

Cabinet



Date of meeting:	09 March 2021
Title of Report:	Fisheries Scrutiny Event
Lead Member:	Councillor Darren Winter
Lead Strategic Director:	Anthony Payne (Strategic Director for Place)
Author:	Kevin McKenzie
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Your Reference:	BILCO/001/02/2021
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

To make recommendations to Cabinet following the meeting of the Brexit, Infrastructure and Legislative Change Overview and Scrutiny Committee held on 12th February which considered: -

- The impact of the Trade Agreement and deal that was struck on fishing
- The impact of the new rules governing the export of fish introduced on January 1st 2021
- What can be done to support our fishing, export, supply chain business

To provide an overview and summary of the evidence reviewed by the panel which included written reports and evidence given by expert witnesses drawn from fisherman, fisheries exporters and technical experts.

Recommendations and Reasons

Cabinet calls on the government to recognise: -

That the Trade and Cooperation Agreement fails to deliver on the promises that were made to British fishermen, and, that insufficient effort was made by ministers to prepare for foreseeable problems that would accompany the UK's departure from the single market and customs union at the end of the Brexit transition period.

Government is asked to: -

A/ UK territorial waters

- Consider regulatory measures based on scientific evidence that will help protect the interests of the UK inshore fleet.
- Continue to seek a fairer share of the quota in the western channel for Cod, Haddock and Sole that are important to the South West fleet.

B/ Export barriers and additional burdens

- Extend the scope and duration of the compensation scheme to fully cover the cost of the additional burdens placed on the fishing industry until at least 1st April 2022;

- Lead on the integration and digitalisation of regulatory data systems so that data can be shared electronically with industry to support exports; and,
- Negotiate facilitation measures based on common or equivalent animal health and food safety standards to reduce the frequency of physical checks and extend the use of electronic certification.

C/ Support local fishing communities

- Utilise the crown procurement service and public sector purchasing power to stimulate the domestic market for seafood and support schemes to get fresh locally caught fish to consumers;
- Ensure the voice of coastal communities with a stake in the industry is heard by giving local authorities a statutory role in developing fisheries management plans; and,
- Invest in the workforce of the future by establishing suitable apprenticeship schemes; and,
- Provide funds to upgrade the infrastructure the industry depends on, the quays and auctions, whether they are in private or public ownership.

That Cabinet agrees to:

D/ Measures we can promote as a regional response or take independently

- Work with Brittany Ferries, Associated British Ports and our partners across the South West peninsula, and in Brittany and Finisterre to secure the Plymouth/Roscoff trade route;
- Maintain a direct sales market with support for branding and selling of locally caught fish and work with CATERed to put fish on school meals menus.
- Continue to work with the industry locally, to improve the facilities at Sutton Harbour including a wet fish sales outlet, and to promote marine safety.

Alternative options considered and rejected

Draft recommendations made on the day which officers were asked to review with the expert panel members and industry witnesses.

A/ Cabinet is asked to call on the UK government to consider:-

1. Reviewing the regulatory framework established by the TCA to identify;-
 - Changes the UK can make independently to facilitate trade and ensure a level playing field for UK fisherman, e.g. the regulation of fishing within the 6 – 12 mile limit and the role of IFCAs;
 - Flexibility that can realistically be negotiated with the EU through the mechanisms afforded in the TCA, e.g. the regulations governing the depuration of bivalves, and;
 - Where regulatory barriers cannot be changed but their application places an additional burden on the fishing industry to provide an effective subsidy arrangement that ensure a level playing field with their EU counterparts, covering the costs of compliance, e.g. export health certificates and catch certificates.
2. Supporting the industry through measures to stimulate the domestic market for fish; -
 - Reviewing the role of the Crown Procurement Service in supporting initiatives like Fish on Fridays in UK schools; and,
 - Requiring UK supermarkets to ensure that the fish they sell sourced locally where possible.
3. Ensuring that the voice of the UK fishing industry is heard,
 - Securing a role for local authorities in agreeing the statutory fisheries management plans envisaged by the Fisheries Act and a corresponding duty to consult with the local industry.
4. Considering the future of the fishing industry
 - Securing the workforce of the future and establish suitable apprenticeship schemes.

- Upgrading the infrastructure the industry depends on, the quays and auctions
- The potential for electronic auction technology to be integrated with customs to reduce the administrative burden on the export industry.

