

Connétable Michael Jackson
Chairman Environment, Housing, and Infrastructure Scrutiny Panel
States Greffe: Scrutiny
Morier House
St Helier
Jersey
JE1 1DD

29th January 2021

Scrutiny Review of the UK-EU Trade and Economic Cooperation Agreement ('TECA') and its impact on Fisheries.

Dear Connétable Jackson,

Thank you for your letter on behalf of the Environment, Housing, and Infrastructure Scrutiny Panel, received by e-mail on the 19th January 2021 outlining the review being undertaken of the UK-EU Trade and Economic Cooperation Agreement ('TECA').

Jersey Business is best placed to comment on the non-technical commercial opportunities TECA presents or alternatives that could lead to the Fishing sector maintaining or improving its position as a sustainable profitable sector.

We will confine our reply to Point D in your Terms of Reference - **To examine the changes to processes and procedures for the fishing industry and what impact this might have in Jersey.**

As the agreement is in its infancy it is still too early to evaluate although its clear to see that both our Fisherman and French Fisherman are unhappy in general with TECA.

We note that Jersey has agreed to a transitional arrangement with the EU Fisheries Commissioner that allows vessels that held Granville Bay Area permits to fish Jersey waters before the provisional application of the Trade and Cooperation Agreement (TCA), will continue to have access to Jersey waters until the end of April 2021.

We hope this will allow tensions to ease and that ultimately Jersey will have much improved control over its waters to allow fishing to continue in a managed and sustainable way.

The new ways of exporting have seen a mix of success and failure so far but the same is reported by Scotland and Cornwall. After working to EU rules for 47 years it should be no surprise that our Fisherman when selling their catch in French ports could and would have some paperwork issues especially as the French ports are unhappy with the TECA agreement. Its good to see that recent shellfish exports through St Malo have gone well and untroubled.

We are aware that the new procedures and processes have created additional administration and handling charges such as the States Vet inspecting and producing export health certificates. This work is creating extra cost and fisherman, merchants and Oyster businesses will be under pressure to absorb these costs and therefore is likely to have an impact on their profitability.

The island's fishing industry is at the heart of Jersey's heritage and culture and remains an integral part of day-to-day business within the Port of Jersey, offshore waters, and the local community. The fleet is made up of around 50 full-time vessels and another 60 to 70 part-time, most are smaller vessels, operating mainly in potting and netting, in keeping with the image of small-scale artisanal fisheries; the lobster fishery is MSC certified; and Jersey's capture fisheries operate alongside a successful aquaculture sector producing pacific oysters (ASC certified) and mussels. More recently, the Genuine Jersey label has been extended to members of the Jersey Fishermen's Association and there has been a drive since COVID 19 to encourage and develop the local market for Jersey caught fish and shellfish selling direct to consumers.

Pre-COVID 19 most of our Oysters, Crab and Lobster catch was exported to France and Southern Europe with some Oysters going to London and whelks exported to Korea and Japan. Locally, Oysters sales are strong across our Hospitality sector and crab and lobster also strong in Hospitality but also sold directly to the public.

We know the sector directly or indirectly employ more than 100 people however we do not know the overall GVA contribution it makes and how this compares to other sectors.

What should be considered to keep our sector profitable and sustainable now that the UK is no longer a member of the EU that provides protection of livelihoods and ensures the sector is attractive for a future workforce?

Short- and Medium-term Goals

Initial considerations are as follows:

- Have a clear Fisheries Strategy.
- Local Market – sell more to our own consumers within the Jersey market. e.g., direct consumer sales as seen in Summer 2020, e-com sales and in supermarkets.
- Continue to maximize exports to a tariff free EU but start exporting to other countries to reduce dependence on our traditional market.
- Market Diversification – what new lines can be developed to vary the fishery sector's offering such as processed shellfish such a crab Linguine and Lobster Thermidor. Can alternative means of supply be introduced (e.g., tinning or freezing) for export.
- Develop a Jersey Fisheries Brand – showcase our fisheries sector in the local market and outside of the island. Unique charm of industry, location ('food miles') and quality of catch at forefront of the brand marketing.

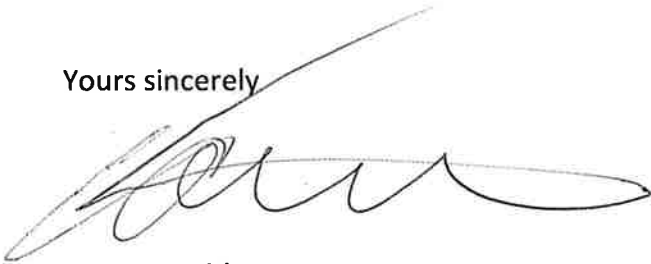
- Government investment in partnership with Fisherman e.g., Processing plant
- Digital –Establishment of digital presence through website, implementation of technology to enhance service offering (e.g., catch communication, timing, live pricing to local market). Development of timely analysis (catch volumes, vessel data etc.) and monitoring to ensure sustainability of stock and pristine environment is preserved plus digital solutions to move paperwork to digital.

Conclusion

The newness of the agreement means the full impact of post Brexit changes under the agreement have not fully been established, and even the largest, and well-prepared UK companies are reporting new issues every few days in their EU supply chains. In the short term the cost of the changes will most probably impact on profitability. However, over time processes and procedures will be improved.

Although its excellent news our Marine sector will not have to pay tariffs, we should really take this opportunity to develop new markets either on island or in new markets / new products to take away our dependence on France / Southern Europe for exports. We do not have a Fisheries Strategy, and this should happen sooner than later in collaboration with the industry to modernize and future proof this industry which is so much part of our culture and heritage.

Yours sincerely



Graeme Smith
Chief Executive

Jersey Business
31 The Parade, St Helier JE2 3QQ

