

By: Chief Fishery Officer

To: Kent and Essex Inshore Fisheries and Conservation Authority –
21 May 2019

Subject: Brexit Paper

Classification: **Unrestricted**

Summary:

This report will provide Members with an update on the work carried out to date by the IFCA and other Government departments to prepare for leaving the EU

Recommendation:

This report is for **COMMENT** and **NOTING** only.

Fisheries Bill update

In December 2018 the Public Bill Committee completed its work and has reported the Fisheries Bill 2017-19 with amendments to the House. The Bill is now due to have its report stage and third reading on a date to be announced. Indications from the Secretary of State suggest that progress of this Bill is dependant on progress of the Withdrawal Act through the House.

'No Deal' – Planning and Operations update

From the end of February until the mid-April, planning and preparing for a no deal Brexit became the major workstream for KEIFCA officers and came to dominate officers time especially around the proposed exit dates of the 29th March and the 12th April. Two main workstreams developed over this period:

1. Helping inform and coordinate actions need to be taken by the fishing industry in KEIFCA to be in a position to fish and trade in the event of a no deal.
2. To work with other fisheries and marine enforcement partners (MMO, Boarder Force, Royal Navy, Police, Department of Transport and MCA) to ensure that fisheries and maritime legislation was being effectively enforced and feed timely relevant information into national DEFRA planning and response structures.

Actions needed to be taken by the fishing industry in preparation for a no deal Brexit.

Over an 8 week period KEIFCA officers attended a wide range of national and local meetings outlining DEFRA's planning and the actions that were needed to be taken by the fishing industry to be ready for a no deal Brexit. As well as one off national meetings such as 'Preparing the seafood sector for a no deal Brexit' - 4 March 2019, Westminster or local meetings arranged by Canterbury City Council to discuss new processes that would be needed to allow EHOs to issue animal health certificates, regular briefings were also given via IFCA national groups and via dedicated weekly or daily phone meetings.

From Mid-January onwards a range of new systems and processes were launched by DEFRA, relevant information of which can be found on their gov.uk webpage - *Exporting and importing fish if there's no Brexit deal (Guidance) - Prepare for rules and processes for exporting and importing wild-caught marine fish if the UK leaves the EU with no deal.*

Catch certificates for exports of fish (MMO)

As an independent coastal state, the UK will be classed as a third country. As a result, it is expected that all exports of UK caught fish and fishery products to the EU must be accompanied by a UK fisheries authority validated catch certificate. DEFRA has launched a section of the gov.uk website which hosts the online Catch Certificate form. Fishermen are required to register to be able to use this process and would be required to complete a catch form for each fishing trip. To aid the fishing industry an MMO support centre facility available 24/7 was commissioned to provide advice to users using the service.

EU exports of fish and fish products – EHC requirements (DEFRA)

Export Health Certificates (EHC) are used to provide assurances regarding the health and hygiene standards of animals and animal products for export (they are currently used for UK exports to third countries). In the event of a No Deal, the EU will require EHCs for all export consignments of animals, animal products, fish, shellfish, crustaceans and fishery products. An EHC will be required for each consignment – a consignment is considered to be a product (or group of products - there is no limit on the size of a consignment) that fall within a single EHC category, and that is sent to a single destination. An EHC is signed by an authorised signatory following an inspection of the consignment and for fisheries this is normally a Local Authority Environmental Health Officer (EHO) but it could also be an Official Veterinarian (OV). In the event of a No Deal, the EU would require exports of animals, animal products, fish, shellfish, crustaceans and fishery products to enter the EU through a border inspection post (BIP). Whilst there are designated BIP ports in Dunkerque, Zeebrugge and Le Havre it is unclear how capable they are in processing fish (the French are constructing eight new BIPs).