B/ Cabinet is asked to consider measures that Plymouth City Council can take independently: -

- Work with Brittany ferries and AB ports and the French customs authorities to secure the Plymouth/Roscoff route.
- Continue to support the industry across the SW peninsula and beyond through measures like call4fish.
- Work with Sutton Harbour Holding and other partners to upgrade the fish quay
- Explore how we can work with large retailers locally to improve the opportunities for selling local fish and work with CATERed to get fish into our schools.
- Review the opportunities are available within the city to improve training and apprenticeships within the fishing industry.

Relevance to the Corporate Plan and/or the Plymouth Plan

The recommendations are consistent with our corporate values and our growing city priorities to achieve economic growth that benefits as many people as possible, quality jobs and skills and a green and sustainable city that cares about the environment. The scrutiny process was delivered in accordance with our commitment to listen to our customers and our communities and to being a strong voice for Plymouth, regionally and nationally.

Implications for the Medium Term Financial Plan and Resource Implications:

There are no financial implications to the report beyond officer time. Scrutiny committees can only recommend action to cabinet and any decision to commit resources would be made by virtue of a separate cabinet report.

Carbon Footprint (Environmental) Implications:

There are no environmental implications to the report. Scrutiny committees can only recommend action to cabinet and any decisions which might have environmental impacts would be made by virtue of a separate cabinet report.

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

** When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.*

An Equality Impact Assessment will be carried out on the paper setting out the Cabinet response to these recommendations which will constitute a formal decision.

Appendices

**Add rows as required to box below*

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>

		1	2	3	4	5	6	7
A	Overview of the Fisheries Scrutiny Event - Feb							
B	Agenda reports pack							
C	Supplement Pack							

Background papers:

*Add rows as required to box below

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable)						
	1	2	3	4	5	6	7

Sign off:

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Originating Senior Leadership Team member: Giles Perritt (Assistant Chief Executive)											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed: 08/03/2021											
Cabinet Member approval: <i>Approved verbally by Chair and Vice Chair.</i>											
Date approved: 08/03/2021											

OVERVIEW OF THE FISHERIES SCRUTINY EVENT - FEB 12 2021

1.0 Introduction

- 1.1 Following media reports of disruption to the fisheries export trade and ongoing concerns expressed by the industry about the impact of the UK/EU Trade and Cooperation Agreement a fisheries specific session of the Brexit, Infrastructure and Legislation Overview and Scrutiny Committee was held on 12 February 2021 to hear evidence from industry experts.
- 1.2 Export reports were commissioned from RB Anderson Associates and Sarah Holmes from Womble Bond Dickinson covering the impact of the Trade and Cooperation Agreement and the export of fishery products. A call for evidence was widely publicised in the local media and through our network of fishing industry contacts. At the request of industry representatives the option of providing a short video clip was offered as an alternative to a written submission.

2.0 Overview and summary of evidence presented to the panel

“We want to hear from the experts in fisheries policy, technology and the law, but above all we want hear from the fishing industry, from our exporters and from our fishermen.” Tudor Evans speaking to the panel 12/02/2021.

- 2.1 Witnesses were generally appreciative of the effort the Council was seen to be making to listen to the industry and to provide them with an opportunity to air their views. The role the Council had played in supporting Plymouth Trawler Association to establish Call4fish and our ongoing efforts to keep fishers safe at sea through our lifejacket scheme were cited as specific examples of the good work we are doing to support the industry.
- 2.2 The importance of the maritime safety was underlined by the observance of a minute’s silence at the outset of the meeting to acknowledge the tragic loss of Leigh Spencer, a fisherman from Millbrook who was fatally injured in an accident at sea on Saturday 6 February 2021.
- 2.3 In general terms the witnesses’ statements supported the view that the terms agreed with the EU fell well short of the deal they had been led to expect and they felt badly let down by the Government.
- 2.4 The leader summed up the mood in his opening remarks: -
- We were promised a new era of prosperity for English fishing, one where.....*
- *we took back full and absolute control of UK waters out to 200 miles*
 - *our 12 mile limit was secured for the exclusive use of UK boats*
 - *we have a greater share of the catch in our own waters,*
 - *and continued unrestricted access to European markets.*

But somewhere along the line we were let down..... I might even say betrayed.

