Domestic & Export Sector Panel

19 May 2021 via Zoom

Attendees:

Jerry Percy (Chair)
Anne Birnie (SAFPO)
Martyn Boyers (BPA)
Michael Clark (SSA)
Robert Duthie (SPPA)
Jim Evans (Welsh interests)
David Jarrad (SAGB)
Rosemary Johnston (NI interests)
Sheila Keith (Shetland interests)
Elspeth Macdonald (SFF)
Sarah Ready (small boat/inshore interests)
Dale Rodmell (NFFO)
Paul Trebilcock (UKAFPO)

Seafish:
Marcus Coleman
Aoife Martin
Simon Potten (Secretariat)

Apologies:
Chris Anderson (Processors using domestic catch)

Welcome, introductions and apologies

1. The Chair welcomed everyone, shared apologies and outlined the format for the virtual meeting.

Minutes of the previous meeting

2. The minutes of the previous meeting (date) were reviewed. One amendment was discussed and agreed:
    a. JE requested an amendment to item 29 to insert the word "usually" to read "Support in the meantime is a key issue while all these huge problems are addressed between now and Spring, which is when industry would usually have higher exports to EU."

3. With this amendment the minutes were accepted as a true record.

Actions arising

4. SP reported that all actions had been completed.

Seafish Strategic Review discussion

5. MC introduced this item, providing background on the process and progress to-date, including discussions already held with Defra and the Devolved Administrations and plans for five cross-sector workshops to be held during June and July, to be followed by an online survey for all stakeholders to have their say. Findings will be considered by the Seafish Board in November, after which recommendations will be made to Defra and the Devolved Administrations. Seafish costs continue to increase, but levy rates have not changed since 1999.

6. A briefing paper had been circulated to members in advance of the meeting, posing the following questions:

- Is Seafish focused on the right priority areas?
- Are we having the right impact?
- Is there more that Seafish could be doing to help the seafood sector to thrive?
- Does Seafish have a role in helping government to deliver on its priorities?
- What more should we do to improve our reach and impact across the UK seafood industry?
- Is the levy fair and equitable? And if it isn't what would need to change in order for it to be?
- How do we ensure levy recovery is efficient and effective?

Summary of responses:

Activities:

7. Seafood industry is under constant (and ever-increasing) attacks from NGOs; really helpful to have (the trusted voice of) a public body to uphold its reputation and bust myths; recognition that knowledge (e.g., economics, sustainability) is needed to back up work to defend the reputation of the industry.

8. Members recognise the challenge of Seafish operating as a pan-UK body in an increasingly devolved UK; how does Seafish prioritise and respond to the different governments' political, environmental and fisheries priorities?

9. Post EU exit requires industry to understand and adapt quickly to changed business/market environments and Seafish support is needed to help stimulate increased consumer demand (especially promotion for UK-caught seafood to improve price per kilo for domestic landings) and support for opening up new (national and international) markets and support for new product development. Love Seafood not really working for small boat/inshore fishers and missing a trick with social media opportunities to sell the experience of "buy local".

10. Vast range of stakeholders; need more clarity on Seafish's roles and responsibilities in order to better manage expectations of what Seafish can do/does. Industry has a vast range of need and the challenge for Seafish is to pick out commonalities, which it has done well in its current corporate and annual plans.

11. Seafish support appreciated in facilitating groups to discuss/contribute to wider agenda (e.g., in future fisheries management). May be an increased role, but need to understand how the UK governments are going to be working together and developing fisheries management plans and what resources Seafish can bring to the table.

12. Seafish should help/support those that cannot help themselves (e.g., smaller vessels); the larger operators can look after themselves.

13. Seafish support for fishing safety (e.g., Kingfisher and fishermen's training) is highly valued; it is a niche role, the catching sector wants/needs this help and takes for granted that it will continue. MC commented that seafarer safety is the responsibility of the Maritime & Coastguard Agency, so need good reason for Seafish to work in this area. Members appreciate Seafish collaboration/support on fishing safety and appreciates its ability to draw down external funding to subsidise the cost of training.

Levy:

14. Need to address issue of "who pays the levy". Could lead to disproportionate delivery (e.g., by nation, sector, etc).

15. No suggestions for any better way to collect the levy than the current arrangement (at first point of sale). Cost is passed on through the supply chain, ultimately to the consumer.