Government implemented changes to ensure that in the event of a No Deal, the EHC process can meet the demands of the fisheries industry are:

- *Increase EHC certification capacity* - Introduced Certification Support Officer (CSO) role – to support OVs and EHOs to carry out the checks needed before an EHC can be certified – and provided free training/qualifications for CSOs (200++) and OVs (450)

- Maintain EHC processing efficiency - hired 60 FTEs for the Centre for International Trade (CIT), Carlisle, to maintain efficiency under increased demand
- Help businesses find OVAs - Launched a new tool to help export businesses find authorised signatories in England, Scotland and Wales
- Make it easier to request an EHC - Launched online FormsFinder site where EHC applications can be downloaded from gov.uk (plan for online case management system by summer)

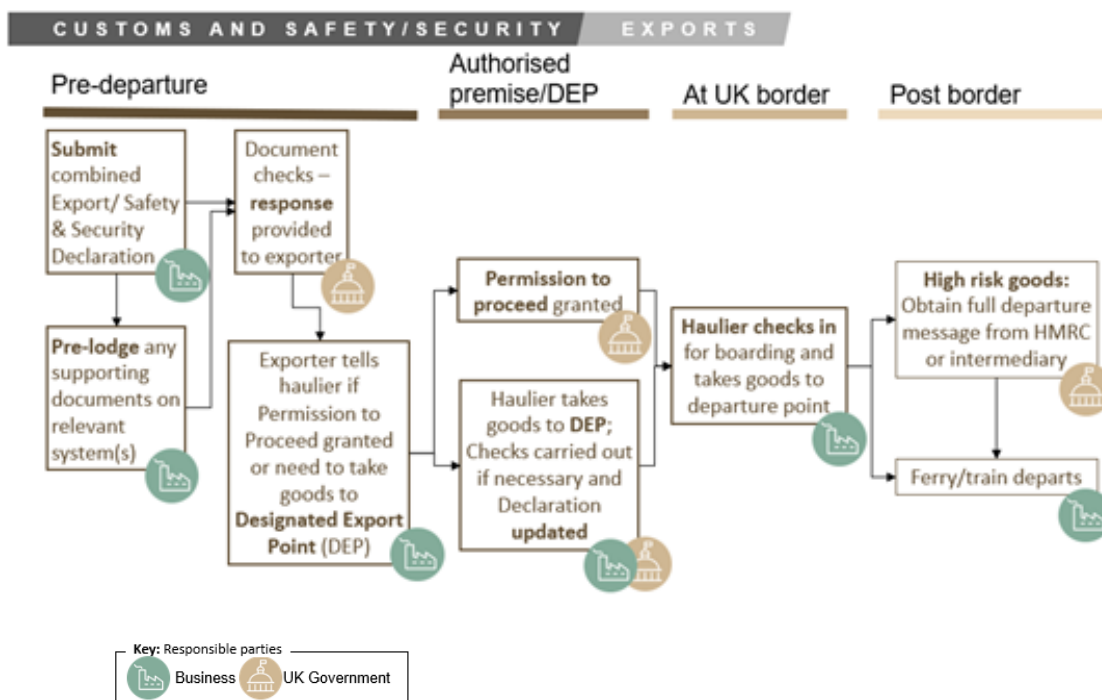
Customs declarations (HMRC)

Currently, businesses can move goods freely between the UK and the EU. In the event that the UK leaves the EU without a deal, businesses importing and exporting goods with the EU would have to comply with new rules. Customs declarations will be needed on UK-EU trade in a no deal scenario and businesses would need to decide how they want to manage the declarations process by either, appointing an intermediary, using specific software or using the HMRC End to End service.

Businesses who only trade with the EU need to ensure that they are prepared in the event of a No Deal EU exit

- Apply for an EORI number
- Confirm you can complete each data field in the Declaration
- Agree responsibilities with your customs agent and logistics provider for each part of the process and update your contracts to reflect this
- Identify software for submitting documents, if you do not use a customs agent

Exporting goods through RoRo borders on 'Day One'



Trade Agreements and Tariffs (DEFRA)

EU has c40 trade agreements covering over 70 countries. When the UK leaves the EU the UK will no longer be party to these agreements. Transitioned agreements aim to replicate the effects of existing EU agreements as far as possible. Where there are significant changes to trade-related provisions they will be set out in reports to Parliament and published on gov.uk. Trade deals with the Faroe Islands and Eastern and Southern Africa (ESA) have been established and more are in the pipeline.

In the event that the UK leaves the EU with no agreement in place, goods traded between the UK and the EU will be subject to the same requirements as third country goods, including the payment of customs duty. The government is considering all options to mitigate those challenges in the interests of UK consumers and businesses.

