Wales Marine Strategic Advisory Group: European Transition Workshop Summary

February 2017

Tuesday 7 February, 2017
Life Sciences Hub
Cardiff Bay

Attendees

(Chair),
Graham Rees (Welsh Government),
(Welsh Government),
(Welsh Government),

Group 1

(Welsh Government),
(Welsh Government),
(JNCC),
(Pwllheli Partnership),
(Welsh Fishermen's Association),
(Natural Resources Wales),
(Cragen Llyn a Mon),

Group 2

(Welsh Government),
(Welsh Government),
(Welsh Federation of Sea Anglers),
(WWF),
(WWF),
(MHPA),
(British Marine Wales),
(Severn Estuary Partnership),
(Natural Resources Wales),

1 Introduction

Following the outcomes of the workshop (6 October 2016), held as part of the Wales Marine Strategic Advisory Group (WMSAG) meeting to discuss implications of the European Transition process on primary production, land use and sea management; markets and supply chains; consumers and services; and resource efficiency. A second workshop took place on 7 February 2017, to review the previous workshop outputs in light of the publication of the UK Government and the Welsh Governments white papers. The workshop also sought stakeholders input into the development of a robust evidence based negotiating position, that promotes the Wales marine offer, protects our key marine assets and identifies potential focus points for the negotiation of transitionary support.

2 Workshop Summary

The workshop was split into the breakout sessions:

- Breakout 1: Review of previous workshop outputs, in light of current UK position & The Welsh Government position.
- Breakout 2: Consideration and preparation of potential Wales Marine negotiating position.
- Breakout 3: Environment (Wales) Act: National Natural Resource Policy

3 Outputs from the breakout sessions

Breakout 1: Review of previous workshop outputs, in light of current UK position & The Welsh Government position

Group 1

Threats identified

• Seafood
• Identity needs for Wales
• Restoration of the territorial waters (200 miles Scotland)
• Removal of 'Historic Rights' to other European states (6 – 12nm)
    ○ Markets – access to Markets (80% landed catch goes to EU)
• Tariff barriers
• Non tariff barriers – highly perishable product
• Impact on coastal communities
    ○ Economic – succession – not subsidised
• Inter dependence of activities (Agriculture / Tourism / Fisheries)

Group 2

Threats identified

• Energy Policy not totally devolved
  ○ Potential general environment decline
  ○ Actually happening as identified through SONARR
  ○ Losing means to halt or even maintain status quo
  ○ Impact on delivery of WFG
  ○ Ocean Temp
• UK sees itself as team captain and holder of purse strings – evidenced by the fact round table defending position.
• Complexity – difficult to keep abreast of issues
• Groups – plethora – how do stakeholders feed into process
• Need to be submerged. Time required to understand process and feed in
• Economy – biggest threat to manufacturing
• Have fantastic environment – don't want to compromise or over legislate. e.g MCZ – make sure flexible enough
• 1000 corridors 'silos'- how do we ensure all our interests join up
• Ports – more restructure border
  ○ More difficulty @ terminals
  ○ Risk that all trade goes via Liverpool etc.
  ○ Wales will be less competitive
• Wales crossing area – Scotland / Ireland
  ○ Potential lose Ireland if immigration restrictions
  ○ Essential to keep relationship with Ireland
• Deregulation in England – transboundary effects
  ○ Less competitive
  ○ Less able to deliver on WBFG
  ○ Extra suite for Dee / Severn Estuary
• Co-exit in Wales
  ○ Pollution weakened in England
  ○ Risk to Wales WFG/ Env Act
  ○ High quality/ High welfare products
  ○ Not bargain bucket lobsters
 	
Opportunities also drawn out
• Coastal Path
• Waters / Sailing experiences – all based around NR
• WFG / Env Act / Planning Act / Marine Act – plugs gaps (only to low water)
  ○ SMNR
• Outward looking
  ○ Customers
  ○ Neighbours
  ○ Maintain Relationships
  ○ Not welcome to inward looking
• Levers within UK GOV – what leverage have we got
• Wales can offer collab working to
  ○ Join stakeholders together – between sectors
  ○ Bang for buck at UK

Breakout 2: Consideration and preparation of potential Wales Marine negotiating position

Group 1

<table>
<tr><th>Our Outcome (based on SWOT analysis)</th><th>Our Position</th></tr>
<tr><td>

protecting the natural environment;

high quality product from a high quality environment;
maintain Wales identity

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Maintain current levels of funding - impact huge if not.

