



HOUSE OF LORDS

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MINISTER FOR NATURAL ENVIRONMENT WATER AND RURAL AFFAIRS

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11 am

Witnesses: Richard Benyon MP, Neil Hornby and Andrew Clayton

Members present

Baroness Scott of Needham Market (Chairman)
Lord Bowness
Baroness Byford
Lord Cameron of Dillington
Baroness Howarth of Breckland
Lord Lewis of Newnham
Baroness Parminter

Witnesses

Richard Benyon MP, Minister for Natural Environment, Water and Rural Affairs, Department for Environment, Food and Rural Affairs, **Neil Hornby**, Deputy Director, Sea Fisheries, and **Andrew Clayton**, Head of Common Fisheries Policy Reform

Q1 The Chairman: Good morning, Minister. It is very nice to see you. The Committee is looking forward to hearing from you today. There are a few housekeeping announcements that we are obliged to go through. First of all, you will have received a list of general interests of the Committee. If any members have any specific interests regarding fisheries, although I do not believe any of them do, they will declare them before they speak. This is a formal evidence-taking session of the Committee, and therefore a full shorthand note will be taken, put on the public record in printed form and put on the parliamentary website. We will send you a copy of the transcript, and you will be able to revise minor errors. The session is on the record. It is being webcast and will subsequently be accessible via the parliamentary website.

With those openings, once again welcome, and welcome to your officials. I start by inviting you to update the Committee. We received a very helpful note from you regarding the meetings on 13 and 14 May, but we know there have been some developments since then. I invite you to summarise the outcome of recent meetings and tell us what you think the next steps will be.

Richard Benyon: I think we are nearing the end of a very long, tortuous process. Thank you, Lady Scott, and your Committee for the opportunity to talk about where we are in the rather technical process and in the outcomes, which I think have aroused an enormous amount of interest, even in inland constituencies like mine. A lot of people have been watching this. I think we have a good outcome. At times we felt a rather lonely voice in some of the late-night sessions on the issues that we were asking about. That is the way things operate at a European level, but I do think that we have got pretty well all that we asked for.

We may have slipped occasionally a year or so on when the provisions come in, and we still, of course, have the European Maritime and Fisheries Fund to sort out, which will hopefully be done under the Lithuanian Presidency. Agreement was reached on 30 May to conclude the trilogue process between the Commission, the Council and the Parliament. This remains subject to approval by the institutions, but we are confident that that will be achieved in the next few days, possibly in a week or two. Then we will have reformed perhaps one of the totemically wrong and damaging policies of the European Union. We will have nailed down a land-all policy and an end to the discarding of fish, which has been one of the headline issues. When history looks back at this, I think the big win is the sustainability issue. To have a legally binding commitment to fish to MSY is a major achievement. This is where we were a lonely voice, but we managed to build alliances across Europe. I do not believe we would have been able to deliver on a discard ban or on the degree of technical changes that are required to bring all fisheries in the European Union up to a sustainable standard if we did not have some regionalised management approach. Those are the three key areas. There are many others. I think the European Union's fisheries footprint abroad has been an international disgrace, and it is now going to be massively reformed. The kind of fishery

partnership agreements of some very poor countries off the west coast of Africa and elsewhere will now be better managed.

The Chairman: That is a very helpful introduction. Thank you very much.

Q2 Lord Cameron of Dillington: Just to expand, I will ask questions I really probably ought to know. Clearly in the European fisheries we have excess capacity in almost every country, including ours. In the discussions, have there been any attempts to reduce capacity, for instance by using the EMFF to lay off boats whenever possible? Also, was the question of transferable catch quotas touched on in all the discussions, and if so where did that get to? It would seem to me that it has worked very well in other countries—in New Zealand, for instance—as a way of reducing the catch and to some effect thus the capacity. For instance, either the Government or even the Commission could buy in quotas to reduce the catch in a way that meant that the taxpayer was shouldering some of the burden of a reduction in the capacity rather than just loading it on to the fishermen. Could you expand slightly on the non-headline bits of the agreement?

Richard Benyon: You are right, Lord Cameron, that some aspects of the overcapacity issue are EMFF-related. There have been some quite tricky debates on this, because we are firmly of the opinion that decommissioning historically has been one of the poorest value-for-money activities of fisheries management or actually of almost any policy. In the future, certain fleets might have the opportunity to work in certain circumstances, but I might get my colleagues to give you some more detail on that.

On the transferable fisheries concession, I agree with you that it has a lot of merit in certain fisheries. There is huge opposition to it among some, particularly in the smaller sector in the English fleet. Some believe that it results in fishing capacity moving up the scale chain to the larger vessels, and others believe that it results in international companies buying British companies and therefore fisheries interests going abroad. But if you manage it properly, you

are creating a market mechanism to produce capacity and so that people can feel that they have something that they can trade when they come to the end of their fishing career, or if they want to change what they do. They are intricately involved in there being an increased biomass. This is what happens with catch-share schemes in the United States, for example. You also talked about New Zealand. I have always been open, at the very least, to the development of this.