3.0 UK-EU Trade and Cooperation Agreement - Fisheries

“In summary there needs to be a much clearer strategy - Marine Scotland has a strategy and it’s vital that the UK government has a strategy.” Rodney Anderson giving evidence to the panel 12/02/2021.

- 3.1 The report was presented to the panel by Rodney Anderson of RB Anderson Associates who began by explaining that the deal was a huge disappointment to the industry. The evidence he gave to support this contention is outlined below.
- 3.2 The £140m uplift in the value of the UK catch claimed by the Government assumes that the additional quota for individual species agreed between EU and UK can actually be caught. The

most extreme example is North Sea Sole where the actual catch has only been about half of the total allowable catch in recent years and the mechanisms that will be used to determine this in future will not feel very different to the fishing community than those employed under the Common Fisheries Policy.

- 3.3 The element that really crossed a red line for the fishing industry was that EU boats will still be able to fish inside the 12 mile limit. The deal leaves EU vessels with greater access to UK territorial waters than vice versa. The majority of boats in the UK fleet are under 10m and the concentration of their effort is inshore and in relation to non quota species. Over 1500 EU boats are registered to fish and most are over 24m. They can only fish inside the UK 12 mile limit if they have established a historical pattern of fishing in the area but arrangements for monitoring are not yet in place.
- 3.4 The Trade and Cooperation Agreement gives the UK greater policy and regulatory freedom. The UK can unilaterally change the quota distribution and the rights of access but 'level playing field' arrangements give the EU the right to put retaliatory tariffs on fishery products or other goods if any change affects competition in the market. The agreement does provide for a specialised committee where changes to the arrangements might be agreed however this is unlikely to be established before the summer.
- 3.5 Plymouth Trawler Association made significant efforts to be prepared for the end of the transition period but it was very difficult as there was a lack of detailed information. Questions asked of DEFRA in early 2019 were not answered before December 2020. The advice and guidance on Export Health Certificates was significantly changed three times between 13 December and the end of the year and we are now seeing the consequences of this unfold.
- 3.6 There are big problems to overcome in relation to export; some of these will be of a temporary nature as the industry and government and officials in the EU get used to new systems. Some will be permanent - the EU have every right to follow the processes that have been agreed and these will remain.
- 3.7 Questions from panel members established that there was no active monitoring taking place of the activity of EU boats in UK territorial waters, no system to establish where fish were caught, beyond the entries made by skippers in their log books, and that the UK no longer had any right to access data held in the EU covering fishing activity.

4.0 Exports of fishery produce from Great Britain to the EU and NI

"Frictionless trade was not possible from the moment we decided to leave the single market and customs union." Sarah Holmes giving evidence to the panel 12/02/2021.

- 4.1 The report was presented to the panel by Sarah Holmes, a Legal Director at Womble Bond Dickinson LLB. She described how she had spent several hundred hours drilling down into export regulations and the barriers Brexit would create to trade on behalf of clients. She apologised for the complexity of her report but pointed out that members had more time to read it than the industry had been afforded to understand the new regulations.
- 4.2 She described her attempts to engage with MPs to point out that there was no way for shellfish consignments to reach the EU and her experience of being passed around from department to department. Even in September 2020 DEFRA were still not explaining that these impacts would be felt even if we did not have a no deal outcome.
- 4.3 The scale of bureaucracy the industry was having to deal with was evident from the forms included in the appendices to the report. The average cost to the industry of completing the necessary paperwork was estimated at £750 per consignment and this represented a permanent loss of competitiveness for the industry in its biggest market.
- 4.4 There is a need for an evidence based and honest discussion about the best way to continue exports from Plymouth and the wider UK. A continued insistence on UK regulatory autonomy

will make it more difficult. There were options to explore, including trans-shipment but none of these would result in more fish being landed in UK ports.

