

Sector Readiness Research

Seafood production and processing is a sector that is heavily regulated and monitored by the EU, through the Common Fisheries Policy and Food Safety legislation. The UK's exit from the EU is likely to have a significant impact on businesses in this sector. The majority of Welsh seafood is exported to the single market and therefore tariffs and non tariff barriers due to exit from the Customs Union will also have significant impact on exporting businesses. Welsh Government has already undertaken work to identify possible EU exit scenarios and how these could possibly impact on the industry. A report has also been commissioned on how EU exit will impact on Fisheries Management in Wales.

The purpose of this research is to understand the 'day one readiness' of the sector in relation to:

- Access to waters and quota
- Regulatory changes and impact of Withdrawal Bill
- Market access – single market and custom union scenarios
- Affects of tariffs and Non tariff barriers

And the provision of an 'Action Plan' of recommendations for Government and other sector bodies to increase knowledge of impacts.

The research was carried out by Miller Research and is now complete. The report is being prepared for publication and at the time of writing (17/09) is not ready for circulation. We are hopeful that this can be shared with WMFAG members before the meeting on 01/10.

Preparing the Industry for EU Exit

Background

A scenario in which the UK leaves the EU without agreement (a 'no deal' scenario) remains a possible outcome if a negotiated outcome can not be agreed. It is our duty as a responsible government to prepare for all eventualities, including 'no deal', until we can be certain of the outcome of those negotiations.

Phase 1: The purpose of this project is to scope the implications for business that trade in seafood products between the UK and EU countries. Practical implications and financial implications to be considered. Funded through EU Transition funding. Timing to be completed by 01/10/2018.

- Preliminary understanding of existing trade routes
- Mapping of BIP's against routes from Wales
- Prepare strategic lists of Welsh Seafood companies and seafood hauliers
- Demonstrate strategy to involve Welsh Seafood Industry with a desired engagement outcome
- Prepare initial guidance and practical advice to the Seafood Industry
- Prepare proposed timetable of visits to Welsh Seafood Businesses

- Propose desired outcomes of those visits and proposed next steps
- Map out potential cost implications to the Welsh Seafood Industry
- Map out potential practical implications to the Welsh Seafood Industry
- Prepare suggested tasks required in Phase 2 of the project

Phase 2: This phase will involve identifying practical actions that business need to undertake to prepare their business to trade as a third country if on 29 March 2019 the UK leave the EU with no agreement in place. This will include the drafting of guidance for business on behalf of Welsh Government on practical actions they can take and to undertake a series of workshops across Wales in January 2019 for exporters, in a surgery format. (Funded through EU Transition funding , Timing : appointed by 01/10/2018 and delivered by 29/03/2019)

Seafood Strategy

Key activities that have contributed to the delivery of the seafood strategy are:

- Hong Kong Trade Mission with the EMFF Funded Seafood Market Development Project (Report to be distributed at the meeting)
- Work with Scheme Management Unit on a Simplified cost scheme under Union Priority One of EMFF
- Seafood Expo Global – and promotional film – which is available in 7 languages and is available to all overseas offices to promote the sector
- Ongoing Support from Fisheries Business Development Advisor (FBDA) Scheme available. Demand has not been what was predicted by WMFAG members in previous meetings
- H & S - Funding of Personal Flotation Devices. Commitment from Cab Sec to fund 100% of wild capture sector on registered vessels. Commitment from Cab Sec in principle to support ladders and Fisherman's Safety week.

**Bethan Jones
September 2018**