The point is that we would never have got this through if it was, as the Commission originally suggested, a new, mandatory system across the European Union. We have a voluntary scheme, and we will develop the policy further, looking at capacity issues and trying to incentivise the fleet to manage themselves in proportion to the stocks that they support. I do not know how anyone runs a fishing business. It is bad enough being a farmer, but when managing a fishing business you cannot say to your bank, “This is what I am likely to make over the next year”, because there are so many vagaries that can suddenly come and your fishery could be closed. The first point is to get more fish in the sea. The second is to provide them with something of value. It has always seemed to me to be philosophically a good way forward, but the detail of it causes great concern, which I entirely appreciate.

Can I ask Neil to bring us up to date on where we are on the capacity?

Neil Hornby: It was one of the other elements that should hopefully be in the final agreement: much more detailed capacity reporting by Member States. Member States will have to provide more detail about the capacity they have and how that matches the fishing opportunities that they have available over a long-term period. One of the things that has been added in is that if you are failing to match your capacity to where your fishing opportunities are going and failing to take sufficient action to address that, some of your EMFF money may be withheld. That is one of the elements that has gone into it in the most recent discussions.

The Chairman: Do you want to come back on that?

Lord Cameron of Dillington: No, that is all very helpful. Thank you.

Lord Lewis of Newnham: How do you monitor that capacity?

Neil Hornby: We report already every year to the Commission on the level of capacity in the UK fleet, as do all other Member States. We put in our annual report in the last couple of weeks and we will continue to report, albeit now in line with these new requirements about being a bit more detailed. There is not always a straightforward link between your capacity and your opportunities, because we know that in parts of the Scottish fleet, for example, on the pelagic side they have very large overcapacity. They could catch many more times the fish that they currently catch, yet they are a profitable industry, and they are able to do it by fishing and catching their opportunities in a short space of time to make their business most profitable. There is not always a straight relationship between the amount you could catch and the profitability of the business.

Q3 Lord Lewis of Newnham: Minister, as you are no doubt aware, in our 2008 report we supported the principle of the discard ban. If we can turn to the fishermen's incentives, which is the point that you have been touching on, can you say to what extent there is a danger that the wastage at sea is simply displaced to be wastage on land? What are the economic incentives for fishermen, both in the UK and throughout the EU, to comply with the ban? Do you foresee the need for a financial safety net? Your implication earlier was that predictability in the fishing industry is so much less than it is, say, in the farming industry. Do you see the predictability in any way coming forward if financial safety nets are ensured for fishermen?

Richard Benyon: I have always said that we have to be careful about just brandishing about the words "discard ban" and feeling that the job is done. Many of the 800,000 people who signed the Fish Fight campaign website and see the words "discard" and "ban" in a headline

might feel that that is an achievement in itself, but if the problem that happens currently over the horizon at sea is transferred to a landfill site, it would be just as bad. It would be a vivid example of a failed policy. We have sought at every level to try to make a land-all requirement good for the environment and good for the industry, because fishermen object to the concept of discarding fish just as much as we do as consumers. So you are right to talk about incentives for fishermen.

On quota limits, a quota will limit what is caught but not what is landed. Fish will be landed and sold, just as they are now, with catches constrained by how much quota is held. A number of steps can be taken to manage the unwanted catch. I will use a four-point hierarchy for how I think that would work. Using selective gears to minimise the catch of undersized fish or unwanted species is the first level. The second is managing quota to help match it to the catch at a national level within producer organisations and at vessel level, with the ability to swap in and out. In some cases we want real-time swaps to be developed or, indeed, a lease quota.

Thirdly, and I think this is really important, there are and must be exceptions from the discard ban for specific cases where evidence allows specific rules to be put in place. For example, a lot of fish survive. A lot of shellfish and lot of skates, rays and elasmobranchs will survive if put back in the water, so we must encourage them to do that. Where evidence shows that selectivity is difficult to achieve and where landing fish would involve disproportionate cost—the example I always use is a small, open-topped boat fishing out of a creek targeting a particular species and catching half a box of fish or three fish from another species—are we really saying that we are going to have someone from Defra on the port trying to police that sort of thing? That is why I think the de minimis approach is the right one.

The final point is about other flexibility to help match catch to available quota, such as 10% of inter-annual flexibility, which I will ask my colleague to describe more eloquently than I can—we are getting into technical management issues here—or counting unwanted catch against up to 9% of the target quota so that you can land some of your unwanted catch but it comes out of the quota that you have for another species. Do either of you want to add anything?

Andrew Clayton: Inter-annual flexibility is basically banking and borrowing. You can hold back up to 10% of your quota and use it the following year, or the other way round. If you have an unexpected catch, you can go slightly over your quota, up to 10%, and that will be taken off your quota the following year.

