Taking back control – of what, and for who?

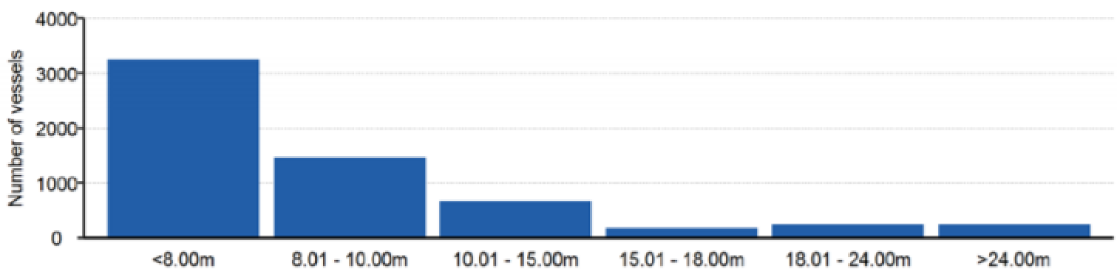
The current UK catching sector employs circa 12,000 fishermen, about the same number of employees as Debenhams and contributes around 0.02% of GDP, generating about the same GVA as Peppa Pig merchandise.

There have been numerous comparisons with this figure with everything from potatoes to prostitution, all of which ignore the reality that fishing provides much needed employment in often vulnerable coastal communities, puts food on the table in the UK, provides a level of food security for an island nation and all this is mixed in with a good dose of sovereignty, taking back control and so on.

But drill a bit deeper and things are sometimes not quite so clear cut.

Despite claims to the contrary by large scale representatives, when it suits them, that it is all one industry, the facts don't quite fit with this narrative.

The UK fleet is made up of 5,911 boats, 21% of which are more than 10 metres in length and 79 %, 4,670, of ten metres and under, the 'under ten fleet'.



In terms of access to fishing opportunities [quota], the under ten fleet has less than <2% with the large scale sector taking the remaining 98%+ share. There are two ancillary points of interest in this respect, firstly that something over 50% of the UK's national quota is owned by foreign interests, with one Dutch supertrawler company owning 25% and secondly that the under ten fleet were never permitted to own their own quota, unlike the larger scale operators who sold it.

There is an oft used argument that the majority of the small scale fleet rely on non quota species such as, lobster, crab and Bass and have neither the need nor often the ability to pursue quota species, mainly finfish such as cod, herring, mackerel, haddock and sole, to any extent. Whilst it is true that circa 80% of small boats use passive gears such as fixed nets and pots and catch mainly shellfish, many of them have been forced into these non quota species due to the lack of access to quota species. It is also the case of course that smaller boats are very much more limited in their ability to travel significant distances from their home port, making it much more important to look after the fish on the doorstep rather than be able to denude an area of fish and simply move on to the next.

In terms of fish, we import around 70% of what we consume and export around the same figure of that which we catch. The UK is a net importer of fish, with imports exceeding exports. The UK's trade gap in 2019 for sea fish was 270 thousand tonnes. In 2019, the UK imported 721 thousand tonnes of sea fish, with a value of £3,457 million and exported 452 thousand tonnes with a value of £2,004 million [*MMO fleet statistics*].

A key aspect here, often overwhelmed in the media by the promise of more quota in the gold rush heralded by the much vaunted 'Sea of Opportunity' is that the majority of fishermen in this country rely more on the currently seamless transport of live shellfish to markets in Europe than more quota, fair and helpful though it might be. It seems ever clearer that UK / EU supply chains in this respect are in real danger of grinding to a halt come 2021, with potentially massive economic damage being inflicted on this sector. Tariffs could wipe out what profit is currently made, the easiest deal in history seems to have evaporated in the cold hard light of day with a need from day one for catch and health certificates along with a literal tsunami of paperwork, amounting to hundreds of forms per consignment, all of which have to have every last 't' crossed and 'I' dotted in order to pass the scrutiny of EU customs officials, many of whom will no doubt feel the need to ensure that the UK is indeed treated as a third country. We may well have improved fish based food security from 2021 but it will be mainly due to the fact that there will be a surfeit of fish and shellfish available due to the loss of markets in the EU. The fact that the British public don't really eat many of the species we export is really going to have to change. Cuttlefish and chips anyone?