16. No strong views on the suggestion of introducing an inflationary element to levy rates, but commented that raising levy rates would raise an expectation from industry for improved Seafish performance. MC advised it would be problematic to switch collecting levy from being based on volume to being based on price.

17. Recognise that the bulk of levy is collected from imports, but domestic industry is more demanding of support and sometimes in conflict with imports (e.g., wanting Seafish to do more to promote consumption of UK landings/production).

18. General consensus that levy should be extended to salmon & trout and canned fish (and other categories) for fairness and equity. However, concerns that salmon farming faces even bigger issues than wild capture and shellfish aquaculture, and that it could lead to a diminution of Seafish support for its existing stakeholders.

19. Strong agreement that salmon is either in or out of levy collection; if it is "out" then Seafish must be stricter at ensuring that salmon never gets mentioned (though recognised that this would not stop them benefitting from publicly available information/materials).

20. Serious doubts expressed that salmon industry would want to be part of Seafish; already better organised and funded.

21. Noted that there is tremendous potential for shellfish aquaculture to grow significantly and (if realised) this could add significantly to Seafish's future levy income.

Industry issues - round table

Scottish Seafood Association

22. Lack of white fish on the market (due to quota issues, etc.); exports to EU still difficult but improving; seeing ingredients coming in through customs; starting to see a real labour problem arising (little interest from domestic workers); UK retail market much-improved and business still good.

British Ports Association

23. BPA active supporting Scottish ports struggling with exports; inextricably linked between catchers and processors; improving trading conditions and looking forward to getting back to face to face meetings.

Small boat/inshore fishing interests

24. The inshore fleet is struggling with a lack of fish and prices down due to delays/issues with exporting and transporting. With high fuel prices many operators face an uncertain future and mounting debt problems. The Maritime & Coastguard Agency's "overzealous" enforcement of safety rules is adding further to operators' problems. Still a very negative outlook for the sector.

Scottish Pelagic Processors Association

25. Pelagic problems with customs have improved, but the cost of documentation high £800k extra this year). However, not too bad overall and still able to export to EU markets.

Scottish Fishermen's Federation

26. The offshore prawn fleet has seen a slight improvement in prospects with price for whole prawns very good, but the whitefish sector has been hit hard by the poor Brexit deal, poor quotas (with little opportunity to negotiate quota swaps) and Covid. No agreement yet with Faroe Islands & Norway; provisional quota allocations made adding to uncertainty.

Shetland interests

27. In Shetland things have improved, but the situation is a long way off what was wanted/needed with no Brexit bonus and additional costs and time. Ever increasing competition for sea space. Testing the resilience of the island's community.

Scottish Association of Fish Producer Organisations

28. Depressing also with lack of agreement in Faroes and Norway; displacement of effort all over the place. More positively the prawn catch uptake at a 10-year high. Short of cod quota and no opportunity to negotiate additional quota.

Northern Ireland interests

29. Scampi processors back up to full production with all staff back off furlough; additional delays in supply (due to paperwork) have affected quality of product and having to take on additional staff to cope with additional paperwork.

Welsh interests

30. In Wales some government support has hit the mark, but some not; frustrated by inaction during pre-election period. Many challenges remain to be addressed.

Shellfish Association of Great Britain

31. Shellfish exports getting better and improved prospects with catering sector opening up, but difficult to get staff and quantities are tiny by comparison with pre-COVID. Lack of staff causing problems as businesses try to get up and running again. Still unable to export live bivalves for purification in EU; this will be cataclysmic for industry if not resolved; many businesses are now "legally trading insolvent". Awaiting Defra decision on pacific oysters (potentially being banned).

National Federation of Fishermen's Organisations

32. Lack of agreement with Norway has caused lots of problems with loss of access to their fishing grounds; never-ending negotiations; ambiguity in the Trade and Cooperation Agreement causing issues in Jersey and at Dogger Bank; very concerned at spatial squeeze at sea and displacement of fishing effort. Bans on towed gear on Dogger Bank by MMO (taking a harder line than Defra had taken previously). Proposals for highly protected marine areas and offshore wind farms are making life very difficult for the fishing industry.

Date of next meeting

33. It was agreed the next meeting would be held in October 2021. **Action 1:** SP to arrange date for next meeting and confirm arrangements with meeting invite.

Meeting close

34. The Chair thanked all Panel members for their contributions and closed the meeting.

Actions

No.	Action	Timeline	Owner
1	Arrange date for October meeting and confirm arrangements with meeting invite.	As soon as possible	SP