Q4 The Chairman: Related to all this is the impact of the market for fish, particularly given that, as with all foodstuffs, the major supermarkets are dominant and can to an extent affect the choices that consumers make and therefore the value of the catch of things that might not have been eaten before. How much discussion have you had with the trade bodies and the supermarkets about this?

Richard Benyon: We have had a huge amount of discussion, because I understand my limitations. That sounds awfully self-deprecating, but I understand that Governments can do only so much by saying that we should all eat sustainably. The real power here—you are absolutely right—is with the retailers. When a supermarket says, “We are going to source British-landed fish that is from sustainable stocks”, the whole supply chain changes in a way that it would be much harder for me to try to engender. We have been working with retailers through national bodies but also directly. We have been looking at good arrangements that exist in certain areas between specific retailers, and we have been helped in the whole reform process by such partnerships as the WWF Seafood Alliance, which has

brought together some of the really big buyers of fish on a European scale, some of the big processing companies, and the Food and Drink Federation.

Not only has that been useful in getting some of my fellow Ministers in the right zone for reform, but it really does help to drive the whole sustainability front. The statistics on fish landed in the UK and exported and imported means that what we can do in the UK will make only a percentage of difference. What really matters is that those retailers are also looking at imports from right across the world and that they are recognising that there are massive sustainability issues in some of those fisheries. That is something that we also want to encourage.

Making these changes work requires us to work very closely with the industry. My colleagues and a lot of people from Defra and the MMO have been on the quayside working this through with fishermen. I am hopeful that the same has been happening in the devolved governments as well. There is concern in the industry about how they are going to make this work, and actually there is great support for the vast majority of the reforms in the industry, but it is, over the next few years, going to require really hard work, talking with industry down to skipper level to make sure that they understand what is required of them and that we are assisting them in getting the rules right.

Q5 Baroness Byford: Before we move off this particular aspect, presumably there is a market value to some of the discards landed that are not for human consumption. Does the department have some statistics on it being used for feed for other purposes rather than just for human consumption?

Richard Benyon: We have been working on this for many months, actually years, at Defra. We started a very good project about two years ago called Fishing for the Market, which looked at the new supply chains that are required. In that case, it was the fish that are discarded because there is no market. We worked with some celebrity chefs and some

retailers. Sainsbury's ran a very good two-for-one arrangement where if you bought one of the usual five, you got a free dab or something like that, and a recipe of how to cook it. That has had a partial benefit, and people have been slightly more eclectic in their tastes, but I think we recognise that a proportion of what we are landing will not go for human consumption. If it goes to fishmeal, there could be shorter food miles for the aquaculture industry and it could ultimately end up in the food chain, and perhaps in a more sustainable way than it currently does.

Baroness Byford: I am delighted to hear it.

Richard Benyon: We have also been doing some work on supply chains for edible fish.

Neil Hornby: In that area of work we have talked to some of the fishmeal producers as well about the potential for fish coming ashore now that were not before, and whether there is the capacity in the system to manage that. They have been very positive and have seen it very much as an opportunity for them as well, for the reasons the Minister outlined.

Baroness Byford: I am delighted. Thank you.

The Chairman: That is very helpful.

Q6 Lord Bowness: I am tempted to ask the Minister this because of his reference to the scheme that Sainsbury's ran: do you monitor how long they run these schemes? My observation is that it is an advertising gimmick for a couple of weeks and that not enough people buy the hake, so they do not keep it any more. There is a whole, longer story that I could tell you about this, and I will not take up the Committee's time, but the main point is do these things last, or is it just a gimmick for a fortnight?

Richard Benyon: I know that they renew it because they ask me to go along to events. I think Sainsbury's did one scheme about a year ago, and I am not sure of its success, to be perfectly honest, but then I know that they had a renewed scheme earlier this year. You obviously have a cynical view about why they are doing it, but I was impressed that more

people were buying some of these absolutely delicious fish that we either chuck away or export in huge proportions. We have the most fantastic, rich variety of seafood off these islands, and we are very conservative in our tastes.

Lord Bowness: I am very supportive of and agree with everything the Minister says. I am just sceptical about whether these schemes, which are announced with a great deal of publicity, actually last long enough to change people's habits. You do not get people to buy hake in three weeks if they have not eaten it during their lifetime. I only pick that as an example.

The Chairman: This is very interesting. I recall some years ago a well known celebrity chef cooking a particular kind of fish on her programme, and when I tried to buy it you could not get it for love or money. They said that after she had done this everyone was coming in and demanding the fish. I think some of these things can be powerful.

Q7 Baroness Parminter: Taking this on to the rather more mundane issue of the practicalities of the implementation, the Commission, as you know, Minister, is proposing to bring forward proposals this summer to align the technical measures and the regulations with the discard ban. We would welcome your views and those of your colleagues on the progress of that drafting. Are there any measures, and if so which, that you would like to see removed?