Business needs certainty.
Avoid disruption of current port activity with delays. Legal duty for SD.
Maintain inflow of students and researchers to universities.
Stress intergrated and interconnected small scale communities and activities

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<tr><th>Our Interest</th><th>Possibilities</th></tr>
<tr><td>

Securing investment for infrastucture and business development for a non-EU world

marine energy,
transport,
communications;
attract blue and green growth;
rural perspective;
retain and improve GDP,
jobs and environment;
retain strong R and D in universities and spin offs

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Exporting knowledge and technologies;

processing infrastructure;
adding value;
health,
well-being and future generations act;
aquaculture

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<tr><th colspan="2">Our Trade-ables & Values</th></tr>
<tr><td colspan="2">

Contribute to UK international commitments with protected coastline;
Intergarted communities and for industries and hubs;
higher education on coasts;
high quality products and environments;
energy resources but they need infrastructure and support industries,
export energy,
export water (?)

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Group 1: The Challenge

What is meant when talking about protection of the natural environment?

- Need to maintain current standards and if possible improve the current standard.
- Wales is currently ahead of other administrations with string links between the environment, economy and the sense of place.
- We must promote high quality products produced within a high quality environment.
- Good Environmental Status makes Wales desirable. Enhanced by the backdrop of the Environment Act and the SMNR as they are respected within the process.
- WE are a coastal country with 70% of residents living within 10 miles of the sea.
- Coastal Communities are very fragile both culturally and environmentally this should mean that they are worth protection. However the only way for such communities to survive is too continue to develop.
- Environmental Protection tends to infer set in aspic. The legislation framework uses the term Resilience which is better and considers the unique position.
- Need drivers in education to instil awareness
- Common areas within the CFP need to be addressed to realise the opportunities. If they are rolled out at UK level these opportunities could be missed. There is potential to increase capacity without increase draw on the resource by repatriating resources to Wales.

You refer to a having high quality products what makes Welsh products different

- Certification of fisheries and what these offer to the environment increase perception of quality of the product
- We have unique legislation that doesn't exist anywhere else.
- The provenance of the environment in which the product has come from increases the quality.
- This is dependant on the market place WTO rules could jeopardise this.

Group 2

<table>
<tr><th>Our Outcome (based on SWOT analysis)</th><th>Our Position</th></tr>
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Marine Renewables

Development of new tech to harness assets available (Tidal range)
Recognition of innovation - Wales Centre of Excellence
Maintaining University Standards, drawing talented individuals

Improved Skills / Training
Benefits through WFG/Env Act
Infrastructure Investment
High quality / Sustainable Fisheries

We must not devalue environment
High quality focused legislation
Processing capacity
Trade deals (with Ireland/EU)
Brand Wales – fisheries can use the brand capitalising (Whelks to Korea)

Transport Links with EU and Ireland (cross cutting) Continued growth in sustainable coastal and marine
Tourism – cultural cohesion – Welsh culture and identity

Nature Reserves
Language
Env quality through legislation

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Potential for UK – offer – potential offer adjacent to significant ports which already have infrastructure available.

Flexible port access must remain

Best science – funding must continue
No loss of Env Impact Assessment
EU states perform lots of fishing in Welsh waters which may open the door to Welsh fishing boats / quotas having access to these UK/ Wales negotiating quota

Expertise, sense of ownership

Internationally recognised seascapes and landscapes
Wales Coastal Path, fantastic beaches
Activity tourism
Pembrokeshire only Marine Nature Park

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<tr><th>Our Interest</th><th>Possibilities</th></tr>
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More flexibility – adaptive management
More conservative approach to mitigation

Good base of expertise in NRW

Energy security
Low Carbon agenda
Marine Strategy UK and measures within desirable

Using indicates of health of ecosystem to judge whether fisheries sustainable rather than catch levels

Free and easy border with Ireland – not restrictive
Integrity of NR maintained – bedrock
Major tourism – UK needs support
Extend tourist season to knock out seasonality

Continued investment to support this

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Universities – Best Marine science in EU – requires funding
Our legislation – based around resilience – species and habitats to maintain resilience
Processing capacity
Maintenance of links with Ireland
Sustainable Coastal Communities
Transport links
Industrial Areas
Reclamation

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<tr><td>development – so can take opportunity of the things Wales has to offer</td><td></td></tr>
<tr><th colspan="2">Our Trade-ables & Values</th></tr>
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Energy security – National
2010 – Wales generated %9 UK’s energy needs – could be higher
High quality fish – lobsters and crabs

Hand collected scallops
Aquaculture
Inktable seaweed

Trade tariffs – where do we currently trade with as outlined in Wales Marine Evidence Report?

