



26th October 2018

Submission by the Killybegs Fishermen's Organisation to the Joint Committee on Agriculture, Food and the Marine on the Impact of Brexit on Agriculture, Food and Fisheries

In February 2017, the Joint Committee on Agriculture, Food and the Marine produced a report entitled, "Impact of the UK Referendum on Membership of the European Union on the Irish Agri-Food & Fisheries Sectors".

I made a submission at a hearing of the Committee on the 24th January 2017 (copy attached) on behalf of three Fish Producer Organisations namely the KFO, the IFPO and the ISEFPO ahead of the publication of that report. We understood that our joint presentation was well received and had expected that our recommendations would be included in the report. We were surprised and disappointed that none of these appeared in the report and that the only recommendation specifically on fisheries is contained on page 86 of the report which states:

"The Committee recommends that every effort be made to argue for a re-evaluation of Irish fishing quotas, recognising the failings of the current system, and facilitating the long-term elimination of the Hague preferences. The Committee believes that if quotas were allocated fairly that the need for the application of the Hague preferences would be a non-issue, removing a contentious element of annual quota negotiations."

We were completely baffled when we read the recommendation cited. It bore no resemblance to reality and constituted a complete u-turn on the position I had enunciated on behalf of the three POs.

To say that we as industry face challenges coming down the track at us because of Brexit is a massive understatement. However, we recognised that very fast and in a classic case of 'first up, best dressed', we set about lining up our ducks and getting ready for the battle ahead although the scale of it and related timeline were rather vague back then. More than ever, we need to be united as an industry and although we may have our own internal differences of opinion on sectoral issues from time to time, when a metaphorical earthquake such as Brexit strikes, we all really need to pull on the green jersey.

The KFO were at the coalface in the establishment of the European Fisheries Alliance (EUFA) which is a coalition of European fishing fleets directly impacted by Brexit. Members include national organizations from Belgium, Denmark, France, Germany, Ireland, The Netherlands, Poland, Spain and Sweden. The alliance accounts for over 18,000 fishermen and 3,500 vessels with an annual turnover €20.7 billion.

Santiago Declaration

October 23rd marked the one-year anniversary of the launch of the Santiago Declaration. What was that, you might ask? It marked a hugely significant coming together of representatives of coastal communities from across the European Union in Santiago de Compostela, Spain to call upon EU decision makers to protect the economic fishing future of their communities during the Brexit negotiations. It was fitting that Ireland was to the fore given the pivotal and pioneering role played by the Irish industry in establishing the European Fisheries Alliance to fight the corner of Irish fisheries in the face of the grim uncertainty and sheer chaos created by Brexit.

The declaration, signed by coastal communities from EU Member States, calls for vital fishing interests to be defended in the Brexit negotiations, as we have never faced anything with the potential regulatory consequences of the British exit from the EU.

A year on, Brexit negotiations have entered a decisive phase and fisheries remains a very important topic due, in no small part, to the intensive lobbying and voracious networking spearheaded by the Killybegs Fishermen's Organisation, among others. Given that the United Kingdom and the EU share limited resources as well as interdependent ecosystems, reciprocal access to fishing grounds and markets with the United Kingdom remains a priority for EUFA. Additionally, post-Brexit cooperation on sustainable management is necessary to ensure the economic livelihoods of fishing communities and the future of the fisheries sector in Europe.

The European Fisheries Alliance remarked last week that our message to policy-makers has remained unchanged, namely, that any Brexit agreement needs to take care of our coastal communities. A long-term economic future means safeguarding current reciprocal access arrangements to waters and markets and maintaining current distribution of fishing opportunities.

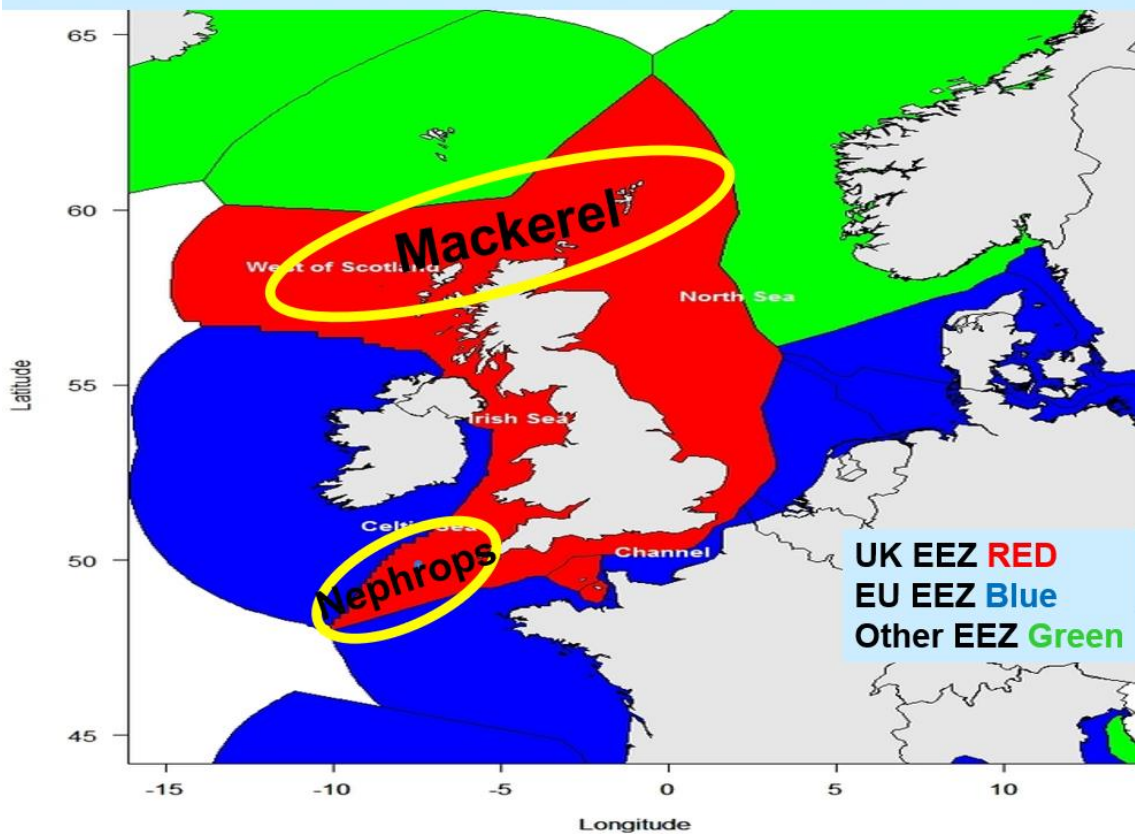
This is something which we in the Killybegs Fishermen's Organisation are all-too-aware of. Last April, history was made as Irish Fish Producer Organisations sat down to meet the Taoiseach, the Tánaiste and the Agriculture Minister together for the first time, to solicit a Government guarantee of unequivocal support throughout these tumultuous Brexit negotiations, which was given. This top-level engagement clearly demonstrates the effectiveness of the lobbying and industry representation of the producer organisations which is garnering a great deal of political attention and support domestically as well as in Europe. EU Chief Negotiator, Michel Barnier has listened attentively to us and represented our cause with stoicism while the Member States which have fishing rights in UK waters, including Ireland, have been fully supportive.

