NEWS NET

ANIFPO / SEA SOURCE

Issue no. 08 August 2020

COVID-19

Please note: The PO office is OPEN. However, we would ask members and visitors alike to respect the social distancing rules in place.

Only staff are permitted into the office prior to 9am. From 9am members and visitors are only permitted to call in as far as the counter that has been installed through the front door.

Members and visitors requiring a private meeting are encouraged to contact the office in advance when arrangements will be made to see them after 2pm.

2020 has not and will not be a normal year. An unseen disease. Lockdown. Market closures. All of this and more have played havoc.

During the past four months over 90% of Northern Ireland's fishing fleet tied up. Factories and offices closed. Staff worked from home. The Government unveiled massive financial support, including aid to the fishing fleet. Safe working practices for the fleet and factories were developed and implemented. Markets slowly reopened, allowing for the fleet to return to sea and factories to begin operations again. Quayside prices slumped.

Campaigns promoting the domestic consumption of local seafood included ANIFPO/ Sea Source's week long advertisement campaign on UTV, as well as printed media advertisements and the use of social media. The result was an impressive increase in sales from the seafood shop, driven at its peak by home deliveries. Overall this was a small contribution, but we know it did help at least a few fishermen locally.

What sales for the shop have proven is that with drive we can increase local sales of local seafood. Customers can taste the difference of fresh seafood compared to what many have traditionally purchased from other sources including supermarkets. One challenge is to keep this trend moving forwards.

Of course with the best will in the world domestic sales will never be enough for all the fish and shellfish landed into Northern Ireland. The Sea Source factory has worked closely with the boats landing to it and vice versa and sales to our European customers have been stable, again at reduced prices. But it could have been much worse. Everyone from the boats to the factory are to be thanks for their efforts in keeping the propellors turning. The factory is a challenge, but there is no doubt that without its intervention this year things would have been worse for local markets and prices being paid to the boats.

As this article is drafted discussions are ongoing with the Department about contingency planning - a new financial support package for the Northern Ireland fleet. It is hoped this will be available from 1 September for those using mobile gears and earlier for this deploying static gear. Details of the scheme are still being discussed. This scheme is being designed to help recovery and sustain the fleet until market stability is secured. Everyone has said it - HM Government has been remarkably generous with its help and of course all those who pay taxes will be paying for this for a long time to come. The first scheme was not perfect, but the priority was to get financial help out to the fleet as quickly as possible and this was achieved. When it comes to money (like many other things), it is impossible to please everyone and no doubt as we look forward to further financial help not everyone will get what they want. Hopefully there is recognition that everyone still is in this together and whatever help becomes available can be shared around so that as many people as possible benefit.

When will market recovery occur? Everyone can speculate on that. Covid-19 has already dragged on longer than many people thought. Will people keep to the social distancing guidance to help check the spread of the virus. Many are, some are not. Is it all one big conspiracy? Ask the people who have lost family and loved ones to the virus. When will a vaccine be available? Will it work? When will be able to go on foreign holidays again? Some sectors predict a bounce back in the economy in 2021. Others say normality won't return until 2023.

If anyone has a working crystal ball, please give us a shout.

Brexit

COME 1ST JANUARY 2021 - THINGS WILL CHANGE.
WHAT WILL HAPPEN AFTER THE TRANSITION PERIOD IN THE IRISH SEA?

The UK has left the EU. The UK is now in the transition period and this will end on 31 December 2020. As of 1 January 2021 the UK will be an independent Coastal State. What will that mean?

Negotiations between the UK and EU continue, although right now they are taking two weeks holiday. Fishing remains a major sticking point.

There does seem to be increasing recognition on the EU's side that come 1 January things will change. The EU's chief negotiator has said the EU has to respect the UK's position as an independent coastal state. He has implied there will be changes in quota shares. There seems to be a sense of increasing nervousness amongst some EU fishermen that things are going to change for them.

What will it mean for the Irish Sea? An example.