Full tariffs for seafood imported into the EU range from 0 to 24%, generally with higher tariffs for more process products (e.g Salmon from Norway entering the EU have a tariff of 2% in the case of fresh or frozen whole salmon, and 13% if the same fish is smoked.) Apart from a small list of tariffs the UK would apply to the EU for fish products, the exact nature and level of any tariffs the UK would place on the EU and vice versa for species caught and exported in KEIFCA district will depend on ongoing negotiations.

Fishing Licence variations ahead of EU Exit

MMO and the Devolved Administrations would be issuing licence variations to come into effect on our exit from the EU. In a No Deal scenario, the licence variation would remove the right for UK vessels to fish in EU, Norwegian and Faroese waters.

This means that any fishing activity (using active or passive methods) outside the UK's territorial waters and EEZ will be considered Illegal, Unreported and Unregulated (IUU). The right of innocent passage will remain (provided gear is lashed and stowed). Given that it can take several days to remove gear (and in particular, static gear), fishermen may wish to plan their fishing activities to anticipate the introduction of the licence variation.

DEFRA have also indicated that all UK vessels must have an IMO certificate to trade in the event of a 'no deal exit'.

EU exit labelling changes for fisheries products (DEFRA)

After the UK leaves the EU, the UK will not control how food labelling changes will be enforced outside the UK. The EU has issued guidance confirming that labelling changes will need to be in place from exit day to export to their markets and that industry should seek advice from their EU importing contact on the EU's labelling requirements. The gov.uk guidance will also be updated with new labelling information to help businesses understand what the EU rules will mean for them. Other non-EU countries may also require changes to be in place from exit day to export to their markets.

Actions taken by the EU in preparation for 'No Deal' Brexit

On the 19 March the EU adopted a series of legislative acts as part of its contingency preparations for a "no-deal" Brexit scenario. These measures are temporary in nature, limited in scope and adopted unilaterally by the EU and will allow EU fishermen and operators to receive compensation under the European Maritime and Fisheries Fund (EMFF) for the temporary stop of their activities in the event of a sudden closure of UK waters to EU fishing vessels.

Assessment of KEIFCA fishing industry No Deal Brexit readiness

- Most fishermen seem to be aware of the requirement for a completed catch certificate, however very low numbers have used the new system; the ones that have, have indicated that while straight forward it is time consuming especially as they are required for each trip.
- Although the larger operators have made some contingency plans on how to export fish to the EU, the smaller operators have less developed ideas and seem to be relying on the transportation firms to sort out the Export Health Certificate and customs issues.
- Everyone is waiting for the government to outline a new time table for departure, however as it stands the current leaving date for the UK leaving the EU is 31st October 2019. Although the 'no deal' option is still a possibility, votes in Parliament suggest this is now a less likely option and we will see in the coming months how many of the systems described above will be required in the future.

Work with other fisheries and marine enforcement partners

Working through national maritime coordination groups (JMOCC and NIMIG) KEIFCA officers worked closely especially with the MMO to feed into strategic and operational planning as well as provide a platform for MMO officers to undertake specific 'Day 1' patrols. KEIFCA's expertise within the planning and delivering of operations was local knowledge and expertise as well as a number of capable vessels that the MMO could deploy from. As one would expect a significant amount of this work is classified however the outline below gives a flavour of the work undertaken by KEIFCA officers.

In preparation for operations vessel equipment, processes and procedures were reviewed and discussed inhouse. Essex staff had additional familiarisation days with Nerissa prior to these dates so they could share the potentially longer days at sea. New equipment, namely new digital cameras with stable zoom lenses and a satellite phone were purchased. KEIFCA officers and vessels were also redeployed from Essex to Kent during specific extended periods to provide more presence and cover during specific targeted operations.

During the operations KEIFCA officers worked closely with DEFRA and MMO officers, dialling-in to regular planning and intel meetings and providing our patrol vessels for MMO tasks at short notice. Operations focused primarily around the proposed leaving dates of the 29th March and the 12th April and patrols focused primarily on activity outside our district.

During this period of intense activity all KEIFCA officers and staff exhibited a high level of commitment, flexibility and professionalism working to very short deadlines and rapidly changing requirements and expectations.

Recommendation:

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