Logistically, even at this late stage, there are significant gaps in the required infrastructure and the much publicised forthcoming queues of trucks likely to be blocking the routes into and out of not just Dover but also Holyhead, Pembroke Dock and other ports are only going to add to the challenges facing exporters of perishable products such as fresh fish and especially live shellfish that cannot survive for long even in the aerated water tanks that they travel in.

Despite appeals from both the catching and processing sectors of the fishing industry [workforce of latter currently 50% EU nationals] that the skills based criteria for workers from third countries should include those in these two sectors, the government has turned them down. The larger scale fishing sector claim that they are reliant on being able to employ Non EAA crews in the absence of being able to attract indigenous workers to the boats. This has resulted in the sourcing of a significant proportion of fishing crews from third countries, with a more recent shift from mainly eastern European to those from the Far East.

Whilst there are some foreign workers employed on smaller vessels, the majority are on bigger boats and, together with the high level of foreign ownership of UK quota, begs two questions.

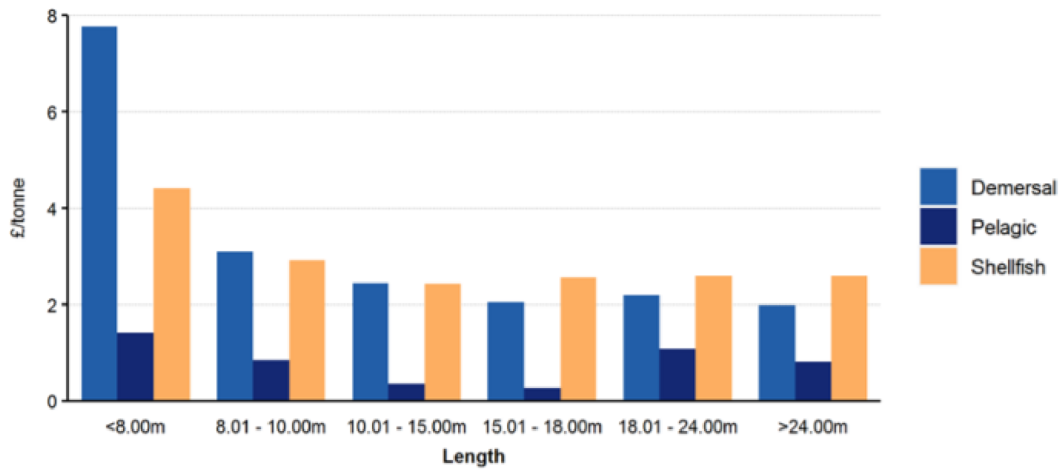
Where is and what level of actual economic benefit accrues to the UK when the larger scale fleet not only sold off half the national quota to foreign interests but also just how much income from fishing actually comes back to coastal communities when many crews send back the majority of the earnings to their families abroad?

Whilst it is laudable that foreign crews are keen to come here to improve their incomes, not surprisingly they send the majority of it back home to their families, reducing the net benefit to the UK's coastal communities from fishing. So fishing may generate £987m overall but half goes abroad straightaway and a proportion of the rest is wired back to the far east. The profit margins of the large scale fleet, notwithstanding Covid impacts are among the highest in Europe yet despite this, there is a suspicion that some owners of larger vessels are crying crocodile tears all the way to the bank at having to employ cheaper and more compliant foreign crews than their local equivalents.

On this basis, it is clear that the majority of the 79% of the UK fleet that are the under tens provide more direct economic and social benefits per tonne of fish to coastal communities, despite having access to only a paltry allocation of quota.

It is also worth noting that the fishing methods used by this sector and the different species targeted mean that they typically gain higher than average prices for their catch and fish in a lower impact way.

