

**Q1: Do you agree with the proposed powers in the Fisheries Bill?**

The Scottish Association of Fish Producers Organisations' (SAFPO), agrees with the proposed powers set out in the Fisheries White Paper. The approach taken very much aligns with the views that we set down in our discussion paper: 'Brexit and the Role of Fish Producer Organisations', which was submitted to Defra and Marine Scotland around one year ago. It is our opinion that by taking control of our waters and setting fishing opportunities, Brexit provides an opportunity to modernize, develop and expand both the Scottish and wider UK fishing industries and generate additional upstream and downstream growth and employment to our coastal communities as well as the wider economy.

There are however, some areas where the paper is not entirely clear on whether policies will apply at a UK, or devolved level and further clarity and discussion will be necessary as we progress.

**Q2: What are your priorities for UK negotiations with the EU on fisheries?**

The Brexit negotiation settlement cannot contain any concessions on access to UK waters for the EU fleet in return for fishing opportunities or tariff-free access to the EU single market and we note that this position is clearly set out in the paper. Instead, all negotiations around access to UK waters should take place during the various Coastal State negotiations post-Brexit. Failure to do this may result in a worse economic position for the UK fishing industry than currently experienced under the confines of the CFP.

While it has been suggested by some that the UK's approach to Brexit negotiations on fishing opportunities should be to walk away with existing Relative Stability shares and harness access to UK waters as a means of achieving additional opportunities beyond that point, SAFPO note that the Scottish demersal fleet always catches significantly more than its Relative Stability shares of practically all of the most important fish stocks to Scotland and requires significant inward flows of quota via swaps between the UK and other EU member states during a normal quota year, simply to achieve what has become the status quo. SAFPO wish to highlight that it would be completely illogical to give away access to UK waters during negotiation's as a means of achieving what would otherwise have been the status quo under the CFP setting. SAFPO recommend therefore that the UK negotiating team approach negotiations on quota and access with a list of requirements, emphasising that access to UK waters by the EU could be lost if the UK's minimum requirements are not met. SAFPO expect that any agreement will include, at the very least, provision for a one off, two-way transfer of a package of quotas between the UK and the EU which would reflect recent end of year outcomes. SAFPO do not believe that it will be possible to retain the current system of intra-EU swaps following Brexit. Indeed, it is entirely possible that maintaining the swapping mechanism in its current form would prejudice our ability to achieve Zonal Attachment quota shares within a reasonable timeframe. If there is a status quo implementation period then the current international swap mechanism needs to remain in place. However, post Brexit we do not envisage the continuation of the swapping mechanism in its current form as we will be a Coastal State and out-with the CFP. Any swaps/transfers should take place up front during the various Coastal State negotiations albeit with some flexibility in the system to deal with any anomalies during the year.

It is imperative therefore that quota requirements are determined in consultation with Producer Organisations ahead of agreement talks to make sure that access to UK waters is not given away to simply achieve a result that maintains the status quo. The UK should make clear its intention to incrementally adjust its quota shares to bring them in line with Zonal Attachment over a suitable timeframe which should be determined in conjunction with POs and the processing sector; it will be important to strike a balance between ensuring self-sufficiency in terms of fishing opportunities in the shortest possible timeframe with the need to maintain market equilibrium in terms of supply and demand so that industry retains an element of control over price and value at each point in the supply chain.

**Q3. What are your priorities for controlling our waters after exit?**

SAFPO believe that effective systems of control and monitoring will need to be maintained after exit, as they are now. It is important to ensure that all vessels comply whether they be UK, or other member state vessels and that a level playing field is applied. It will be essential to maintain relationships with others to ensure that access to data from vessels landing in other countries is available and likewise UK vessels landing abroad.

**Q4: What are your priorities for the UK's international role in fisheries (beyond the EU)?**

On leaving the EU the UK will become a major actor on the international fisheries stage. Immediate plans must be made to assume full membership of the RFMO's including NEAFC, NASCO and NAFO and in addition membership of ICCAAT to deal with migratory stocks will be necessary. It will also be important to foster good relationships with our near neighbours including Norway, Faroes and of course the EU with whom we will have both bi-lateral and tri-lateral negotiations to contend with in the years ahead in the years ahead.

The UK must seek to show itself as a willing partner and leader in the world of international fisheries management, showing that the high standards that we have set ourselves in maintaining stocks and leading the way in innovative solutions to fisheries management will continue when we become an independent coastal state.

