



# Projekt HANSA



CHAIRMAN RUPERT MATTHEWS MEP

## THE FUTURE OF FISHING IN THE HANSEATIC REGION POST-BREXIT

Fishing was an emotionally charged issue during the UK's Brexit referendum in 2016 with passionate promises of more fishing quota and freedom from the European Common Fisheries Policy (CFP) being offered to UK fishermen. With less than 12 months to go before the UK leaves the EU, British MEP, Rupert Matthews and Dutch MEP, Peter Van Dalen came together with experts in this field to shed light on what might happen to the North Sea fishing industry after the UK exits the EU.

It was the Treaty of Rome in 1957, which first promoted the idea of a European fisheries policy. Initially fisheries was as part of the Common Agricultural Policy (CAP). As the EU has evolved, the fisheries part of the CAP became a policy in its own right. While today's CFP has undergone a number of reforms and revisions, the first CFP, established in the 1970s, required Member States to hand over control of fisheries management and resources to the EU. In the early days, the CFP provided a common structure and organisation of the marketing of fisheries products as well as the practical elements around fisheries management. This meant that for the first time in history, individual Member States handed over power to an external authority to determine how much of a stock could be caught by a fishing vessel. Exclusive economic zones (EEZs) were established around the coastlines of member states so that territorial waters became EU waters. In return, member states could sell their fish and fish products, freely and easily with the EU's

single market. In 1983, member states decided together, on approach to divvy up fishing opportunities in order to conserve stocks. Member States came up with the idea of 'relative stability' as a way of allocating total allowable catch (TAC) to each other based on their historic fishing activity. Relative stability was designed to provide for just that- stability for fishermen so that they were guaranteed a fixed share of quota to fish every year. Whilst it is the independent scientific body ICES (International Council for the Exploration of the Seas) which provides annual advice on fish stocks and various harvesting scenarios, it is the role of the fishing ministers of individual member states to determine exactly how much of a stock their Member State is going to be allowed to take. There was also a mechanism called Hague preference that provided a safety net (minimum level of catch) for nations that were dependent on particular species.

Understanding the historical context of the CFP is crucial in understanding the future of EU fisheries management particularly given that as of December 2019, the United Kingdom will leave the CFP and will become an independent coastal state. On Thursday 26<sup>th</sup> April, UK Fishing Minister, George Eustice told the UK Parliament in Westminster:

**"I can confirm that we will become an independent coastal state at the end of the transition period."**

This is significant. As a coastal state, the UK will be an independent player when it comes to negotiating its annual TAC. The UK will sit alongside the EU, Norway and Faroe as an equal partner.

With the UK's EEZ no longer considered a shared resource, the EU's current fishing regime is likely to change dramatically. Understandably, those non-British fishermen who fish in the UK's EEZ are concerned about their future. EU27 has been clear and strong in its response to the UK's position and has, on a number of occasions, requested that UK's access to the EU market for fishery and aquaculture products be dependent on it.

UK fishermen are looking to be able to catch more fish. But who do they intend to sell it to? The UK fishing industry is heavily reliant on exporting British caught fish to the EU market. In 2015, Britain exported £921m of fish to the EU.

This paper seeks to set out some of the implications and opportunities faced both the UK and EU27's catching and processing sectors.

According to Elaine Whyte of the Clyde Fishermans Association, 86% of shellfish caught by her fishermen are exported to the EU and somewhere between 5-10% exported to the Far East. Janet Robertson from the Representation to the Falkland Islands reported a similar situation whereby around 90% of fish caught from the Falklands is landed in Vigo, Spain and then makes its way onto main Europe's market. It is clear that access to the EU's market is important to the UK. Whether UK fishermen are prepared to pay high tariffs in order to sell their fish to the EU remains unclear.

People say if you want to see what might happens in the future, you must look to the past. In 1982, Green-

land voted to leave the EU. Negotiations to leave took three years to complete and by all accounts, were difficult and complex. Greenland's main source of income is from its fishing sector and, desperately concerned about handing over control of its industry to Brussels, Greenland held a second referendum (in the first referendum, people did vote not to join the EU but had to because of the island's ties with Denmark). The results from Greenland's second referendum were similar to that of the UK's result with 53% of Greenland's citizens voting to leave the EU and 47% voting to remain. In December 2019, the UK will join the North Atlantic nations and like Greenland, Norway and Iceland will look after its own resources. However, catching those fish is unlikely to happen exclusively by UK fishing vessels. In the case of Greenland, the island allows some EU boats to fish in its waters and in return, the EU allows access to the European export market. This is possible through a bilateral fisheries agreement between the EU and Greenland. In the case of Norway, Iceland and the Faroe Islands, the EU has a slightly different relationship. Access to water is managed by an EU reciprocity agreement so that shared stocks may be fairly and jointly managed. In a visit to Denmark this April, the UK Prime Minister, Theresa May told Danish Prime Minister Lars Rasmussen that she wanted "fair and reciprocal" access to waters for the countries' fishermen after Brexit and a strong economic relationship. Pre- referendum pledges of 'taking back control' have been subtly replaced with the words, 'partnership', 'cooperation' and 'maintaining links'.