Traditionally mid-summer brings with it the annual fisheries science advice for the following year. So at the end of June ICES published much of its advice for fish stocks, including those in the Irish Sea - we discuss this in more detail below. For now let's take the example of Irish Sea cod.

"...when the transition period ends, the UK will no longer be subject to the rules of the Common fisheries Policy..."

For 2021 ICES has recommended a 7% cut in the Total Allowable Catch for Irish Sea cod. This would reduce the TAC to 239 Tonnes or 18 Tonnes less than is available this year.

When the Relative Stability allocation key is applied to the TAC, UK fishermen's share of the TAC is 102 Tonnes. This is 8 Tonnes less than we have in 2020.

However, when Ireland invokes the Hague Preference (and the UK counter invokes) the UK's quota for 2021 reduces to 69 Tonnes - a loss of 33 Tonnes of cod. Under EU rules this 33 Tonnes of Irish Sea cod is awarded to Ireland.

BUT - come first 1 January 2021, when the transition period ends the UK will no longer be subject to the rules of the Common Fisheries Policy, including the Hague Preference. So the UK should have an allocation of cod in the Irish Sea of at least 102 Tonnes - up from 74 Tonnes in 2020!

So despite the science calling for a reduction in the Irish Sea cod TAC, the end of the CFP and the Hague Preference should mean that we end up with an increase of 38% in its Irish Sea cod allocation.

70% of the Irish Sea falls within UK waters. For some that means the UK should have 70% of the available quota allocations. It won't be quite as simple as that. As happens between the Norway and EU (or UK in future) access to one another's waters is bought with quota. Likewise in some instances the UK may have to buy access for fleets such as ours that fish in EU/ Irish waters. Similarly the EU/ Ireland will have to buy access to fish in UK waters.

But therein is an important principle. No one in the UK is seriously arguing that EU fishing fleets should be excluded from UK waters. We certainly haven't heard anyone suggesting that Irish trawlers should be excluded from the 70% of the Irish Sea that falls under UK jurisdiction. Mutual access to one another's waters should continue, in accordance with international maritime law. Nevertheless fishing opportunities and catch shares will change to reflect the fact the UK no longer has to share the resources in UK waters with the EU.

It is in everyone's interest to have a new deal on fisheries. If the EU continue to insist on even minimal changes then there is a huge risk of no deal. This means that come 1 January 2021 fishing fleets from the UK and EU will be excluded from one another's waters. Nobody wants that. Some UK fishing fleets including those in Northern ireland could suffer. BUT EU fishing fleets and processors will suffer more. They take a much bigger proportion of fish/shellfish from UK waters than the UK does from EU waters.

"Wait!", some people might say. What about the markets and the trade in seafood. The UK has a large dependence on trading seafood into the EU, but actually EU fishermen sell a lot of seafood into the EU too. In all the trade deals the EU has with countries around the world, it has never made one of these deals dependent upon getting access to the natural resources of another country.

So it is in everyone's interest to secure a new fisheries deal, but in many ways it is in the EU's fishing industry's interests more than anyones.

70% of the Irish Sea falls within UK waters

25% of UK-landed fish is eaten

75% of UK-landed fish is exported

70% of the fish the UK eat is imported!