The absolutely crucial issues from an Irish fisheries perspective are that our €1.15 billion seafood sector which sustains 14,500 jobs here, is not separated from the wider trade negotiations and that there is no dilution of what has already been achieved in the negotiations in terms of commitments and guarantees. Ireland exported €85million of seafood to Britain in 2017, which was 13% of our overall total, while we imported €228million in the same period, amounting to 68% of all seafood imports.

We simply must maintain the status quo post-Brexit, retaining our access to UK waters and protecting our quota share after the transition phase. Contrary to the committee's report, it is our firm belief that it is also imperative that our Hague preferences are protected and it is critical to avoid a situation whereby we fall off the "cliff-edge" at midnight on March 29th, 2019.

We recognised in the hours after the British people voted in favour of Brexit that our industry was perilously positioned. The exit from the EU of a member state which happens to be our largest trading partner, a country with which we share 47 out of 50 Total Allowable Catches and quota stocks, had the potential to decimate our sector. Our two biggest and most valuable fisheries, mackerel and nephrops (or prawns) are hugely dependent on access to UK waters as the map included below shows. Our industries are entwined like no other - fish know no borders, they swim between seamless national jurisdictions.

UK EEZ almost 33% North East Atlantic Waters



Writing to Mr. Barnier in August, the European Fisheries Alliance stated that the political declaration accompanying the Withdrawal Treaty should first and foremost establish a strong link between fisheries and the wider trade arrangements, as stated in paragraph 8(i) of the 23rd March 2018 European Council guidelines for the Brexit negotiations: *"In the overall context of the Free Trade Agreement (FTA), existing reciprocal access to fishing waters and resources should be maintained"*.

This text in the March guidelines is fully in line with the position taken from the beginning by EUFA, which advocated for the inclusion of the key principle of maintaining current access to waters and existing sharing arrangements of the resources in a future FTA with the UK.

There are two essential reasons for this:

a. The fishing industry by definition operates in a dynamic economic environment, where operators have to deal with the usual volatility of markets, competition, fuel costs, etc. Operators also often have to overcome large fluctuations in allowed fishing opportunities (Total Allowable Catches or TACs). In this context, the relative stability allocation keys as defined under the CFP have assured EU fishermen of a stable and predictable quota entitlement, at least in percentage terms of the total TACs. EUFA does not want the current relative stability keys to be changed because of Brexit – it is indeed one of our key objectives for the negotiations. However, EUFA also wants the allocation keys to be stable post-Brexit. It would be difficult for any fishing industry to cope with the possibility that every year or every few years their quota entitlements as a percentage share of the TACs may change. Linking a fisheries agreement to a long term FTA would prevent such an unwanted dynamic.

b. To ensure a balance is maintained in the negotiations against the background that the UK aims for a deep and comprehensive economic partnership with the EU, including a free trade area for goods.

In light of the above the KFO believes that the main objective to be stated explicitly in the political declaration and further elaborated on is the text of the 23 March 2018 Council guidelines: *“In the overall context of the Free Trade Agreement (FTA), existing reciprocal access to fishing waters and resources should be maintained”*.

In summary, the KFO recommendations made to the Joint Committee on the 24th January 2017 as outlined below have not changed and are still as critical as ever to survival of the Irish seafood industry. I am glad to say that the Barnier team, the Commission and the Member States directly affected have to date fully endorsed and acted on these recommendations. We would respectfully request that the Joint Committee also takes these recommendations fully on board.

1. **Government must make fisheries a top priority**
2. **Fisheries negotiations must not be separated from the wider trade negotiations.**
3. **Maintaining access and quota shares are two vital issues and the status quo on these two critical issues must be maintained post-Brexit.**
4. **We must at a minimum protect our Hague Preferences**
5. **Fisheries cannot be a bargaining chip in the negotiations and must not be isolated as a standalone issue**
6. **We must avoid a “cliff fall” in absence of agreement on the 29th March 2019**

7. The seafood industry must be party to the negotiations in a meaningful way

I thank the committee for its consideration of this submission and look forward to reviewing its final report.

ENDS

Seán O'Donoghue

CEO Killybegs Fishermen's Organisation

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