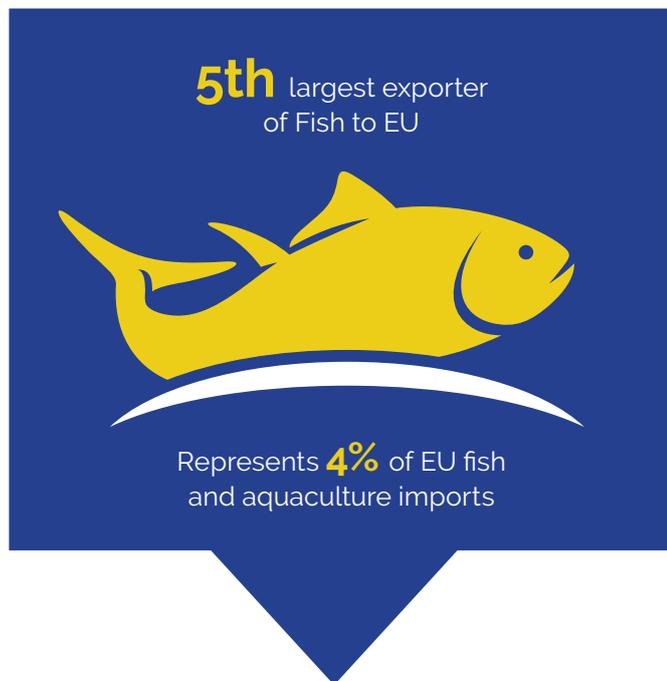
'Partnership', 'cooperation' and 'maintaining links' are appropriate words to use to describe the relationship between fishermen in the North Sea. The UK shares over 100 fish stocks with North Sea neighbours and it is reasonable that the EU, UK, Norway, Iceland and the Faeroe Islands coordinate their fishing activities.

Chairman of the Projekt Hansa Policy Group, Rupert Matthews MEP talking Brexit, fishing and the future of fishing and trade for the Hanseatic Region



Some fish stocks are managed through the intergovernmental North-East Atlantic Fisheries Convention set up to manage fish stocks in the region, while others are managed through agreements between the coastal states. And while the UK is currently a member of the North Sea Advisory Council and exerts significant influence among EU North Sea member states, it will cease to be so after Brexit. Exclusion from the North Sea Advisory Council would mean that the UK would have no influence when it comes to being part of the decision making process for EU fishing law in the North Sea.

## ICELAND



It may be that a special arrangement can be sought where the UK remains a full and active member of the North Sea Advisory Council. This would be unprecedented though, as only EU Member States are members of the European advisory councils.

Global fishing rights and responsibilities are laid down under the UN's Law of the Sea Convention (UNCLOS). Article 62 of UNCLOS demands that countries fish sustainably, do not overfish and do allow other countries to fish where there is a surplus of stock. The UK will have control and responsibility over fisheries management which could include specific UK or devolved Scottish, Northern Irish, Welsh and English law on the licencing of fishermen, fishing vessels and equipment, regulating seasons and areas of fishing, determining the species which may be caught and fixing the age and size of fish that may be caught.

## The Future

It is likely that a new partnership will grow between the EU and the UK as an independent coastal state. The bond between EU and the UK fishing industry is not fractured but instead, will be redefined with responsible allocation of fishing opportunities and sustainable harvesting being at the heart of the new EU- UK maritime relationship. The EU27 and UK must approach a new partnership agreement in the "spirit of cooperation" if fishing industries are to thrive post-Brexit. Confrontation will hurt all our fishermen by putting their livelihoods in danger.

Negotiators will need to think creatively and be ambitious in defining this new partnership. Will the UK be part of a bilateral agreement with the EU like Greenland? Is a Northern agreement as is the case with Norway, Iceland the Faroe Islands a more preferable option?

What is striking is the importance of finding a new way to fish together, whether it's cooperation on sustainable fishing, maintaining those crucial trade links or access to the more than 100 shared fishing stocks in the North Sea.





**“I am worried for my fishermen and like them, uncertain about what the future will bring.”**

Peter Van Dalen.

“Fishing communities up and down the North Sea coast are uncertain what Brexit will mean for them and their families. Fishing vessels are often family-run and a loss of catching capacity will have significant consequences. I was heartened to hear Rupert talk of cooperation of “interconnectivity” between the EU and the U.K.

With under 300 nautical miles separating the Port of Rotterdam and the Port of Grimsby, our trading partnership is old and well- established. Our shared fishing activities go back to the early 1300s. Our fishing communities are neighbours, colleagues and friends. Brexit will create a barrier between commu-

nities and barriers, in my view, are destructive. This is for me one of the reasons why I personally am against Brexit.

Throughout the year, fishing vessels swap their catch quota based on what they need and want to catch. Quota swapping intra- EU is straight-forward and commonplace. But that’s when you’re in The Club. Once outside of the EU, Dutch vessels won’t be able to shift quota to the UK and vice versa. The UK will probably fall under a similar regime to that in Norway and quota swaps will no longer be possible. This could pose a huge challenge to fishermen both in the UK and the EU.”