Richard Benyon: Absolutely, yes. We have already begun the process to identify existing technical measures that could be removed as a result of the introduction of the landing obligations. Some initial suggestions have been shared with the Commission, and these include minimum landing sizes and catch composition rules, which are currently compelling fishermen to discard, and we look forward to working with the Commission to develop these ideas further as they begin an interim fix of the technical conservation rules. This point was very strongly made by the industry some months ago as we were negotiating, and they

were absolutely right to do so. You cannot change the outcome without changing the technical conservation measures that are causing the problem. We expect that the Commission will focus on amending the current technical measures that will conflict with landing obligations for the pelagic and the demersal fisheries. I think we are expecting that later this year—

Neil Hornby: Yes.

Richard Benyon: With a proposal for a full comprehensive review and overhaul of the technical regulations, to be issued in 2014.

Baroness Parminter: Thank you. Are there any other legal measures, either at the European level or in our member state here, that need to be removed before the ban can come into play?

Neil Hornby: Not for the ban to come into effect; the ban will come in on the dates that are prescribed, irrespective of the other elements, but we know that we need these technical measures to be lifted for it to work in practice. The Minister has outlined some of the process that we are working with the Commission on. There are other elements that we will look to come forward under the reform—the new legal measures—particularly around multi-annual plans, which are the new framework idea on a hopefully region-by-region and multi-species basis to look at what the objectives should be in different fisheries. At the moment, we are very focused on trying to develop a North Sea multi-annual plan to replace things such as the single species cod recovery plan. We now have to look at some of those interactions much more and set some of the overall objectives. That will come through at the European level. We will then, through regionalisation, look at how to implement that, working with the other Member States sharing the fishery.

Q8 Baroness Howarth of Breckland: Minister, in some ways you started to answer the question that I am about to ask when you were talking to Lord Lewis about catch, the

species that survive and the species that do not survive. I am very interested in the research on maritime issues, particularly the survival rates of plaice that are returned to the sea after capture, which are about 60%. Following on from the answer to the previous question, are the new measures going to be flexible enough to meet some of the changes that we will discover as research continues, as we hope, into how we ensure the sustainability of all species? I am asking particularly about this at the moment.

Richard Benyon: I entirely share your concern about this, because we would just be replacing one daft policy with another if fish that could survive were not being returned to the sea to build a biomass. We have raised this continuously through the negotiation, and we believe there is enough flexibility within the system. That is why we needed a regionalised approach, because the current system, which tries to create this one size fits all from the sub-Arctic seas in the north to the southern Mediterranean seas in the south, simply does not work in some of the mixed fisheries and some of the inshore small-catching sector, where the kind of perversity that you are describing could happen. We are building scientifically-sanctioned survivability flexibility—I am using tortuous language here—into these multi-annual plans. The multi-annual plan has to be signed off and agreed at a regional level, but that does work on the basis of scientifically proven survivability rates. There are more technical points about percentages that my colleagues will be able to add.

Baroness Howarth of Breckland: Maybe I could ask another question before we get the technical answer. I am also interested in how you are going to ensure that proper research continues, and that as you gain empirical evidence from fishermen and other groups you can put that into a proper formulated programme that will have some policy outcome. Is there some process for all of that?

Neil Hornby: I think it is done mainly through the regionalised management process, so that within fisheries, as we learn more through implementing this, as more research is done and

as we gather the evidence, we can be much more responsive. We can react much more quickly and change how the management might work within an individual fishery. Currently, we have to go through quite a long process—take things to Brussels, make new legislation and make changes to legislation at Brussels level—before we can have any effect on the ground. Under the new process, we will be able to respond much more quickly by working with the other Member States that share the same fishery and put things into place much quicker.

Q9 Lord Lewis of Newnham: Are any establishments looking at this problem over the lifespan of the fish once it has been taken out? Is this an ongoing operation, or is this just knowledge that you have already acquired?

Richard Benyon: We acquire knowledge through the work of Cefas and the Fisheries Science Partnership. One of the research projects that I looked at involved placing a tank on a vessel full of water and literally just marking the survivability. The demersal species have a swim bladder, so it gets something like the bends when it is brought up and it dies. The survival rate is low. But if some demersal species are caught in relatively shallow waters, they may have survivability rates that we were not originally aware of. Baroness Howarth talked about other species, and these all exist in mixed fisheries. We must make sure that we are not being inflexible and that we continue this scientific research. You may be able to tell of some other projects.

Neil Hornby: The research into plaice that you mentioned was something that we in Defra funded, because it was an area that we knew was coming and was starting to be looked into. We are looking to do more research, starting this year, into a number of areas around survivability and are also, as the Minister says, building on a lot of work done in different places in different fisheries, and collecting evidence from Cefas and other bodies. The evidence is still at an early stage. It is a new area that is emerging and we know we need to

do more work on it, but it is starting to happen now around Europe, and hopefully as we gather it we can, as you say, be flexible and build it into the system.

