement?**

We would not be concerned about the UK's ability to manage stocks sustainably in this scenario, we would of course suggest that tensions are already high between French, Spanish and UK based fishermen, we would be concerned that without a clear way forward direct action could occur and more government resources could be required to manage or monitor these situations.

- **What would be the social and economic consequences if no UK/EU fisheries deal has been reached by the end of the year? How might these vary across different parts of the fisheries industry? How might these effects be mitigated?**

For our members the issue of both a fisheries deal and a suitable trade deal with access to markets are both important for our businesses, we would hope to see a resolution on both issues in a timely manner. Especially after the devastation of COVID-19 on our fishing communities.

June 2020



Committee on the Future Relationship with the European Union

House of Commons, London, SW1A 0AA

Email: freucom@parliament.uk Website: www.parliament.uk/freucom

22 May 2020

Elaine Whyte
National Coordinator
Community Inshore Fisheries Alliance

Dear Ms Whyte,

The House of Commons Committee on the Future Relationship with the European Union is inquiring into the progress of the negotiations between the UK and the EU. Under normal circumstances, the Committee holds regular oral evidence sessions in Westminster. However, measures to prevent the spread of the coronavirus make this difficult.

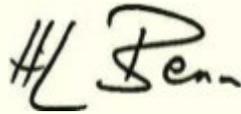
The Committee is keen to gather as much evidence as possible to inform its deliberations so I am writing to you to ask whether you would be willing to help us with our work by making a written submission. We welcome general responses to our [call for evidence](#), which was published on 4 March. We also hope that you would be willing to answer some of the more specific questions set out below on issues that fall within your area of expertise. Submissions need not address every bullet point and can include other matters that you think are relevant to the negotiations and should be drawn to the attention of the Committee.

- What are the UK and EU fisheries industries' priorities for the future relationship negotiations? How do these priorities vary between different parts of the fishing, aquaculture and processing industries and by product, region and nation? Has the Covid-19 pandemic changed any of these priorities? What might be the consequences of a deal which does not meet these priorities?
- To what extent did the UK Government consult the industry before publishing its negotiating aims? How well does what the Government has published meet the needs of different parts of the UK fisheries industry? What are your views on the EU's negotiating mandate and draft legal text?
- How is the UK Government keeping the UK fisheries industry informed of developments in the negotiations? Has the sector been given the opportunity to comment on any of the UK draft legal texts?
- On which aspects of a future fisheries agreement are the UK and EU's aims farthest apart? Where do their positions align? On which areas does each side have the most leverage? Is there a workable compromise between the UK and EU's positions and, if so, what is it? What trade-offs must each side make? How might different resolutions to these trade-offs affect different parts of the UK and EU fisheries industries? If you see room for the EU's position on fisheries to move towards that of the UK, which Member States might support that change and why?
- How much progress has been made so far in negotiations on fisheries? What effect has the Covid-19 pandemic had on the negotiations? Can an agreement be ratified by 1 July? What happens if nothing has been agreed by this date?
- What evidence is there that the UK and EU have considered how any agreement will be monitored and enforced? What preparatory work is needed to ensure the UK can monitor and enforce any agreement? To what extent will such enforcement require cooperation with the EU and other nations to be effective?
- Are the EU's fisheries agreements with countries such as Norway and Iceland suitable models for any deal with the UK? How does the deal the EU is proposing with the UK differ from such existing agreements? Is the EU correct to argue that annual negotiations with the UK would be impractical? How might a system of annual negotiation work?
- How would a system based on zonal attachment differ from one based on relative stability? What steps must the UK Government and other stakeholders take to put such a system in place? How long might this take?

- What fisheries agreements does the UK also need to reach with other European countries such as Norway and Iceland? How much progress has been made to date? How would these agreements interact with any future UK/EU agreement?
- How important is access to the EU market for the UK fisheries industry? What additional customs, regulatory and sanitary/phytosanitary barriers might the UK fisheries industry face under any future relationship with the EU? How might these barriers be reduced? What barriers would exist if no trade deal is reached before the UK leaves the Transition Period?
- What obligations concerning fisheries does the Ireland/Northern Ireland Protocol place on the UK, EU and EU member states and their respective industries? What elements of the Protocol's implementation concerning fisheries remain to be decided by the Joint Committee or are otherwise unclear, for example: the conditions under which fisheries and aquaculture products landed by NI vessels will be exempt from EU duties? How might these issues be resolved?
- If no fisheries agreement is reached by the end of the year, what obligations remain on the UK and EU under international law, for example: access to fishing waters and landing rights? Would you be concerned about the sustainability of fish stocks if the UK and EU do not manage to reach agreement?
- What would be the social and economic consequences if no UK/EU fisheries deal has been reached by the end of the year? How might these vary across different parts of the fisheries industry? How might these effects be mitigated?

The Committee staff will be happy to discuss the inquiry, any issues raised, or the process for submitting written evidence. You can contact them at freucom@parliament.uk.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'H. Benn'.

Hilary Benn
Chair of the Committee