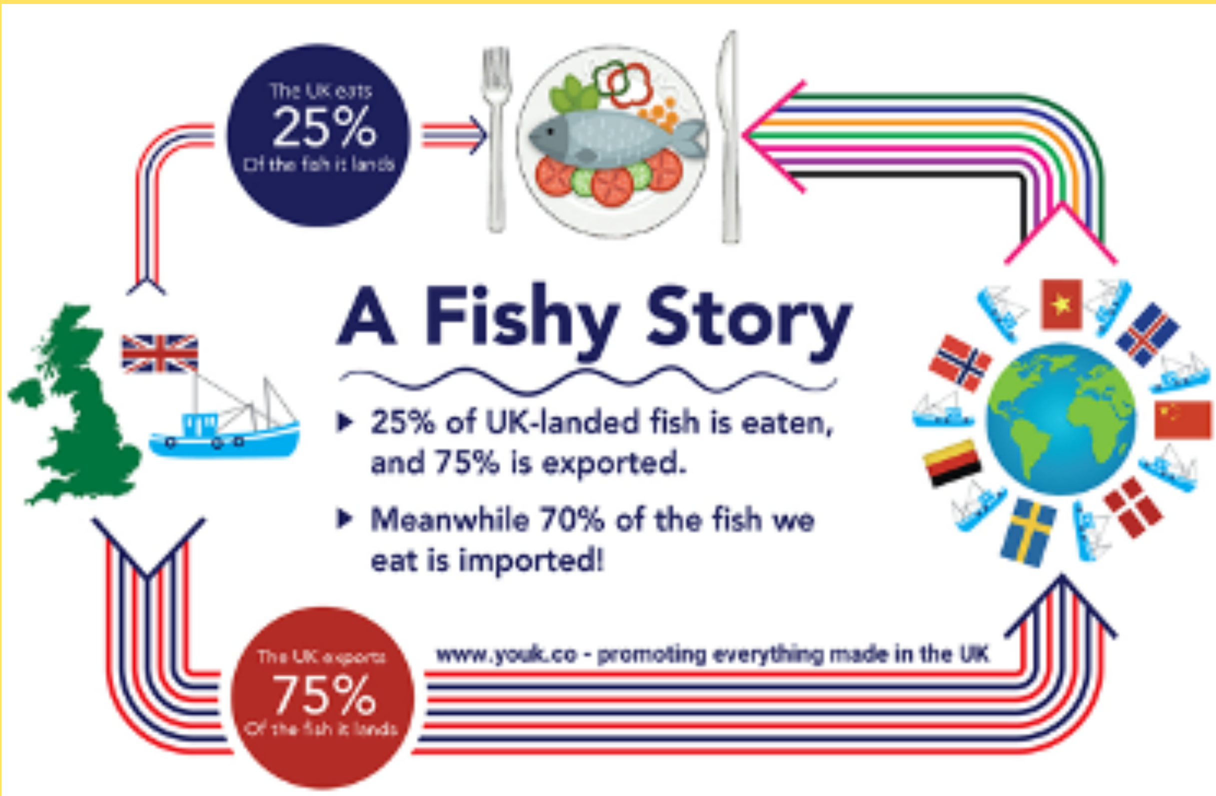
The Protocol

As for Northern Ireland, we have the Ireland/Northern Ireland Protocol and the theory is this already provides Northern Ireland with it's future trading relationship with the EU.

The Ireland/Northern Ireland Protocol (hereafter referred to as the Protocol) does not extend to the territorial waters of the United Kingdom. So at the end of the transition period within Northern Ireland's maritime zone regulations currently applied under the auspices of the Common Fisheries Policy shall be replaced by UK regulations, just as they will be throughout the United Kingdom's EEZ.

Similarly at the end of the Transition Period British registered fishing vessels based in Northern Ireland will remain part of the United Kingdom's fishing fleet,

"Northern Ireland's maritime zone regulations currently applied under the auspices of the CFP shall be replaced by UK regulations"


The UK eats
25%
Of the fish it lands
A Fishy Story
25% of UK-landed fish is eaten, and 75% is exported.
Meanwhile 70% of the fish we eat is imported!
The UK exports
75%
Of the fish it lands
www.youk.co - promoting everything made in the UK

subject to UK Fisheries Policy within the UK's fisheries zone and harvesting UK quota allocations.

There remain outstanding questions as to how seafood from UK fishing vessels, including those based in Northern Ireland, will be treated when landed in Northern Ireland fishing ports. A strict interpretation of the Protocol suggests such seafood could be subject to tariffs. However, we are advised this is not the intention and discussions within the United Kingdom and with the Joint Committee are ongoing to devise a work around that would resolve this anomaly; in other words seafood landed by UK registered fishing vessels into their home ports in Northern Ireland would not be subject to tariffs.