**Q5: What are the fisheries policy areas where a common legislative or non-legislative approach (framework) across the UK is necessary?**

SAFPO believe a common high-level legislative framework in conjunction with a common approach to control, monitoring and enforcement will be essential to provide the flexibility of operators to continue their activities as they do now. The maintenance of equal access for UK vessels to all UK waters giving them the freedom to fish anywhere within the UK Exclusive Economic Zone and land their catch at any UK port in a competitive manner is essential.

However, it is important that the regional areas can effectively manage their fisheries in a manner that suits their needs and aims and therefore it is essential that proper agreements, agreed by all administrations, are in place to allow effective regional management to occur without undermining the wider aims of the functioning and competitiveness of the wider UK internal market.

In relation to international negotiations, SAFPO do not believe it would be in the best interests of the Scottish fishing industry for negotiations on shared stocks to be undertaken solely at the UK level. Instead, a devolved approach should be adopted for negotiations on establishing UK TACs and UK TAC shares for shared stocks, giving 'the lead' to the devolved administration with the predominant economic interest in the stock(s) under negotiation. For example, it would be more appropriate for the Scottish administration to take the lead on negotiations that involve stocks that are shared with

Norway, as the Scottish industry has the predominant economic interest. Likewise, the English administration would be best placed to take the lead on negotiating quotas for stocks in areas such as the English Channel. This would provide a fair and reasonable approach to negotiations and ensure that fishing opportunities predominantly linked to one home nation are not traded away to benefit another home nation.

**Q6: Do you have any further comments relating to the issues addressed in this section?**

The White Paper outlines the vision for fisheries in a post Brexit environment at a relatively high level, however it fails to recognise the importance of vibrant onshore sector. SAFPO recognise that a healthy indigenous processing sector is vital to the overall economic performance of the Scottish fishing industry. SAFPO acknowledge that the diverse nature of catching sector has led to various alternative models of supply to the processing sector. If all parts of the supply chain are to thrive post Brexit, communication around supply must have a central role. Bodies such as Seafood Scotland and Seafish have a key role to play, working throughout the supply chain with fishermen, processors, retailers and consumers to increase the value of return to the seafood sector. SAFPO stand ready to work with the processing sector to maximise opportunities throughout the supply chain as they occur.

**Q7: Do you agree with the measures proposed to ensure fishing at sustainable levels?**

The white paper seems to suggest that it is the intention to continue the current application of the MSY principle based on the EU directive to have all stocks at MSY by 2020. It has been the view of SAFPO for some time that for some stocks this goal is unachievable and will only increase inflexibility for managers to be able to deliver effective and sustainable fisheries management. We believe that alignment to UNCLOS obligations will deliver a more flexible approach and in the long-term provide a more sustainable future for both stocks and the sector.

As an independent Coastal State, we will have the ability to react in a more dynamic manner if any stock is in trouble or falls below safe biological limits. It should be the aim of Government in partnership with the devolved administrations and the sector to be able to deal with such issues on a case by case basis, rather than setting goals using target's that are potentially unachievable.

SAFPO believe that the formation of a true-partnership approach to fisheries management involving Government, Industry and Scientists will be a benefit to everyone involved in the sector.

**Q8: Do you agree that existing quota should continue to be allocated on an FQA basis?**

Yes

**Q9: How should any additional quota that we negotiate as an independent coastal state be allocated?**

The Fixed Quota Allocation (FQA) system has been the principal mechanism for allocating quota within the UK for some time and has generally proven to be an effective means of distributing fishing opportunities amongst fishermen. Since its inception, but particularly subsequent to the decommissioning schemes in the early 2000s, a significant amount of trading and investment in quota and licences by individual businesses has taken place, creating assured asset value. Many within industry are understandably concerned that any deviation from this system would negatively affect investments, business confidence and stability. On the other hand, SAFPO is aware of calls for quota redistribution from certain parts of industry, who cite Brexit, leasing costs and a perceived

unjust reference period as rationale for doing so. What is true is that, for a variety of factors, the cost of leasing and purchasing quotas on the domestic market has increased considerably in recent years. With firstly the introduction of the Landings Obligation and now the prospect of Brexit, the opportunity cost to fishermen of not having access to quota is higher than it has ever been. Increased asset value and high leasing costs mean that barriers for new entrants and those wishing to diversify are significant and, in some cases prohibitive without access to significant amounts of capital. Going forward, the anticipated move from Relative Stability quota shares to something more akin to Zonal Attachment quota shares provides an opportunity to address these issues. An injection of additional opportunity into the UK quota system should effectively act as a relief valve, reducing both the demand for quota and consequently the lease prices paid by active fishermen. Surplus opportunity should allow for the introduction of mechanisms that enable and assist new entrants to establish themselves; Brexit provides an opportunity to integrate the next generation of skippers and indeed fish processors into the fishing industry, stabilising the age profile of the workforce. SAFPO is committed to working with Scottish and UK Fisheries Administrations to encourage and assist new entrants and diversification wherever possible.