Need quality spatial data

Marine Leisure Industry

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Group 2: The challenge

EU boats leaving Welsh waters may provide an opportunity. However, UN agreement UNCLOS seeks to enable coastal states to work together. UNCLOS looks to deliver Max sustainable yield. It makes provisional arrangements around shared stocks and migratory stocks. There is an expectation to share science, calculate the maximum sustainable yield and allow unused stocks to be offered to others. **How do you propose we reshape the fishing and coastal community to strengthen our position?**

Growing UK Markets could be difficult as all administrations will be looking to the home market as we leave. The current demand is not high enough compared to the supply.

Exit will increase the risk to the industry. Need to have access arrangements in place and trade agreement. To mitigate the UK should be asked for transitional provisions whilst these agreements are put in place.

We need to look for opportunities to change consumer habits which should be part of a broader strategy to integrate approach and maximise value of the export.

Wales is an ideal place to generate low carbon power but this causes conflict in stakeholders’ options.

Group saw low carbon power as a positive asset of wales. NRW were invited to continue reacting favourably to renewable project development. There is scope for universities to help managed the perceived risk

Summarising Plenary

There is great potential to develop a banner for this ‘new blue deal’. There was a need to understand how well the Wales Brand succeeds in a UK market. WDA brand provides some evidence to support this.

In order to understand the value of the maritime economy, its economic potential and the levels of support this may require going through the exit process a number of questions needs to be addressed, these are set out below;

1. What has gone into the marine area in terms of investment to date?
2. Do we have an integrated figure?
3. If we can establish this we can understand the levels of investment we might need to maintain.
4. How much on marine protection and how much on marine development?
5. Are we spending EU money we have now in a way that effectively adds value?
6. Should funds be reprioritised at this stage to provide future security.

What is unique to Wales marine?

- Devolved legislation
- Milford Haven port
- Cultural Cohesion (bro cymru)
- Diversity in the range of marine activities
- Language
- Coast-line country

Breakout 3: Environment (Wales) Act: National Natural Resource Policy

Group 1

Category	Issue /Barrier	Enablers	Tools and Levers
Accelerating green growth by increasing resource efficiency, renewable energy and supporting innovation.	- Public hostility to large scale projects - Lack of political will - Nimby'sm	Information/communication Powers/political will Climate change Marine Plan	Early engagement (Lack of UK Gov) FITS (Subsidies)
	- EU legislation/directives - Grid Network	- Mitigating damage - WWMP Battery storage? And investment grid	
	Bid? for decommissioning Aquaculture	Financial backing Legislation/Regulation	Vision via M&F strategy
Considerations for Brexit	Investment (FITS), research, legislative conflict, MKTS		
Delivering nature-based solutions to improve resilience and benefits derived from natural resources.	MCZ Aquaculture	Site management Collaboration between Stakeholders Designation Legislation/regulation	
	Salt marsh Flood – managed retreat	Increased awareness and understanding or climate change/floods	
Considerations for Brexit	Aquaculture – MKT, legislation, funding		

Improving community and individual well being by taking place and landscape based approach.	Local conflict between groups (different priorities) Funding Devolved responsibilities	Early stakeholders engagement - Comms - Engagement - Mediation	
Considerations for Brexit			
Area Statements and mechanisms for implementation.	Public source toward? voluntary input		
	Area statement Admin boundaries		
Considerations for Brexit			