The Protocol is specifically designed to avoid border checks on the island of Ireland, especially those around trade between Northern Ireland and the EU's single market. Another outstanding question is what (if any) quantitive restrictions might be imposed by the EU side upon imports of seafood from Northern Ireland into the single market? There has been no mention of quantitive restrictions upon other goods, so why would such constraints be imposed upon seafood?

Nevertheless, under the previous 'Backstop' proposals there was mention of such quantitative restrictions or a cap on the volume of seafood exported from Northern Ireland into the Single Market. From the EU's perspective this was designed to avoid Northern Ireland being used as a 'back door' by other UK seafood producers to access the Single Market. If this approach is repeated under the Protocol any cap should be future proofed and reflect all quota allocations held by Northern Ireland producers.

Most seafood (60%) landed into Northern Ireland is exported to GB. The Protocol envisages continued unfettered access of produce, including seafood, from Northern Ireland to GB (west to east). However, some checks are envisaged for seafood moving from GB into Northern Ireland (east to west). This will impact upon seafood producers across GB who currently trade (e.g. pelagic species and salmon) with customers in the Republic of Ireland where their produce is processed. Likewise it would also impact upon Northern Ireland vessels that land their seafood into GB ports before it is sent back to Northern Ireland for processing. Similarly a significant volume of scampi products are sent to Northern Ireland from across the GB for primary processing. In this case all of the scampi product is sent back to GB where it is finished, primarily for consumption in the UK. As with other products, where seafood is solely traded between GB, Northern Ireland and back to GB there should be no additional checks.

Neither should we forget that buyers and processors based in the Republic of Ireland depend upon significant volumes of seafood they process being purchased from landings made in Northern Ireland or by British fishing vessels landings directly into Irish ports.

Neighbourhood agreements, whilst not the subject of the Protocol, reflect historic fishing patterns around the island of Ireland And are another important part of future fisheries relations between the United Kingdom and Republic of Ireland/ EU. What is known as the 'Voisinage Agreement' dates back to the 1960s and was recently the subject of tension following Ireland's suspension of the agreement, although this has now been resolved through new Irish domestic legislation.

Whilst the Protocol is focused

upon trade between Northern Ireland, Ireland and the Single Market, clarification is required where seafood transits through GB on its was to continental Europe. The vast majority of seafood landed into Northern Ireland and destined for Europe uses the GB land bridge. What processes will be in place to verify seafood entering GB from Ireland? Furthermore, what processes will be in place to verify seafood arriving in Europe from Ireland that's has transited through GB?

Many issues, be they with the wider UK/EU Fisheries negotiations or with the details arrangements of the protocol remain outstanding. Will there be a deal. Our bet - yes. Compromise on both sides will lead to a deal at the 11th hour. We've seen that all before.

There are many negotiations to come...Compromise on both sides will lead to a deal at the 11th hour

Brown Crab

Good news at the end of July 2020 on the local fisheries conservation front. DAERA have advised that as of 22 August 2020 the minimum landing size for Brown Crab will be increased from 130mm to 140mm.

This may not seem like much, but it is an important first step to ensure and reinforce a sustainable fishery for Brown Crab, which is one of our most valuable fisheries, in Northern Ireland waters.

Local fishermen have been advocating this step for a long time and it was one of the first measures to be approved by Edwin Poots MLA upon his appointment as Northern Ireland's Fisheries Minister in January this year.

We look forward to working with the Department to ensure this measure is successfully applied in local fisheries.

ICES Advice for 2021

As mentioned above the annual fisheries science advice for fish stocks in 2021 was published at the end of June. The advice for nephrops will follow in the autumn. The numbers for the Irish Sea stocks are as follows;

Cod	-7%
Haddock	+7%
Plaice	-9%
Sole	+68%
Herring	-9%
Whiting	N/C - although ICES forecasts an increase in catches

It is likely the final TAC numbers will reflect the science, but one question is who will make the TAC proposals for 2021. Traditionally the proposals have come from the EU, but with the UK leaving the EU and becoming an independent coastal state what role will the UK play in this? One to watch.