Lord Lewis of Newnham: Are there any incentives for fishermen to get involved in this process? Why should they throw them back in? Why not just leave them in the box and take them to land now that it is permissible?

Richard Benyon: I think the Fisheries Science Partnership, with which we are trying to develop this concept of every fishing boat being a scientific platform, is changing the attitude in large parts of the industry. In the past the accusation was that they felt the victim of a science they did not trust. They are now part of the methodology. I still get it in some parts of the coast. I do not want to try to pretend that everyone is entirely happy, but there is a big improvement. Frankly, we are going to have to continue to do this if we are going to have multi-annual plans that are regionally decided and that stack up scientifically. We have to continue these kinds of arrangements.

Lord Lewis of Newnham: I remember a number of years ago when we were looking at some aspect of the fishing industry that there was clearly a basic antagonism between the science and the fishermen about this. The fishermen just did not believe the results that were being projected by the scientists.

Richard Benyon: I am not going to try to pretend to you that everything in the garden is rosy and that every fisherman now is a blood brother of a local scientist, but I think huge progress is being made.

Baroness Howarth of Breckland: It does sound as though you have applied a little social science, as well as the other sort of science, which is about attitudinal change and understanding the dynamic of communication and all those bits. That has changed some of it, and maybe a little more of that might help.

Richard Benyon: I think the problem in a way is the methodology of ICES, the international body from which the Commission sets quotas. It looks at individual stocks, and fishermen often say, “Well, actually, those stocks are swimming with our stocks, and ICES does not understand that if you dramatically reduce that quota”—this was the problem in the past—“We are going to be forced to discard more, and mortality is going to be increased, because you cannot do this in the context of a mixed fishery”. I always had a certain sympathy with that. In fact, we argued quite effectively last December that some of the quota reductions proposed were going to have the perverse effect of increasing or continuing high levels of mortality through causing discarding. Now with the land-all policy, we have to be immensely smarter at making sure that we understand the full implications across some stocks where you can have six or more different stocks swimming together being caught in the same net and you really have to change the way you do things.

Q10 Lord Cameron of Dillington: Minister, as has just been referred to, in 2008 we investigated this whole subject and produced a report. To blow our own trumpet, Commissioner Damanaki told me and others more than once that she based her reforms or her proposals on it at the time, which is quite gratifying. At that time, we looked at the whole question of Norway and how they treated discards. Admittedly, their policies had been in place for some time then, and they spent a lot of money on policing. I know there will be a question on policing in a minute, so I will not go there. They watched for seagulls behind boats, which is a tell-tale sign. They paid a basic landing price for the fish that would otherwise have been discarded that were over and above quota, and deducted the fish that were landed above quota, which the fishermen got a minimum price for, from the whole national quota, which meant that other fishermen hated the fishermen who were landing in excess of the thing. I thought it was all quite cleverly done.

On the other hand, of course, they introduced their quota system gradually over various species rather than the EU “big-bang” approach. What lessons do we feel we could learn from Norway, and are there risks involved in our big-bang approach compared with their gradual implementation? Do you want to comment on that?

Richard Benyon: The first thing I would say is that I am not sure it is a big bang approach. It is a “little bang”, because we are not starting from zero. We have done an enormous amount. In fairness the industry has done an enormous amount and has not been, frankly, particularly good at telling enough people about it. This year in the North Sea, vessels fishing in the catch quota scheme for cod will discard under 1% of those cod. They have also developed their own real-time closures. They have done selectivity trials, some on the back of staring down the barrel of a gun in terms of reduced quotas, but some off their own bat. Fishing for the Markets and other schemes that we have been running are also part of that. So I do not think it is quite the falling off a cliff that some might think.

We can certainly learn from Norway. They suggest there that their success in minimising discards is a result of a whole range of measures, and changes in behaviour are crucial. Like you, I really like that sort of peer pressure incentive—everybody knows what everybody else is doing; these are close-knit communities—but those measures have led to less bycatch and fewer landings of juvenile fish. An example of the schemes that we are following closely is their move-on provisions, under which once you start catching a particular proportion of juvenile fish you stop fishing; you move to another area. They are instantly applied real-time closures that are based on a technically advanced monitoring programme, their own technical rules, and improved selectivity measures. Yes, there is much that we can and should learn from them, and we fish the same ecosystem. Therefore, working with them as a third country in the new regionalised approach not only will allow us to use their best methods but will require us to.

These discard bans are not just in Norway. Discard bans are also working, for example, in the Skagerrak, so we are working closely with the Danes and other countries that fish that sea, with whom we are natural allies in the whole reform process. There are many measures. Is there anything else on Norway that we should be telling the Committee?