- 4.5 Despite the efforts of the Department for International Trade to agree new trade agreements with countries outside the EU there has been no net gain in UK trade with the rest of the world and certainly not for fishing. Any new markets would have their own regulatory requirements and given any new trade deals would not be subject to parliamentary scrutiny it will be difficult for local politicians to promote the interests of the fishing industry.
- 4.6 Members asked if the EU faced similar barriers in exporting fishery products to the UK, Sarah Holmes had thought that they did, but in fact this is not currently the case as the UK Border Operating Model will not introduce checks on products of animal origin entering the UK until 1st April 2021 and does not anticipate Border Control Posts operating until 1st July 2021. Some UK ports have said they will not be ready to meet this requirement until September 2021 at the earliest.
- 4.7 Members also wanted to know what had changed as we used to trade with countries before there was single market. However the single market does exist now and through it EU member states have preferential trade arrangements with each other and a large number of other countries with whom they have trade agreements. It's a question of the terms on which trade takes place, and we are now at a significant disadvantage as we have to prove we meet EU standards whereas when we were a member state this was assumed.

5.0 Panel of local fishermen

"We feel betrayed because the government promised a better deal and it's hard to see the positives." David Stevens giving evidence to the panel 12/02/2021.

- 5.1 David Stevens, skipper of the Crystal Sea, a modern 20 meter trawler which is equipped with a twin rig demersal trawl. Demersal trawling is efficient allowing unwanted species and undersized fish to escape. David has taken part in several Fisheries Science Partnership projects, and most recently has been working with the catch quota trials; where CCTV cameras record everything caught in order to prove the effectiveness of measures to improve selectivity. The Crystal Sea is a family run business and the Stevens family have been fishermen for many generations.
- 5.2 David thanked the Leader and the Council for their ongoing support for the Fishing Industry and particularly welcomed Call4fish. He explained that 92% of fishermen voted for Brexit because 'we wanted to be able to make our own rules'. He explained that the industry view had been that the quota uplift would have offset costs of bureaucracy, but that in practice the expected quota gains had been traded away.

STOCK	2020 UK SHARE OF TAC (RELATIVE STABILITY SHARE)	2021 UK SHARE OF TAC	2025 UK SHARE OF TAC (END OF 5 YEAR PHASE IN PERIOD)	ZONAL ATTACHMENT UK SHARE OF TAC *	AGREEMENT RESULT IN RELATION TO UK OBJECTIVE OF ZONAL ATTACHMENT QUOTA SHARES
Cod 7 e-k	8%	9%	10%	51%	-41%
Haddock 7 b-k	10%	16%	20%	51%	-31%
Whiting 7b-k	11%	11%	11%	52%	-42%
Sole 7fg	28%	31%	32%	91%	-59%
Sole 7e	59%	61%	62%	100%	-48%
Sole 7hjk	17%	17%	17%	36%	-19%
Hake 6/7	18%	20%	21%	25%	-4%
Monk 7	18%	21%	23%	28%	-5%
Megrim 7	14%	19%	22%	26%	-4%
Pollack 7	17%	22%	25%	48%	-23%
Saithe 7	14%	15%	15%	12%	+3%
Ling 6/7	34%	36%	38%	62%	-24%
Plaice 7fg	23%	25%	26%	64%	-38%
Plaice 7hjk	13%	16%	18%	38%	-20%
Plaice 7de	29%	30%	30%		
Rays 7	26%	29%	31%		

Note: Zonal attachment was the stated objective of the UK government in these negotiations and was calculated by CEFAs and DEFRA using a number of scientific criteria. Relative stability is the method used by the Common Fisheries Policy to apportion quota it relies mainly on historical catch data. TAC refers to the total allowable catch set at annual negotiations.

- 5.3 The above table is drawn for information provided to the panel by the Cornish Fish Producers Association and focusses on the specified uplift in particular the shortfall in species that are important to the South West fishing fleet, Cod, Haddock and Sole. The reality is that apart from some limited gains from selling haddock to the UK domestic market, the uplift of 25% is mainly in species we don't rely on in the South West.
- 5.4 The weak market in the UK is our Achilles' heel since it leaves us dependent on EU market access. Norway is currently in dispute with the EU and won't let EU vessels into their waters at all; we are unable to do this as we have given away our leverage. Our Government was wholly unprepared as we can see.
- 5.5 It is hard to assess the damage at the moment because of the ongoing impact of COVID, but perhaps that gives us some time to sort out the problems now before the industry goes back to work. Enforcement is important and very little is going on partly because of COVID but currently it's not happening.
- "Browbeaten and heartbroken: we were promised the world and the government have delivered nothing, The government need to be held to account and need to be shown the feeling of the country on what they have done." Steve Walker giving evidence to the panel 12/02/2021.*
- 5.6 Plymouth fisherman Steven Walker is part of the under 15 metre registered length fleet and an active member of Protest for Fishing Rights, which has 10,000 members from across the UK, many of which are working fishermen. Their goal is to enable the public to better understand the UK fishing industry, "from sea to plate", and to build support for UK fishermen.
- 5.7 Steve thanked the council and the Leader again for their support and help in making the public aware of the quality of fish landed by the local fishing fleet. He asked the council to 'step up' to improve infrastructure saying that if we had got the quota we were promised we wouldn't be able to catch it anyway.

