PLYMOUTH TRAWLER AGENTS LIMITED

Plymouth's Fishing Industry – A plan for sustainable fishing

We are responding, on behalf of Plymouth Trawler Agents, to the call for evidence by Plymouth City Council's Brexit, Infrastructure and Legislative Change Overview and Scrutiny Committee.

Plymouth Trawler Agents is a private limited company that runs the fish auction and market in Sutton Harbour. It is unique in the UK, in so far as it is run on commercial lines but in many ways has "co-operative" aims and objectives. The make up of the Company is also unusual within the industry. It has approximately 100 shareholders, most of whom are fishing boat owners. In addition, a few of the shareholders are fish merchants/buyers while a few more are philanthropic shareholders just wishing to see the survival and continuation of the fishing industry in Plymouth.

We have grown the business from an annual turnover of £750,000 in 1994 to £18.8m in 2017, despite the market opening when the fortunes of the fishing industry were at a low ebb and having to operate during a protracted period of considerable uncertainty. We are now firmly one of the top fish markets in the UK and among the top three in England. Plymouth is the administrative port for over 500 fishing vessels (second only to Newlyn in the UK) and the administration port with the largest number of fishermen in the UK. In 2017, a total of 365 different fishing vessels sold their catch through our fish market during the year, with up to 120 vessels selling in a single week.

Prospects for the future

A common misconception is that the UK fishing industry remains in decline (indeed this still appears in some official documentation). Yet, all the evidence points in the other direction. Over the past 10 years the industry has seen a welcome upturn. Profits of the UK fishing fleet have been growing steadily and the most recent figures show the UK fleet profits as being the highest across all EU member states. Independent scientists (including the Chairman of the Advisory Council of the International Council for Exploration of the Seas (ICES)) have pointed to the substantial improvements in many of the key fish stocks in which the UK has an interest. The UK fishing fleet, taken as a whole, enjoyed an estimated increase in profits in 2016 compared to the previous year of 25%. Its Gross Value Added (GVA) contribution was the best economic result for the sector since 2008.

This does not mean, of course, that everyone involved in the industry is doing well; there are some sectors that are still struggling for a variety of reasons and recovery of some of the fish stocks remains a challenge. Fishing is very much subject to nature's challenges, uncertainties and fluctuations, and can be seriously affected by external elements such as fuel prices, world-wide fish price movements, geopolitical factors, exchange rates and so on. Looking ahead, in common with other industries, we can expect disappointing years as well as good years. It is important, therefore, to focus on the medium and long-term and not become overly distracted by year on year variations.

In the short term there are some policy and regulatory challenges. We are still, for example, subject to the Common Fisheries Policy, which is notoriously cumbersome and unresponsive as a management framework. Despite the most recent CFP reforms, the system still lacks transparency and continues to throw up practical difficulties and unintended consequences for the industry and regulators alike. In the Fisheries White Paper, the Government has signalled that Brexit affords an opportunity to address these and other issues. We discuss Brexit further below.

Notwithstanding the uncertainties that lie ahead, we believe the industry to be on a long-term upward trend. But, to secure and maximise the potential benefits there is a need for modernisation and investment, both within the catching sector and onshore.

Plymouth is of national and regional importance

Plymouth is very well placed geographically as a major centre for the UK fishing industry. It is conveniently located for a number of important fisheries; some of the most prolific in the EU. The fisheries and the regional industry are highly diverse. Over 80 different species of fish are sold through Plymouth Fish Market with some of the individual vessels in the south west catching between 20 – 30 different species.

All three major fishing ports in south west England – Plymouth, Newlyn and Brixham –have their own characteristics bringing to each particular advantages and disadvantages. There is room for all three to continue to operate successfully and profitably.

What marks out Plymouth is that it has all the benefits of a City and Regional Centre, with a strong and long established marine and maritime heritage. The Fish Market is one of the premier markets in the UK and attracts business across the region and more widely. The City is a centre of excellence for marine science and engineering and has a high quality educational infrastructure with four internationally recognised marine institutes. There are excellent road and rail links enabling rapid transportation of fish products. There are also convenient ferry links to export markets on the Continent. The City Council has demonstrated its commitment and support for the fishing industry, and

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Plymouth is a draw for innovative businesses and employment opportunities**.** In short, it is Britain's Ocean City and the fishing industry is part of that.

With these multiple strengths Plymouth is exceptionally well positioned to be able to capitalise on the opportunities that lie ahead.

The Fisheries White Paper and Brexit

The Government published its Fisheries White Paper, *Sustainable Fisheries for Future Generations,* on 4th July. The Paper makes clear that it is the Government's intention that "access to UK waters will be on our terms, under our control and for the benefit of UK fishermen" when the UK leaves the EU. We welcome, as part of this, the proposal to move from relative stability to a fairer distribution of fishing opportunities based on zonal attachment. We were obviously disappointment that the Government was unable to deliver earlier exit from the CFP, despite strong indications earlier by Ministers that this would happen. The transition period (assuming that agreement is reached on this) must be used effectively to ensure that the fishing industry is equipped to take full advantage of the opportunities presented and is positioned to mitigate any risks when the UK leaves the EU. We support the Government's stated aim of separating negotiations on access to UK waters from negotiations about access to EU markets, though already there have been signs that the EC negotiating team and other member states are unlikely to concede easily. It is possible that there will be trade-offs if a deal is struck.