Neil Hornby: The only other thing to say is they found they got a lot of behaviour change just by saying, “You should not be doing this”. That is where they very much started from. Making it an unacceptable thing to do went a lot of the way to changing behaviour to start with. But then, as the Minister says, they focused a lot on reducing those unwanted catches—all the technical and other measures the Minister referred to—to make sure that things are not being caught that there is no quota for or that are not wanted in the first place. We are doing a lot of that already, and it is the sort of thing that we all want to build into the new process to go alongside some of the other flexibilities about quota management and things like that to which the Minister referred.

Q11 Baroness Byford: Minister, I was delighted when you began with your opening remarks by talking about the importance of regionalisation and the way in which the UK has been able to give good examples to the EU of what can be achieved. We are an EU Committee looking at this from the EU context rather than just purely the UK. Presumably there are areas within the EU where they are not nearly so advanced as us in what we have been managing to do. I have a couple of other questions, but do you want to enlarge upon that? Apart from the examples of what can be achieved, what is happening in areas where there is clearly not the working relationship that you have established?

Richard Benyon: Some areas are more advanced than we are. Baltfish is an exemplar that we think could operate in the North Sea, the Irish Sea and other important areas around our coast. You are absolutely right that one of the reasons we were a lonely voice on this was that there was suspicion from two directions. First, some thought it was a

renationalisation of fisheries. I always say I would not have started from the CFP. Many of us think that the management of fisheries can be even more decentralised. Secondly, there are those who feel that if they are a long way away from waters in which their fishermen fish, they are somehow going to be excluded from the decision-making process, and that is not going to happen. I think we have been able to allay their fears.

There are fisheries in the Black Sea and in the Mediterranean that I know little about, and there are species that I have never seen, let alone eaten, which have taken up a lot of the conversation about how you manage this in a regional capacity. There are lots of local dynamics that I cannot begin to understand from our little position off the north coast of Europe. It really brings it home to me that it should not be for me to worry about what goes on in the Black Sea or parts of the Mediterranean. These are issues for that area, and the dynamic needs to be that ecosystem.

I would be stronger than that, actually. I do not think we could have delivered a meaningful discard ban, land-all policy or MSY if we did not have the regional model that we have. At times, it looked as though it was just doffing its hat to the concept of regionalisation without it being effective. In fact, at one point it was almost more like centralising power on the Commission. The people either side of me came up with a solution that we drove through with our supporters. Now we have a model that we think will work locally, and will work where the countries that fish that ecosystem cannot agree on a way of resolving that.

Q12 Baroness Byford: Earlier you talked about research, and we are delighted to hear about that. You referred to Defra putting some money into research. What happens again across Europe as opposed to what is happening within our own department and UK base here? Do we know what is happening?

Richard Benyon: What other countries are doing?

Baroness Byford: Yes. Are there five or six areas of research? If so, how is that exchanged among others?

Neil Hornby: A lot of the work from the UK point of view is led by Cefas, the agency of Defra and the fishery scientists. They work very closely with their counterparts in similar agencies, particularly around our area of the sea, so they work very closely on North Sea issues with the Dutch, Danish and French scientific institutes as well. A lot of the work is also undertaken through ICES, the international body, and again focuses on some of the issues around that. There are also a number of EU research projects into different things, which the Commission has set up and runs. There is a lot of activity happening out there that is increasingly being focused on what this means for CFP reform, discards and some of the issues we have talked about today.

Richard Benyon: A very good point underlies your question, which is that we spend a lot of taxpayers' money seeking evidence that provides us with the data we need to be able to say, "Yes, this fishery is sustainable", or, "No, it is not", and to alter our management accordingly. The answer is that I would quite like to know what is going on in Vigo, in Spain, and in France and other countries. Are they contributing enough to the international effort? Are they contributing enough to provide the data we need on stocks around the European Union? I think it is a very good point. I do not know what resources are being applied, and of course a lot of these countries are facing much worse financial difficulties than us. It would be a really useful piece of work to do.

Baroness Byford: Minister, if it were possible and did not cost too much money, it would be helpful to the Committee to have that sort of information. It must be held somewhere, must it not? Somebody must have it.

Lord Cameron of Dillington: Just carrying on from that, mine is a slightly cynical question. The regional advisory councils were introduced I think in 2002-03, and the North

Sea RAC has been a hugely successful operation generally, but I think that by 2009-10, when we last looked at this, the Mediterranean RAC had not even met. I just wondered whether it has met yet.

Richard Benyon: So do I. The big demand from consumers and fishermen alike is that they want a level playing field. Part of what kept us up through the night on the discards policy was there was going to be the absurdity with certain stocks where our fishermen looked across the waters at a vessel from another country that was being allowed to discard the same fish that ours were required to land. That was totally unacceptable to us, to the Germans and to many others. We held out and won that one, but it was a tough poker game. I agree with you that the advisory councils are going to be the level at which we are going to regionalise the management. That means fishermen, processors and scientists being part of it, and it will have the right dynamic. This system is now going to be required of other countries, and if they have not established their advisory councils they are going to have to do so pretty quickly.