- 5.8 Plymouth is perfectly placed we have the fish quay and the ferry service. On paper, fishing is a small part of UK GDP but it has the potential to be much bigger and the government are not seeing how important it is to coastal communities. We need to rebuild the industry from the ground up and we need the support of our government. The French have the support of their government and their community but I feel that here in the UK we don't have that, we are pushed to one side and forgotten.
- 5.9 People don't know where to buy our fish, there are not wet fish counters in the supermarket. We need people in the UK to eat more fish; they will go abroad and eat it but we need them to buy a lot more at home and then we would not be wholly dependent on exporting to the EU. We should consider Fish Friday in schools.
- 5.10 We need to think about the future, the fleet we will need, and we need to get young people interested; we need to have apprentices. The hardest part is getting the government behind us to stand up to the EU and say we don't want your vessels in our 12 mile limit. We need technical changes applied to everyone so they can't say it's discriminating. Government need to listen to the industry and follow through not do their own thing as they tend to do.
- 5.11 Member questions covered the use of cameras which it was stated could be required on larger 24m plus boats fishing in our waters as they are already by Norway, the quality of fish in supermarkets and the need to restore wet fish counters and the demand for UK fish in the EU and how they would meet it. The Chair sought clarity on whether the deal left room for us to rejuvenate our fishing industry. The fishermen's panel thought that the industry was still one worth supporting and that we needed to tackle the issue around the 12 mile limit and to rebuild the industry and our coastal communities.
- 5.12 Members concluded by observing that we need to continue to lobby on quota allocation in the context of the capacity of the industry to fish sustainably and also to look at apprenticeships.

6.0 Panel of Fishery products exporters

"Over the last 6 weeks or so we feel like we have been used as guinea pigs for the new export process" Charlie Samways giving evidence to the panel 12/02/2021

- 6.1 Samways Fish Merchants & International Transporters Ltd are a family run business with a long standing relationship with over 150 inshore vessels operating across the South Coast. Samways have a distribution fleet of vehicles crossing the channel on a daily basis to supply some of Europe's largest seafood suppliers. The key to Samways' success is their ability to make competitive and timely delivery ensuring that every minute of precious shelf life is passed on to the customer.
- 6.2 Charlie thanked the City Council for giving exporters the opportunity to share their concerns about the problems affecting the fisheries export trade. He explained that he had been sat in many meetings over the last few weeks with government officials where people had told horror stories about the problems they were facing in Calais and Boulogne.
- 6.3 It was important that people realised that the industry knew that costs would increase. Samways had estimated the additional costs at around £200,000 per year and had planned to pass these on to their customers, however they could not charge more for a worse service. Governments on both sides of the channel had failed to prepare their borders for the changes.
- 6.4 The short term goal was to persuade government to widen the scope of the Seafood Disruption Scheme to support the businesses that were trying to make the system work despite the challenges. Samways did not want to lose the trust of local fishermen but this meant they were having to absorb costs in areas not covered by the scheme:-
- Additional driver hours and mileage

- Additional container costs
- The costs of hiring vets to certify export certificates because their local Environmental Health service did not have the capacity
- Additional admin and operational time because handling agents and custom agents were not trained
- The cost of freezing fish due to lost sales

6.5 In the longer term Samways' business plan was to expand their operations in the EU but this required that government provide a smooth transition for exporters. An ICT system that simplified the paper work would reduce the costs Samways and other exporters are facing.