**Q10: Do you agree that Defra should run a targeted scientific trial of an effort system in English inshore waters?**

SAFPO is aware of a great deal of empirical evidence from fisheries that have utilised effort-based control systems in Canada, Iceland, Faroe Islands and even in some parts of England which suggest this type of management regime has ultimately proven ineffective. In some instances, these systems promote a race to fish and over-capitalisation, which in turn leads to poor economic performance and has a detrimental effect on the long-term sustainability of the fish stocks in question. However, SAFPO has no objection to the proposal to run a targeted scientific trial of an effort management system in English inshore waters provided proper assurances are put in place to ensure that effective management of stocks can be maintained.

**Q11: Do you agree with our proposals to explore alternative management systems for certain shellfisheries in England?**

No Comment

**Q12: Do you agree that there is a case for further integrating recreational angling into fisheries management?**

SAFPO agree that where there is an element of commercialization within the sector there is a case for further integrating recreational fisheries into fisheries management.

**Q13: Do you agree with the proposed package of measures and initiatives to reduce wasteful discards?**

SAFPO is concerned that the language in use within the paper continues to mirror that of the current EU landing obligation, a regulation that we have considered not fit for purpose as it is another blunt and ill-fitting approach to solving a complex issue.

SAFPO considers that a fresh approach whereby policy is developed from the bottom up, that provides accountability and incentivizes rather than criminalizes with buy in from the catching sector

will have considerably more success in reducing discards to the point where they are acceptable or unavoidable.

Where potential measures for alleviating the problem of discards are proposed for English vessels only, at this stage we have not taken a view on them, it will be important to consider whether they will impact have an unintended impact on the wider UK industry.

**Q14: Do you agree with the proposed approach to protecting our marine environment in relation to fisheries including the powers proposed in the Fisheries Bill (see section 1.2)?**

SAFPO agree with the proposed approach accepting that some of the powers relate to England only.

**Q15. What opportunities are there for the sector to become more involved in both the provision and direction of science and evidence development needed for fisheries management?**

Scotland and the UK must continue to play an active role in ICES and contribute to its work, however we may have to take a more “robust” approach within ICES and ensure that others don’t use their influence to undermine our position and our future opportunities. Likewise, scientific work that focuses on continuing to develop innovative ways to improve technological innovation e.g. gear selectivity is an essential element of successful fisheries management. There may well be a need for scientific quotas to carry out all these types of research, while there is also a significant opportunity to better utilise and integrate fishermen’s real-time data and knowledge into the scientific advisory process. Again, serious thought must be given to the role POs have to play in this regard and SAFPO welcome those discussions.

**Q16. Do you have any further comments relating to the issues addressed in this section?**

No further comment

**Q17: What would be your priorities for any future funding for the sector or coastal communities?**

Post Brexit, European Maritime & Fisheries Fund (EMFF) will not be available to the UK fishing industry. EMFF funding has helped fishermen and processors improve the efficiency and sustainability of their businesses as well as reducing their impact on the marine environment. There is a wide-ranging debate to be had on what, if anything, replaces it, and more fundamentally, what role subsidisation should have in the seafood sector once the UK leaves the EU, and in what areas. Undoubtedly, the loss of this financial support, without a bespoke replacement national scheme, would have significant implications for funding the continued development, safety, modernisation and efficiency of the UK fishing industry. In particular, continued funding for research partnerships between the scientific community and industry will be important in ensuring that routine data collection processes that monitor and assess stock development continue, as this demonstrates that industry is willing to operate in a sustainable manner.

**Q18. Do you have any further comments relating to the issues addressed in this section?**

No further comment

**Q19: How far do you agree with our future vision to pursue a partnership approach with industry and others for sustainably managing fisheries?**

SAFPO believe that the formation of a true-partnership approach to fisheries management involving Government, Industry and Scientists will be a benefit to everyone involved in the sector and provide solid foundations for a successful and both economically and environmentally sustainable industry as we move beyond Brexit.

**Q20. Do you have any further comments relating to the issues addressed in this section?**

No Further Comment