Q13 Baroness Howarth of Breckland: I have a question about the role of the Commission in all this. It does seem to me that the Commission could develop some thinking on gathering information across the whole of the advisory groups. One of my concerns is often that with these big institutions people meet but the information does not necessarily get distilled in a way that can come down to the user groups. We found this very much when we looked at innovation in farming. There is a lot of high-level thinking, but not a lot is getting right through. Do you see a role for the Commission in ensuring that any information that is collated—and I realise it is very early days yet in relation to the advisory groups anyway—could be properly distilled?

Richard Benyon: Where countries that are fishing the same sea basin agree the technical measures, there will be the overall requirements from the European Union about fishing to

maximum sustainable yields and those sort of levels. The detail of how that works will be dealt with at a regional level, unlike in previous conversations where I talked about mesh size on vessels fishing off the north-west of Scotland with an official from the Commission and thought, “Crazy”. But the key question is how are they going to do that? When they disagree, how is that matter going to be resolved? I think that has been a key win in the regionalisation debate. How those advisory councils perform now is an absolute requirement for the Commission to be able to assess. How effective we are in resolving disagreements in the countries that fish those waters is going to be a key issue.

Baroness Howarth of Breckland: Do we know how that information will be put together and disseminated? That is really the key at the end of it.

Neil Hornby: One of the examples is that work on realisation is starting already. There is a meeting tomorrow in Denmark for all the North Sea fisheries directors at official level to come together and start talking about how some of this process could work and what the role of the Commission might be to help facilitate some of these things. In advance of that meeting, the Commission has provided information on discard rates for all the fleets across all the countries in one place to help people understand what the issues are that they need to focus on first. That is an example of where it can be very helpful.

Q14 Lord Cameron of Dillington: Last time I looked there was no funding for the RACs to meet, and I think the North Sea RAC was quite often being paid for by the Aberdeen County Council. Is the Commission going to fund the administration of these RACs now?

Neil Hornby: Yes, they are. We as the UK Government contribute to funding all the RACs that relate to us, so there is centralised funding that goes in that Member States contribute to.

Q15 Lord Lewis of Newnham: How far is monitoring of the whole operation going to be left to individual countries, or is it going to be done on a regional basis?

Richard Benyon: What will not change is that we will still submit, for example, the data on capacity. Ultimately, the requirement is on the regionalised body to do this. Where it fails, I think that is an area of uncertainty. Do you want to explain when the countries cannot agree? I think this is absolutely vital.

Neil Hornby: There are two points. When we do agree and the rules are agreed, each country will still be responsible for policing those rules within its own waters. In the same way as we do now, we will undertake enforcement activity against whatever the rules require within our own waters, as will the other Member States. On the Minister's point about where you cannot reach agreement between Member States on what to do, the fallback is to go back to the European level and do it again, so you can involve the Commission and the Council again in taking decisions about managing areas where there is no agreement between those who share that fishery. Obviously, that provides quite a large incentive to reach agreement in the first place so that you do not have to go through the more bureaucratic EU process.

Q16 Lord Bowness: Minister, that leads to my question as to how effectively it is enforced. All the rules are very welcome, but unless they are enforced at the end of the day we will not get very far. You say that it is going to be done locally, regionally, nationally by the Member States. Are we committing resources to enforcement, or are we saying that we are going to do it from—that magic phrase—existing resources?

Richard Benyon: We spend a lot of money on enforcement now. We have contracts with the Royal Navy and a variety of other organisations, and obviously the Marine Management Organisation is primarily responsible. As Neil says, it is the Member States' responsibility to enforce the system. We have slapped some enormous fines on some vessels: one seven-figure sum in the not too distant past. We also recognise the importance of effective and consistent enforcement of all the CFP rules. We cannot do that in a bubble. It has to be

done through other organisations making sure that our enforcement methodologies change with the changing rules and that if there is a discard ban, this is how we implement it.

There are a number of conversations going on around the coast. Marine Scotland is discussing the increased use of cameras. That is causing concern among some elements of the fleet. It has worked well in the catch quota scheme, and I think there is potential for the use of a whole range of new technologies. I was on a vessel in Lyme Bay the other day and saw how as the fisherman neared a no-take zone he got buzzed directly, automatically, from the MMO in Newcastle, which was following him on VMS when he was within a certain distance of a certain line. He likes the system. On a busy deck he can manage himself pretty well because he knows the waters, but if he gets it wrong and he is in a high sea or whatever, he is instantly informed. It is that kind of technology that is going to work in our favour. What they do in Norway with the move-on provision requires a degree of self-policing, because if you are starting to say, “A worryingly increased percentage of undersized fish are being caught here”, he knows that he has to move on because there is a land-all policy rather than him just chucking them overboard.