'One company that I do business with in France uses the Plymouth Roscoff route to import £6m of crustaceans per year, all sourced from the UK market'. Robin Turner giving evidence to the panel 12/02/2021

6.6 Robin Turner is a consultant for fish sales both in the UK and Europe and a consultant for fish processing and product development. He echoed earlier contributors in thanking the Council for the opportunity to give evidence and advised that panel that it had been obvious since the decision was made to leave the single market and customs union that the fishing industry would face additional bureaucracy and costs.

6.7 The Council were advised to work closely with their counterparts in Roscoff to synchronise the sanitary and phytosanitary checks they carry out as Roscoff is currently licensed for crustaceans but not molluscs and this meant diverting trucks via Portsmouth and Caen to the markets in Brittany. This added more than 1000 miles to the journey which would take 24 hours instead of 11 and require two drivers, by comparison it was only 82 miles from West Cornwall to Plymouth.

6.8 The cost of environmental health certificates is a major burden as each customer has to have a certificate costing between £30 and £62 per and as many as 8 per van might be required. Catch certificate are also onerous and you need to have extra staff to get the paperwork cleared before the trucks can be loaded. You need to have a VAT agent in the country you are exporting to which can cost up to £1000 per month and a shipping agent at around £300 per load. Altogether these costs add up to between £750 and £1000 on a 2 tonne load and we will send one per week, 2 in the summer.

6.9 We have boats landing a diversity of species: a mix of green crab, live prawn, velvet crab and spider crab. This was not a problem until 31st December last year, prior to that we had been able to send mixed loads for 25 - 30 years. Now we have third country status and to get a mixed load of shellfish and molluscs out is currently impossible as the regulations do not allow mollusc from sea class B to be imported into the EU. The sailboat oyster and scallop fishery on the Fal rely on this so for 6 weeks they have been tied up which is crippling for a small business.

6.10 We can't change the Export Health rules for molluscs; the EU is applying rules that we wrote whilst we were a member state. The EU and UK came to an agreement that allowing a third country to import without this paperwork would breaking World Trade Organisation rules. The only way to resolve the problem would be to join the European Economic Area or rejoin the single market and customs union. If we do not go back and renegotiate, this problem will become permanent and if we try to change the rules unilaterally we could have tariffs imposed on us which would make us uncompetitive on price.

6.11 Looking elsewhere for markets is difficult as international markets are limited in terms of species and quantity, and the price for containers has doubled and may go up three fold by the time we reach the second quarter of this year. IT systems such as Auxcis which we already have in Plymouth, Brixham and Newlyn could help streamline the process as they allow you to input

catch data direct from electronic log books which include catch details and the catch area which you need for Environmental Health Certificates and customs and VAT agents.

“The market need a diversity of buyers to make it successful. If you take away the smaller buyer ultimately it will affect prices.” Andrew Trust giving evidence to the panel 12/02/2021.