We agree that sustainability should be at the heart of future management arrangements. The White paper states that the Government aims to manage UK fisheries – and the wider marine environment – as a shared resource, a public asset held in stewardship for the benefit of all. This is an admirable principle, but we need to know what it will mean in practice. How it is interpreted and implemented will be critical and will affect the extent to which Plymouth and other south west England fishing ports and communities stand to benefit.

Fishing remains one of the most dangerous occupations in the UK and the regulatory systems have sometimes acerbated the problem by adding to the risks. We are pleased that there is the promise to "consider safety throughout the policy development and implementation process for new management systems, practices and technology."

A difficulty we have with the White Paper is that there are few specifics. Nothing is said about how the proposals will be implemented. There are no timescales given other than the UK's exit from the CFP, nor any indication of relative priorities. It is this detail that matters. Experience has taught us that with fisheries management the *how* and the *when* can be more important that high level statements of intent. The fishing industry has to operate in a world of business realities and practicalities. It is difficult to sign up to any proposals, beyond in principle agreement, until we have a much clearer idea about how the different sectors within the industry and how we might be affected.

What is needed for a sustainable fishing industry

We have summarised below what we believe to be some the key issues as far as Plymouth Trawler Agents are concerned:

To state the obvious, there have to be fish available to catch and land. This means that stocks have to be well managed, with sound science to support management decisions. At present, there are numerous data deficient stocks where the scientific data are inadequate or non-existent. Some of these stocks are economically important fisheries in the south west, such as cuttlefish. Also, at present, the European Commission and the ICES determine the priorities for fisheries research and monitoring. UK scientists contribute to this collective endeavour, mostly through ICES. Although there are real benefits from co-operation and co-funding, it can mean that the priorities determined centrally do not always coincide with those of UK fisheries management policy or the interests of the UK industry. There are UK fish stocks where better data would help the industry and help ensure that the stocks are managed sustainably. We would like to see the priorities for investment in the research and monitoring reviewed, to ensure that there is a stronger alignment between the needs of industry and the interests of the scientific community, which presently sometimes pull in different directions (especially if, as suggested in the White Paper, industry is asked to contribute more directly towards these costs).

Plymouth, with a supportive industry and four highly respected marine based academic institutions, is well placed to be centre stage in these developments and to work with the fishing industry – the catching sector, traders, processors and others – in developing an innovative programme of science, monitoring, data gathering and analysis that supports the local and regional economies.

The sea is a dynamic environment and there remains considerable uncertainty about fish movements and what is happening under the surface. This requires an adaptive and responsive management regime which delivers prompt decision making. The CFP falls down badly on this score. The Fisheries White Paper recognises this and promises timely policy and regulatory decisions once the UK has control of its waters. The Director General for Fisheries and Aquaculture of Norway has commented that Norway, as an independent state, can achieve in days or a few weeks what can often take many months or years under the CFP. Norway does so in close cooperation with its industry. We would like the industry in the UK to be able to work similarly in partnership with the fisheries administrations and enjoy swift, adaptive and responsive decision making by the UK authorities.

The Sutton Harbour Fish Market is operating at beyond capacity. It was not designed as a dedicated fish auction and market. The building was designed for multipurpose use, as there was strong doubt about the viability of the market when it was built. The success of the business has consequently presented us with a major challenge. When the market came into operation in 1995 it was never envisaged that we would have the present level of throughput and an annual turnover approaching £19m. Space is now cramped making handling large quantities of fish difficult and unnecessarily inefficient. There is not the room needed to modernise and introduce more efficient machinery and equipment. It is a struggle to maintain the high product quality on which we have built our reputation without the capacity to modernise. We can expect additional regulatory and data requirements in future; there are hints of this in the White Paper and, on top of this, Brexit is likely to place additional demands upon us when the UK becomes a third country and is exporting to the EU. If the UK is successive in reclaiming a fairer share of the fish stocks in its waters we can expect additional demand on our services. There will be more fish caught by local vessels, more fish landed here and more fish to be sold and transported. To be able to capitalise on this we need extra capacity and a modern infrastructure. Investment in modern premises and equipment should be a priority in Plymouth for a sustainable fishing industry.

Fishing ports play a significant role in the fisheries supply chain. They are the hub connecting the catching sector with traders and processors. They also act as a draw and home for associated support services, such as engineering, electrical equipment suppliers, repairs, boat building, etc. In doing so, they can become the basis of highly effective clusters; aligning and reinforcing geographical location, supply, functional linkages, and institutional presence. As such they serve and benefit not just their immediate location but their reach extends regionally. These inter-connecting forces foster innovation and drive, attract talent and strengthen the local and regional economies. It follows that it is important that the fishing ports should operate efficiently and offer high quality facilities to visiting vessels.

