

## **Minutes of the Processor & Import Panel**

### **Wednesday 27<sup>th</sup> January 2021 (via Zoom)**

#### **Attendees:**

Jon Parker (Chair and CamNesa)  
Adam Peasey, NESI  
Iain Shone (Global Aquaculture Alliance)  
Laky Zeruvadachi  
Mike Glavin (Food Standards Agency)  
Neil Cursons (Blue Oceans)  
Roy Cunningham, Camalltaidh  
Scott Johnston, Young's Seafood  
Simon Dwyer (Grimsby Fish Merchants Assoc.)  
Simon Rilatt (Espersen)  
Sturri Haraldsson (Norebo Europe Ltd)  
Victor West (Associated Seafoods Ltd)

Seafish:  
Aoife Martin  
Marcus Coleman  
Hazel Curtis  
Fiona Wright (guest)  
Stuart McLanaghan (Secretariat)

#### **Welcome and introductions:**

1. **JP** welcomed everyone to the virtual meeting and outlined the format for proceedings. New panel members (Roy Cunningham and Scott Johnston) were also introduced.

#### **Apologies:**

2. Apologies were noted from:
  - Stuart Caborn, Nomad Foods
  - Richard Stansfield (Flatfish Ltd)

#### **Minutes of previous meeting and actions arising:**

3. The minutes of the previous Panel meeting (29<sup>th</sup> September 2020) were reviewed and accepted as an accurate record.

#### **Actions arising:**

4. **SM** confirmed that the actions from the previous meeting had been addressed.

#### **EU Exit – Status, Challenges and Response:**

5. **Aoife** provided an update on what Seafish are doing to support and facilitate an informed response; this was supported by the attendance of Fiona Wright, Seafish Head of Regulation.
6. The EU-UK Trade and Cooperation Agreement is complex, where reference has to frequently be made to earlier EU regulations. Seafish is studying the contents and working to simplify, and explain the key parts relating to seafood, fisheries and food.

7. Guidance has been produced, relevant to catching sector and for imports / exports, including rules of origin. Seafish is working with Defra and ScotGov to understand specific issues and help work out precise fixes. A triage service for the sector had also been organised, where businesses could make appointments and receive help.
8. Nothing has prepared us for the complexity seen from 1<sup>st</sup> January and unexpected aspects are still be uncovered. The seafood sector has experienced significant disruption, with additional delays and cost, knocking on to shellfish vessels being tied up in harbours. Even prepared businesses have been tripped up on minor discrepancies, on paperwork and labels, or by other businesses having errors in paperwork in groupage transport.
9. The most recent challenge is export of live bivalve molluscs. Importing seafood into the UK may not be as severely impacted as the export side at present, but there is still a need to understand what's required and get systems ready.
10. **Fiona** – we are now seeing some import delays occurring now; the checks are the same and there is a need to learn lessons from exporters.
11. **Mike** – provided an update on imports of Products of Animal Origin (POAO) which had been applied using IPAFFS (Import of products, animals, food and feed system) since 7 December 2020. Things had gone as well as could be expected. Most importers reported minimal problems and those raised had been resolved. The Service Desk had dealt with all the issues raised and IPAFFS had so far proved to be robust. It is still important for all importers to register with IPAFFS, if they wish to import fish from countries outside of the EU.
12. The next major milestone is 1 April 2021, when the notification of imports from EU countries would be required using the IPAFFS, as well as the need to attach an Export Health Certificate from the EU country exporting into Great Britain. Consignments from 1 April will not be required to enter through Border Control Posts (BCPs) and will undergo a % of remote documentary checks. Where failures are identified, importers will be notified and asked to ensure that issues are addressed for future consignments imported into GB. It will be important to ensure that all importers of EU fish (not direct landings) are registered on IPAFFS before 1 April, to ensure that consignments enter GB with minimal checks.
13. On 1 July, it is expected that all POAO imports from the EU will be pre-notified in IPAFFS and required to enter GB through a BCP. Consignments will be subject to official controls on entry including documentary, identity and physical checks. The level of checks to be applied and underpinning risk assessment is currently being addressed by Defra, APHA and FSA/FSS. It is expected that there will be training webinars for importers in March 2021. Registration on IPAFFS is essential otherwise imports will not be allowed to enter GB. Export Health Certification requirements for imports into GB of POAO has been eased to facilitate trade during the pandemic. This is supported legally, but is due to expire in March when we may revert to require original certification to be present before a consignment may be cleared at a BCP. The new Official Controls Regulations will allow GB to move to digitally signed certification which will facilitate trade, but there are policy and technical issues to overcome before this can be implemented. Seafish may wish to consider how best to support this in the future as we emerge from the pandemic to allow imports to flow more speedily while ensuring safety for GB consumers and to continue to fight fraudulent practices.
14. **Fiona** – can we have very detailed guidance as people misunderstood the level of detail required in forms? **Mike** – we do have videos of how to complete Part 1 forms for importers and on registration. Further help (e.g. with workshops) can be provided if required. Looking at

problems on import – this surrounds preparedness for April and July when EU requirements come into play. Importers bringing in EU products need to know that they have to be registered, know what the new system is and be prepared for it. 1 April is when industry will need to pre-notify. From 1 July, products will need to come through BCPs, which will be new for some. FSA are having meetings on how checks will be done and which will involve 100% documentary checks. Risk-based physical checks will be used at BCPs, with only a percentage done physically. BCPs are having problems getting ready for 1<sup>st</sup> July (e.g. Dover) and hopefully an announcement will be made soon on levels of checks that will be required physically.