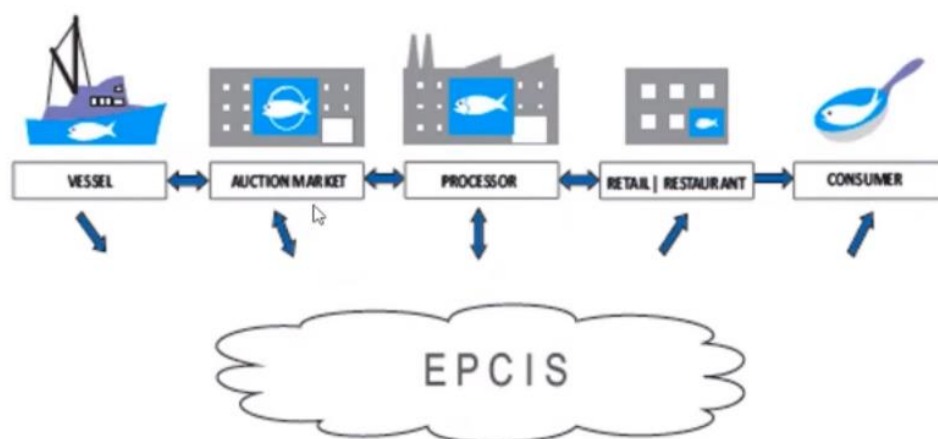
- 6.12 Andrew Trust is a fish merchant, auctioneer and proprietor of Ocean Harvest based in Looe and a fish shop in Plymouth. Andy described how he had successfully auctioned fish in Looe for the last 13 years. He advised the panel that the main priority was to be able to continue to sell fish into the EU.
- 6.13 The EU takes about 80% of the fish we catch in the South West and ultimately we need a smoother and clearer path to get it there as we haven't been able to export at all this year. Previously we were able to send 100 kilo lots to 7 or 8 customers but that level of business is going to disappear.
- 6.14 We are quite small merchants, the margins are very small and we have to stay competitive. Cornwall Council are reviewing the costs of health certificates and that is likely to go up. You need one per customer and if you have 8 customers you are having to pay for 8 certificates. Previously that didn't exist and now the margin will be eaten up by extra costs.
- 6.15 There is a lot of talk about quotas and exclusion zones but our main priority is that we need to be able to sell to the EU. Fishermen need to make money and the industry is very volatile on price. Dover sole can make £23 per kilo when it is in demand and only £8 when it isn't. At the end of the day it is down to supply and demand.
- 6.16 Members asked about delays in crossings which they were advised could be as long as 15 hours and which sometimes resulted in missed connections with other transport services. They also asked whether IT systems would cut down bureaucracy. The panel felt this would need to be led by government as it would need negotiation to ensure systems met the requirements imposed by French customs.
- 6.17 The Chair asked whether we still had the opportunity to expand the fishing industry as we had envisaged in our plan for fishing. The exporters' panel felt it would take action from government to ensure a sustainable business model, that is wasn't the success story they were claiming and would take years to adjust. It was suggested they could act to expand our domestic market and protect it from cheap imports from outside the EU such as Russian Cod. A follow up question from the Vice Chair revealed that most companies were unable to reclaim their losses from the Seafood Compensation Scheme.

7.0 Electronic Auction Systems

“Kosmos could provide this in a matter of days if we were able to share data and it was clear exactly what each form required.” Patrick Bauwens giving evidence to the panel 12/02/202.

- 7.01 Patrick Bauwens is Manager of E-trade & Process Control Systems at Auxcis who are a Belgium based company specialising in business automation, Radio Frequency ID solutions, E Trade systems and process control. Their system allows the identification and localisation of perishable products via RFID technology, for example fish boxes using the GSI EPCIS standard for easy sharing of data.
- 7.02 Auxcis already supply their software to the fish markets at Brixham, Newlyn and Plymouth, which was the first to adopt the system in the UK, among 65 other fish markets worldwide and they are a market leader in this niche market. The system runs using a Dutch falling clock system which ensures the highest possible price for any given lot.
- 7.03 The latest version of their software known as KOSMOS was introduced in 2019. It is a cloud based system and users only require a standard PC to run the system and users can connect

using android and IOS apps. The system can connect with E log books and with Government platforms and is already operating in Brixham.



7.04 Members asked why, given the data originates from E log books, it was not already available to help overcome these issues. Auxcis has not been asked to provide technical reports and could not access Government platforms to exchange data although they were capable of providing almost everything the UK industry needed.

8.0 Recommendations

8.1 Officers drafted a list of recommendations for discussion based on the evidence presented by the witnesses. Members proposed some amendments including one that we should consider joining the EEA. It was agreed this was one to consider in the future, the government had signed up to the deal because they wanted divergence and were unlikely to agree to reverse their direction of travel at this early stage. A further recommendation that we should ask CATERed about the potential to promote Fish on Fridays was accepted.

8.2 As a corollary to the recommendations it was agreed that they would be circulated back to the expert witnesses for comment. A week was allowed for this to take place and this generated 3 written replies. These and the draft recommendations were discussed at a meeting of the Council's Fisheries Group on Tuesday 16 January. The meeting was attended by several of the expert witnesses who had appeared at the panel and this discussion was further supplemented by one to one conversations with key individuals before the recommendations were finalised.

8.3 The main changes were that: -

- In the section relating to regulatory frameworks the recommendations relating to the depuration of bivalves were dropped as there was no reasonable prospect of achieving them through further negotiation with the EU.
- Based on the written feedback and further discussion a four point plan was agreed to address the problems around barriers and additional burdens. This combined short term relief with practical propositions for how the problems might be mitigated in the longer term, through the use of ICT and by negotiation with the EU.
- The remaining recommendations were revised so that they were reduced in number and correctly targeted at the institutions capable of implementing them and then restructured to aid clarity and coherence.