



BPA Response to Fisheries White Paper

September 2018

Summary

The British Ports Association's Fishing Ports Group represents a wide range of ports in terms of size, location, and ownership and includes 49 of the top 50 UK fishing ports by landings.

We welcome the publication of this White Paper but were disappointed at the lack of focus on ports and infrastructure. UK fishing ports are the foundation of the UK fishing industry, supporting employment and anchoring processing and supporting sectors, often in areas of relatively high economic deprivation.

The British Ports Association has been instrumental in developing the RFP&HS scheme which will prove to be a significant development in sustaining fishing ports.

Our comments relate to three areas of focus:

1. **Realising the value of UK fisheries in UK communities**

Ensuring UK coastal communities and the UK exchequer reap the full benefits of a valuable natural resource should be a key aim of a future UK fisheries policy. The best way to maintain a strong economic link between our shared natural resources and UK communities is by landing into UK ports. Once the UK withdraws from the EU, UK fish should be landed at a UK port as part of the economic link condition of a UK commercial fishing license.

2. **A long-term sustainable fisheries policy must be properly funded and have infrastructure at its heart**

This should include a successor scheme to the EU European Maritime and Fisheries Fund (EMFF) that, at a minimum, matches the current UK allocation and is better focussed and adjusted to suit UK industry.

3. **Continued barrier-free access to EU markets**

The UK exports 75-80% of its landings, and imports a similar percentage of the fish we consume. It is therefore in the interests of both the EU and the UK to agree to favourable market access arrangements.

We have also made a some brief general comments.

The British Ports Association – Speaking for UK Ports

a: 1st Floor, 30 Park Street, London SE1 9EQ **t:** +44 20 7260 1780 **f:** +44 20 3598 1732

e: info@britishports.org.uk **w:** www.britishports.org.uk

1. Realising the value of UK fisheries in UK communities

Fishing was a totemic issue during the referendum and we expect that the UK Government will not surrender sovereignty over the management of our fisheries.

The British Ports Association believes that the UK's withdrawal from the EU is an opportunity to take a fresh look at how UK communities benefit from this shared resource. The UK currently attaches economic link conditions on vessel licenses/quota which require licensees to meet one of the following options:

- the landing of at least 50 per cent of the vessel's catch in the UK of stocks subject to EC quotas
- employing a crew, of whom at least half are resident in a UK coastal area
- incurring a certain level of expenditure on goods and services, provided in UK coastal areas

We would like to see the Government commit to review the economic link with the aim of strengthening it.

We believe that landings are the best way to ensure UK communities benefit from UK quota.

We believe that either all, or the vast majority of, catch from UK fisheries should be landed into UK ports. This could be in addition to or in place of the other currently existing potential options, but not as a voluntary alternative.

We would be open to exploring the potential for pairing this with an obligation to sell/auction (and even potentially process) a percentage of those landings in the UK, to prevent it simply being driven onwards to Europe for sale and processing, securing real value for UK coastal communities. This would need some careful consideration and implementation to ensure that there would be no detrimental effects on the market or prices over the long term. Such a proposal could be introduced in a phased manner, if necessary.

This would go a long way to re-exerting full sovereignty and control over our fisheries and ensure a genuine and verifiable economic link exists between vessels fishing in UK waters and UK communities.

UK ports employ over 101,000 people and landing into the UK is the best way to ensure that the value of UK natural resources is realised in UK communities. Ports are hubs of local and regional economies and the foundation of the fisheries and wider marine industry, yet our own research has found that many fishing ports struggle to operate commercially on income from fishing alone.

2. A long-term sustainable fisheries policy must be properly funded and have infrastructure at its heart

Fishing is the only maritime-related industry where the primary revenue source is restricted by Government quota. This is to support sustainable fisheries and we strongly support the principle of maximum takes from fisheries to make them environmentally sustainable for future generations of fishermen and consumers. The result, however, has been that over many years this has threatened the economic viability of many fishing ports.

We believe it is absolutely fundamental to the viability of a UK fisheries policy that there be an adequate successor scheme to the EMFF.

The European Maritime and Fisheries Fund (EMFF) and its precursors have been critical to supporting the maintenance and modernisation of infrastructure. It is designed to support the transition to sustainable fishing. Our members have overwhelmingly indicated the importance support for a similar scheme to continue, post Brexit. 90% said it was important, with 80% saying it was extremely important. We were therefore concerned to hear at a White Paper consultation event the suggestion from officials that EMFF was not a high priority.

The UK's allocation of EMFF funding between 2014 and 2020 is €243m – approximately €34m per year. That is a relatively modest sum for Government and is vital to the UK's fishing ports and the wider sector.

Ideally, there should be consistency across the UK to ensure that the criteria are uniform and does not benefit one region above others. Assurances on the future of such a scheme could be made outside of the Brexit process by the UK Government and would be welcomed by industry.