Group 2

Category	Issue /Barrier	Enablers	Tools and Levers
Accelerating green growth by increasing resource efficiency, renewable energy and supporting innovation.	Blue Growth	Pathfinder – monitor and learning in real time Harbour Porpoise	Coastal Authority have to pay NRW to support Marine sites Remove ban on NRW core funding
	Natural Environment – gets blame when should be challenging wider potential framework – often gets deferred (eg fossil fuel) UK doesn't have a coherent policy (marine renewables)	Flexibility in consenting Willingness to try innovative solutions and strategies – would like to see this go further (precautionary approach last – research before precautionary) Commission work to fill gaps	
	EU Funding – Evidence needed. Can we support to fulfil and deliver NR	Systems in place – circular economy vs sustainable extraction. Irish / Welsh and connection for renewables More research projects – allow NRW to undertake research Concern around academics doing this – can ask wrong question	EU initiative in N Sea – sustainable energy – NGO / Energy. Proactive piece of work
Considerations for Brexit			
Delivering nature-based solutions to improve resilience and benefits derived from natural resources.	Lack of condition reporting for Marine sites. Conditions assessment (No condition of features) Joined up decision making – decisions in one dept accurately take account of NRP across depts.	Positive thinking wider than just protected sites Wider holistic approaches welcomed – could be taken forward through marine planning / MCZ / Area statements.	
	Cross boundary issues – Eng/Wales RAG funding Marine – less direct intervention, more	Undersea scale – Ecosystem scale. E.g. Harbour Porpoise Different from landscape and way	

	managing pressures		
	Cannot react to rising ocean temp. Building – based consultation doc definition cannot deliver this through so what does this mean and how defines for marine environment?		
Considerations for Brexit	Loss of legal protection as a result Infraction-loss Reporting requirement potential loss	Infraction has been one of the biggest drivers	
Improving community and individual well being by taking place and landscape based approach.	Recognising role / importance of coastal communities Economic pressures on fishing communities to fragment Lack of access – transport / infrastructure / isolation	Severn Estuary Strategy – common set of principles – taking forward development Access / wellbeing – Wales Coast Path	Local disability – need on ground local actions using local positives (SACs RAGs)
Considerations for Brexit			
Area Statements and mechanisms for implementation.			
	Capacity – 2017-19 production – significant challenge on an organisation under pressure elsewhere	Increase NRW funding (external observer)	
Considerations for Brexit			

Annex A

Post workshop reflections from the Chair –

From: Chair **To:** Rees, Graham
Sent: 08 February 2017

Graham,

I promised to follow up from the workshop with my thoughts on key points from yesterday's session

I think it is very important we use the next period to build the momentum against a common vision of how we develop the marine environment. I mentioned the NEF " New Blue Deal" programme which might be a useful reference point http://www.bluenewdeal.org/.

The process of stakeholder engagement is developing a common vision based on our asset base for how we develop the blue economy in a way that is consistent with the values and goals of the WFG Act. I think it offers a lot of potential to build on this and to create a campaign that can actively involve coastal communities to deliver and integrated development model post Brexit.

The process is identifying priority interventions – whether they be policy, legislation or financial - that are essential if we are to deliver that vision. I think it is important that we check this against our current programmes of work and investment to ensure we are focused on preparing the ground. As we mentioned this might involve a reprioritising of current investment programmes, as can no longer afford "nice to do" investments.

In this respect I also think it will be helpful to get an integrated picture of our current EU investment programme in marine and coastal communities, bringing together all the strands of funding that are contributing to a "blue growth" agenda.

Thus will give us an indication of the current level of EU investment as a baseline for future levels of investment support from Uk Government.

Future investment post Brexit will be dependent on our success to make the case in a very competitive environment – potentially against education and health demands. We will need to be clear on the value to the U of investing in our asset base. I would suggest that we clearly take an asset based development approach in our negotiations – so recognising issues such as tidal range, wave power, offshore wind potential, shellfish, Milford Haven, coastal tourism etc

Our strategic relationship with Ireland is particularly important to highlight and we need capacity to build joint programmes and avoid barriers to marine movement. It is worth highlighting the loss of EU supported territorial cooperation programmes and the need to build partnerships with the "Atlantic fringe"

Obviously we have stressed the importance of respecting our distinctive legislative framework in the negotiations, along with the importance we place on natural resources and in the cultural identity of our coastal communities in this framework.

The consultation has also stressed the importance of Welsh identity and value in the Welsh brand that is underpinned by this legislation. I think we need to be clear on the evidence of the Welsh brand in the UK and global marketplace. I am sure we have the research evidence to underpin this statement and to inform how we develop the brand across food and drink products.

I hope these thoughts are helpful . I look forward to working with you on the stakeholder programme going forward