15. **Fiona** – we did get MMO agreement that a faxed certificate would be ok, as long as hard copy comes in the normal timeframe. This needs to be a Brexit easement, as we had as a Covid easement. **Mike** – legally we are required to have an original signed copy to release a container. Yes, due to Covid, we have released containers, for third countries, so long as the certificate follows. For 1<sup>st</sup> July, we need to explore with Defra the need to develop acceptance of e-certificates. For every consignment coming through an EU-BCP, if we demanded a master copy of certificate is physically present, this will cause huge delays.

16. Panel member observations:

- **Simon Dwyer** – for the Grimsby cluster, fish are arriving fairly smoothly from Norway, Faroes and Iceland. Issues for cargo fish products from overseas centre on freight rates increasing dramatically (\$3K to \$12K), to import fish from China. Congestion, from EU and locally, is also an issue: instead of products moving in hours, it is taking 3 to 4 days; this is also impacting ship logistics in foreign ports. Major concerns for 1 April, when health certificates and rules of origin information will be required for Norwegian imports. Two ‘mega BCPs’ being built, but concerns these will not be ready for 1 July.
- **Simon Rilatt** – seafood volumes coming into the UK have been restricted because people have feared problems. Rules of Origin requirements came as a shock to everyone, with misunderstanding on both their comprehensive and rigid nature. The underlying systems are not working properly, with businesses being asked to pay tariffs when not due, or not paying them when they are due. Also, whilst problems are being registered, solutions are not presently forthcoming.
- It appears that EU-Member States were less prepared than the UK. Our sector is having trouble getting completed documents from Member States who are arguing with each other about who is responsible for doing what (e.g. IUU checks.) Questions have been raised on why we need to check catch certificates for fish caught before 31 December 2020; assistance has been requested from Defra. This is an extremely difficult situation and many of the systems being relied upon are simply not working.
- **Roy** – some businesses did not prepare at all, whilst many others spent two years doing so. There are different competing support bodies offering advice on how to be ‘ready’. It was known in advance that in key areas – e.g. catch certificates and rules of origin – there would be issues. However, industry wasn’t able to test new systems before they went live, so problems were inevitable. Businesses are trying to find export solutions in the new landscape and daily trying to comply with the new regulations.
- Time is the most important solution for chilled, fresh and live shellfish, and the key aim is to get back to a ‘day 1 for day 2’ operating situation. Operating on a ‘day 1 for day 3’

basis simply doesn't work for getting shellfish into France / EU and administrative time delays need to be removed.

- Many businesses simply appear to have underestimated the extent to which they needed to rely on third parties (e.g. vets and clearing agents.) In the short-term, to support businesses to access EU markets, we need to reduce administrative burdens and digitise the interface between different systems.
- Government compensation was welcomed by industry however, this might reward businesses that did not prepare and miss those that invested in preparing over the last two years. Unprepared businesses have blocked the supply chain in the last few weeks, causing problems for everyone. After 47 years of the single EU-market, the changes underway will majorly impact how our industry looks; it will be important to support businesses to operate in the new trading environment.
- **Ian** – the main challenge is shipping, with slow turnaround of containers in the UK, but this is not just about Brexit. Covid and supply issues are affecting many industries worldwide, together with major changes in China's seafood demand patterns. There is a global shortage of containers, with huge price increases and difficulty securing space on vessels – as a result, smaller producers are struggling and some have stopped exporting. These issues are beyond both seafood and the UK.
- **Scott** – major challenges securing veterinary services and good quality export / import agents, including difficulties in Ireland. The groupage scheme has not worked for retailers in the way they had anticipated, especially in Ireland. As a result, retailers have been trying to source elsewhere. Likely to see a shift to 'in-Ireland' sourcing for some retailers which will be bad news for GB producers. IUU checks are also causing challenges and stocks of fish caught before 31 December are being held, as these cannot be exported without a catch certificate. Retailers trying to sell chilled products on a daily basis to Ireland and N Ireland has been fraught with difficulty.
- **Adam** – been relatively smooth so far on account of preparation which has worked relatively well. Mainly importing seafood with very little export. The main concern is Northern Ireland and Ireland, as literally "terrified" what will happen when the 12 weeks' grace period runs out. Some products will become uneconomical – it will take longer to produce the paperwork than produce some products (and these will be delisted.) Matters gets more confusing with added value products which have masses of paperwork. Previously frictionless export supply chains via NI to Ireland will be problematic or simply unviable - in summary, a ticking timebomb for the sector.
- **Victor** – time and effort was invested before transition. Our business decided not to export during the first two weeks in January; delivery delays also reduced from the first to the third shipment made, so pleased our system is operating better than initially anticipated. A difficult first few weeks, mostly due to groupage issues, despite our paperwork being correct. Other businesses failings caused problems for all, but they will likely be first in the queue for support. Lessons need to be learnt; businesses have to be prepared. Some firms had done nothing / too little and affected wider groupage shipments, impacting firms that had done the work. Government could have also tested systems. We need to carefully consider how we best communicate new milestone dates and stress to all businesses the importance of preparedness.