Unfortunately, the Fish Quay in Sutton Harbour falls short. On the Quay, vehicular access and movements are restricted because of lack of space and layout deficiencies, and the moorings, equipment storage and other facilities are not up to expected basic industry standards. There is lack of space for parking, loading and unloading lorries and vans, storing fish boxes and for repairs and maintenance. There is not the room needed for net and gear repairs. These are problems that were identified 20 years ago in a Seafish review of the Sutton Harbour fisheries complex and they remain today.

There are other problems with the site as well. The commercial units are obsolete and unattractive to prospective tenants. High quality fish products are heavily dependent upon how the fish are looked after on the boats after they have been caught. The supply of good quality ice is vital to enable fishing vessels to keep fish in good condition and to get the best price. The present ice making plant is not ideally located, the quality of ice produced is not satisfactory and the limited capacity of the plant means boats can find themselves having to queue to take on ice, at a time when quick turnaround is paramount. The facilities compare poorly with competing ports.

The water space is also cramped. The water space is part of a fishing port's estate and is just as important as the services and equipment on the fish quay. If there is not enough room for boats to berth, they do not have access to water of sufficient depth or they have difficulty manoeuvring, these are major problems. The port will lose business and vessels will go elsewhere if they have a choice. As the space afforded to leisure craft has grown in Sutton Harbour berthing opportunities for larger vessels has reduced making manoeuvring difficult and potentially hazardous. It has been put to us that some of the deeper water in the harbour has been lost to leisure craft with a small draught, adding to the problem. The lack of space for larger vessels to berth will constrain the number of vessels able or willing to use the Fish Quay. If Plymouth wants to retain its present leading position as a fishing port improvements to the berthing facilities will be required.

The Government's Fisheries White Paper is noticeably silent on fishing port facilities and services. It also fails to mention interconnecting services such as trading and transport. We believe these to be serious omissions.

Plymouth is notable for the variety of fish species landed and sold. This is the product of highly mixed fisheries and a highly diverse fleet landing to the Market. We believe this diversity is vital to the economic viability of the port. There is often debate about the relative merits of large and small vessels. We see both bringing benefits. It is a matter of horses for courses. Offshore fisheries demand larger vessels, whilst smaller vessels are better suited for working inshore. The proposal in the White Paper to remove the arbitrary over and under 10m categorization of fishing vessels seems sensible. It is much better that fishing vessels should be sized and designed to meet the needs of a fishery, with safety, efficiency and environmental sustainability firmly in mind. A balance then needs to be struck when allocating access to fishing opportunities so that the distribution reflects regional as well as national priorities. We would like to see increased opportunities for small as well as large vessels, and some assistance to encourage new entrants.

The vessels that supply PTA vary from large beam trawlers to small day boats. The quantities supplied by the smaller boats produce only a small return for the

Auction, but the quality of the fish can be excellent and contribute to the appeal of the auction to buyers. The combination of fish supplies from small, medium and large vessels is part of the Market's strength; to remain viable and to continue to generate buyer interest the market needs large vessels as well as small.

We provide a service for many of the fishermen landing to smaller ports and landing places in the south west region and beyond. It goes beyond a purely commercial relationship. We see this as part of Plymouth's regional role in supporting small fishing communities, providing jobs in areas where there are few alternative sources of employment. We provide a pick-up service, which on simple cost grounds would often not be economic. Transport or the lack of it can be an obstacle to sustainable fisheries – especially in the smaller landing places and harbours.

All UK registered vessels that catch and land quota-controlled stock are required under the terms of their licence to meet certain economic conditions. The purpose of these particular conditions is to maintain an economic link that will benefit the UK. They mainly affect UK registered foreign owned vessels, which currently account for a substantial proportion of the fish caught by UK vessels that are landed abroad. The Fisheries White Paper states that the economic link conditions are being reviewed. At present, the conditions are ineffective. There have been longstanding concerns that coastal communities and UK businesses are losing out. We believe that the conditions should be much more robust and should be more effectively enforced in order that Plymouth and other fishing ports in the UK should see real benefit.

We started this section of our evidence with the need to be able to catch fish. Our final point is that there also have to be markets in which to sell them. The EU is an important market for fish landed in the UK. A substantial proportion of the fish caught in UK waters are exported to the EU. A large proportion of the fish eaten in the UK are imported from or via the EU. There are also other important and growing exports to other countries outside the EU, such as the USA, China, South Korea, Taiwan and Canada. In 2016-17, the top four export markets were France, USA, Spain and the Irish Republic. Being able to import and export fish with minimum disruption is obviously desirable, as is greater freedom to explore new international markets. The White Paper recognizes this, but contains little firm information about how this will be achieved. From our point of view it would be helpful to have greater clarity about likely future requirements in order that we can be properly equipped and prepared.

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