Whilst landing dues are typically between 2-3% levied on the value of a vessel's catch, port infrastructure can be extremely costly to maintain. Repairs and maintenance to quays can run into millions of pounds. Our research into the current state of fishing ports infrastructure found that:

- 40% of fishing ports believe that their current income is not sufficient to meet long-term conservancy obligations
- One third of fishing ports rely on EMFF either “a lot” or “entirely” to fund improvements. Two thirds rely on it to some extent.
- 72% of ports rely on EMFF either entirely or “a lot” to fund expansion of new services and facilities. 94% rely on it to some extent.

- Two thirds of ports said that the proportion of total grant funding available for projects is a barrier or significant barrier to growth
- Two thirds of fishing ports need work to their working quays either right now or in the near future
- Fish landings are not enough to sustain many harbours, where repairs to infrastructure can run into millions of pounds
- 45% of ports struggle to meet or cannot meet current demand for parking from HGVs or commercial vans that transport fish from (and to) ports, markets and auctions

This is a serious threat to the economic well-being of coastal communities and underlines both the damage the CFP has caused to UK fishing communities and the urgency behind the need for a funding scheme that will support UK fishing ports' transition to long-term sustainability. Economic and environmental (i.e. healthy stocks) should be the primary aim of a successor scheme and it should, at the very least, be the same size as the UK's current allocation, although we would very much welcome an ambitious and expanded transformational scheme.

Many fishing ports 'cross-subsidise' fisheries with income from other cargoes or activities. This helps improve ports' economic sustainability and so a successor fund should have a wider remit that encourages diversification and innovation. For instance, building of non-port infrastructure (concession stands, car parks etc) can often help support a port's economic viability and therefore the wider fishing industry in that area. A new fund should encourage applications that go beyond the current rigid criteria.

Many fishing ports suffer from difficulty or outright inability to access standard sources of finance for the very long term funding that is required for marine infrastructure. Currently, the EMFF offers 50% funding for projects at ports that are owned by trusts or private entities and 75% for those owned by municipal ports. We would like to see some more flexibility in these ceilings. We would argue that, at the very least, certain project streams or applications, such as those that seek to improve safety should have the match funding obligation lifted. We would also welcome the lifting of the obligation to find match-funding entirely, as this can often still be a barrier to essential works or improvements.

We would also welcome the possibility of loans with favourable interest rates or repayment plans for certain projects and the lifting of the requirement for projects to be classed as 'improvements'. In our view, maintenance on a long-term piece of

infrastructure is an improvement and provides a wider-benefit to the community, industry and other harbour users.

Summary: What should a new 'EMFF' scheme look like?

- It should aim to support the long-term economic and environmental sustainability of the UK fishing industry
- It should support innovative projects that support non-fisheries projects that support the viability of fishing ports/communities
- Be funded in a way that matches the sectors ambitions: i.e. at the very least matching the current UK EMFF allocation
- Remove the requirement for match-funding, at least in certain circumstances
- Consider applications for maintenance projects as well as 'new' or 'expansion' projects
- Explore the possible use of loan financing as an additional tool to support the long-term economic sustainability of the sector
- Seek to fund more research and innovation in the industry

3. Continued barrier-free access to EU markets

Whilst not a topic that might ordinarily be covered in a White Paper, we believe it is of vital importance that the UK maintains barrier-free access for all raw and processed to important EU markets, post-Brexit.

Up to 80% of fish landed in the UK is exported to the EU. It is essential that both raw and processed fish that has been landed in the UK is able to be exported to the EU without punitive trade barriers. These not only include potential new tariffs on seafood products but also the possibility of significant customs and port health border checks which could have a disruptive impact on the logistics industry. This could include lengthy and prescriptive animal and plant health checks on fish products at the point of entry into the EU which could lead to costly delays to potentially perishable cargoes. The impact is likely to be most felt at Roll-on Roll-off ferry ports which is preferred transport mode by which much of the UK's exported fish is transported to Europe.

Other comments

Science and research

Sustainable and effective fisheries management can only be underpinned by robust and reliable research and evidence. It is important that Government invests in fisheries science and innovation research so that new and more effective gear and infrastructure can be developed. We would like to see more support for research and investment in fisheries science and a fresh, open-minded look at the best method for managing our fisheries for the benefit of the environment and also the communities that depend on what is a shared resource.

Better Data Management

We have been calling for the MMO to share its landing data with UK fishing ports. This will support accuracy and overall compliance with harbour landing dues. UK ports are able to request this data on a case by case basis so that it can be cross-referenced with their own data, but we would like to explore a system whereby ports can securely access the MMO data for their port's landings through a portal. This would allow ports to ensure that vessels landing in their harbour are paying the correct landing dues, thereby supporting the viability of future operations.