- **Laky** – food service interest remains centred on imports. To date, no issues experienced with either whitefish and salmon, but some with bass and bream. Now finding some suppliers are not prepared to export, as the amount of paperwork required for small quantities isn't viable. Special requests for small volumes of seafood product not available in UK is difficult, as the paperwork is mind bogglingly troublesome to bring product in from France. Our business is down 80% on a normal year due to Covid, with most staff still on furlough. Remains a very challenging year for food service, with many businesses still facing problems to enable them to keep trading.
- **Sturri** – mostly importing and not facing any major issues. Food service will face extra timing issues and costs for obtaining health certificates and veterinary approvals for products coming from / through EU. Been more affected by global freight issues, container vessel bottlenecks and global demand for consumer goods, mostly coming from China. Brexit has not so far affected us greatly.
- **Neil** – setting up a new factory, so not yet experienced problems importing seafood, but some concerns that this is coming down the track. Had delays (c. 2 months) importing machinery and advised about a shortage of shipping containers worldwide. The new processing facility should be ready for production at end of March 2021.
- **Aoife** – many issues are understood, but some cannot be fixed unilaterally. Defra is engaging with the European Commission in an attempt to address them. There is a long list of issues which is being updated and referred to at twice-weekly calls, but some of these are not quick fixes, as not within the UK's remit, and instead need EU agreement. A major 'win' is that from this week, industry is again able to export crab claws.
- Customs issues remain problematic and Defra is working with HMRC to understand each other's requirements, but this takes time need to unpick issues. On compensation, eligibility criteria have not yet been released, as government is trying to ensure that those not at fault receive compensation. It does not want to compensate those businesses whose problems were due to their own lack of preparation.

**Action #1:** Seafish to circulate IPAFFS webinar details to Panel members when available.

### **Annual Planning – initial discussions**

17. **Aoife** presented a high-level overview of the work areas currently proposed to be included in the 2021/22 Annual Plan. This focuses on helping industry to secure sustainable supply and meet consumer demands for supply chain integrity. Seafish's approach to delivery of all activities will remain flexible and agile, to ensure our commitment of resources remains aligned with levy income throughout 2021/22. Key planned work (not ordered by importance) includes:

- facilitating businesses to adapt to new trading arrangements under the Trade and Cooperation Agreement;
- national fisheries co-management initiatives e.g. Shellfish Industry Advisory Group, Crab Management Group, and the Whelk Management Group;
- economic data collection and analysis on issues affecting the catching and processing sector; and
- animal welfare (which will primarily focus on crustacea.)

18. **Hazel** confirmed that activities underpinning the Love Seafood initiative should seek to encourage greater diversity of consumption in the UK and promote seafood consumption in the hospitality sector industry, as lockdown restrictions are eased.
19. A general discussion followed on Annual Plan areas of specific interest, including the need for Seafish, as part of the UK taking back control of its waters, to consider fishery regulations and find answers to non-quota stocks. Given the desire to avoid over exploitation, as vessels are displaced or agreements delayed, there is a need to manage tonnage limits and protect non-quota stocks. **Aoife** confirmed that work is already underway through the new national shellfish management groups who are considering options to work up into proposals, to manage effort more effectively. Otherwise, there were no proposed additions or work areas to be removed.

#### **Date of next meeting**

20. Panel members were canvassed on when to arrange the next meeting for April 2021 (in line with the pre-Covid-19 meeting cycle.) There was a consensus to hold the meeting after the Scottish / Welsh Elections on 6<sup>th</sup> May.

#### **Meeting close**

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

**Action #2:** Seafish to circulate a doodle poll to identify the most suitable end-May 2021 meeting date.

#### **Action List**

<b>No.</b>	<b>Action</b>	<b>Date resolved and supporting notes</b>
1	Seafish to circulate IPAFFS webinar details when available.	Circulated on 25 February.
2	Seafish to arrange next meeting	Doodle poll circulated and Zoom meeting organised for Thurs 27 <sup>th</sup> May - 1000 to midday.