Figure 2.2: Vessels under 8 metres in length fetch higher prices for their landings



And all of the above is against a sometimes dramatic fall in stock and catch levels over many years. According to MMO data, in 2019, landings of demersal fish were only around a fifth of the quantity landed in 1970 and to put the current argument over the imbalance of access to Cod in the English Channel into perspective, where the French have 84% and the UK only 9%, scientific advice for the last two years has been for a zero catch due to the fragile status of the stock. It is something of a contradiction in terms to be fighting for a better share of a stock that is not available to catch in the first place.

In conclusion, short of kicking all foreign boats out of the UK's territorial waters from January 1st [unlikely to happen in real terms], what are the wins that would really make a difference to UK PLC AND maintain access to our vital EU markets?

Despite having had the best part of four years to negotiate and come to terms, we are no nearer a resolution to many of these issues. At the same time, there is little doubt that the EU in general, the coastal states and their fishermen in particular that currently have historic access to our waters would react savagely by putting up both tariff and non tariff barriers in the event that we arbitrarily pulled up the drawbridge on their fleets.

At the same time, promises are meant to be kept so a rapid revision of current access and quota shares, over perhaps just one or two years, starting in 2021 would give everyone time to reorganize their sectors to take account of this new regime. It is a fact that the UK's current catching capacity would struggle to take advantage of wholesale revisions from day one so a timed and timely shift would seem to suit all players. This would provide increased quota for genuinely UK vessels and support a move towards attracting, training and employing indigenous crews. It is vital that a significant element of the promised windfall quota is directed to the under ten fleet. At the same time, this is the one and only opportunity that the government has to be able to balance the books between the sectors without having to rob Peter to pay Paul and kickstart the urgently needed renaissance of inshore fishing and coastal communities.

Currently many EU vessels claim extended historic access rights to our waters between the 6 and 12 mile lines. This has a number of negative impacts, not least the presence of a host of powerful factory trawlers and beam trawlers on the 6 mile line preventing fish from moving inshore and within reach of the smaller scale fleet and preventing UK inshore boats from deploying passive fishing gear [nets, pots and lines] outside the 6 mile line as they are likely to get towed away. Removing this foreign effort, in conjunction with more proactive fisheries management for larger UK vessels in this zone would provide a much needed extension to the grounds currently available to our under ten metre fleet.

At the same time, a stricter licensing regime for any EU vessels seeking to access our waters would ensure adherence to the revised requirements. This should also be applied to the significant fleet of flag ships, vessels that are registered in the UK but whose beneficial ownership is elsewhere. Thatcher attempted to do this via the Merchant Shipping Act but failed by contravening the EU equal access regulations, resulting in the Factortame Case. If the UK is no longer in the EU then those regulations no longer apply.

There have been a number of promises made to the fishing industry both before and since the referendum. Apart from those above, the industry will need a replacement for the EU funds presently directed at the fishing and processing sectors [value in England of last EU support scheme [EMFF]: €92.1m] and not least to support the regeneration of inshore fishing and coastal communities, the underpinning science and effective management.

Arguably, the most important promise made has been with respect to the introduction of 'world leading fisheries management'. As previously noted, fish stocks overall have declined massively, for a range of reasons, over many decades. Despite having had huge improvements in fishing efficiency through engines, electronics, net materials and so on, we currently use 17 times the fishing effort to catch the same amount of fish that we did on 1900.Unless management does indeed improve dramatically then rather like the current situation for Channel Cod, we will have the fisheries equivalent of two bald men fighting over a comb.

Finally, the government appears to have painted itself into something of a corner, not helped by the EU seeking to link fishing with wider trade issues. The balancing act that our negotiator's now face is centred around just how they manage to keep to the promises they have made, outlined above, whilst at the same time ensuring that the EU doesn't close its shop front to the thousands of UK fishermen who rely on that market for their livelihoods.

Meanwhile, the survival and prosperity of the UK's catching sector, especially but not exclusively the under tens and those reliant on EU export markets hangs in the balance.

Notes for Editors

The New Under Ten Fishermen's Association [NUTFA] is the only dedicated representative body for the under ten metre fleet in the UK.

T: 07799 698 568 or 01437 751 242

E: jeremypercy@gmail.com

W: www.nutfa.co.uk