I have no reason to believe that the Commission or other Member States will fail to deliver on their obligations, but obviously I come back to the point I made earlier: that I want to make sure it is a level playing field. If we are spending a lot of taxpayers’ money on making sure that we are obeying the rules, not only are we going to require that of vessels from other countries that fish in our waters, some of whose rights go back to before the Common Fisheries Policy was created, but we are having a level playing field in their waters too, and a level of enforcement is happening.

Lord Bowness: Some of the smallest maritime states will not necessarily have the resources to call upon what we have. The Baltic states, for example, do not have large navies.

Richard Benyon: No. I talked about Baltfish and that sort of regionalised approach. I think that works well. There are interesting developments in Skagerrak in its land-all policy. In the Mediterranean you could have some really difficult capacity issues such as whether they have the capacity to develop the kind of technologies that we have. We have to do our bit as a leading proponent of reform to make sure that the reform happens right across the European Union. Our primary objective is to make sure it is working in the waters where we fish and where our industry is based, but we are a member of the European Union, a 29-vote member, which I think the industry values because that makes us a big player. We are able to argue with Germany and other big voting countries the direction we want to go in, and we would not have the deal we have if we had been a smaller voting member. That is what holds my thinking when I think of things such as the referendum next year. What is in the interests of the fishing industry? To try to balkanise the fishing industry and the processing that goes on on a small island like this would, I think, be to everybody's disadvantage, but I have strayed into politics, and I apologise for that.

The Chairman: That is all right.

Lord Bowness: We will be fascinated by the referendum next year.

Lord Cameron of Dillington: After the election.

The Chairman: No, he is talking about the Scottish referendum.

Richard Benyon: Yes, I was talking about the Scottish referendum. I have not got on to the other one yet.

The Chairman: Yes, the other referendum.

Q17 Baroness Parminter: Minister, one of the carrots to encourage people to enforce the reformed Common Fisheries Policy is, of course, the funding that they get from the European Union. In the past, a number of Member States have had financial assistance for their fishing industry without fully complying with the regulations of the Common Fisheries

Policy. Is it the view of this Government that in future Member States should not receive any funding unless it is conditional on compliance with the basic regulations? If it is our view that it is conditional, what steps are we taking in the European Commission to deliver that?

Richard Benyon: I think that is very important. I can give one example of where I think things can change for the better. Under the European Maritime Fisheries Fund, some countries are able to access some of our taxpayers' money to build new vessels with increased catching capacity, contributing to the overfishing of unsustainable stocks. Under the European Maritime Fisheries Fund—the new one that we have yet to nail down, but we will in the next few months—I was very uncomfortable with the provision for engine replacement. I just did not want it. I thought it was wrong. It was a yesterday sort of solution, given where I think the whole reform policy is going. In order to get an agreement, I was persuaded to do it with all the massive caveats that we got. You could only get an engine replacement if less than 15%, I think, of the entire EMFF budget for that country was spent on engine replacement—or was it less?

Neil Hornby: No, less; it is 15% on any fleet measures and within that only 3% on engine replacement.

Richard Benyon: It is 3%, and only if the engine was smaller and only if it was fishing in something that was sustainable. So, with all those caveats at six o'clock in the morning, I thought, "Come on, let's get an agreement". I think it is heading in the right direction. The subsidies of our fleets have been perverse in the past and have not been pushing towards sustainability. I want, out of this, the new European Maritime Fisheries Fund to be focused on working on sustainability. I want coastal communities to be better off—the fisheries income to have more of a social effect in those coastal communities—so perhaps the better marketing of fish is a reasonable use of this very small fund. The main driver has to be on

sustainability, on reducing the impact that we are having on certain stocks. I think there is progress.

Q18 Baroness Howarth of Breckland: Minister, I am not an expert in fish, although I did spend 10 years with the Food Standards Agency—which I do not have to declare because it is not at present—and therefore visited a lot of vessels and quays. I really sympathise with what you say about the detail and the need for the regionalisation, but fish do swim a long way. Is any work being done on a more strategic, more global, wider level to ensure the sustainability of stock for Europe?

Richard Benyon: Really important work is being done. I was at the National Oceanographic Centre in Southampton the other day, seeing what they were doing on acidification and sea temperature issues. That feeds into precisely that sort of thing. What are our seas going to be like in 10, 15, 20 or 30 years' time? Are we going to see a continuing migration of cod? They are going to catch 1.3 million tonnes of cod in the Barents Sea this year. That is because they manage that stock carefully, but there must also have been some sort of movement north. Do we know enough about it? Frankly, I do not think we do—the sudden abundance of certain fish, the arrival of fish in waters where they never were before, the movement of hake. We know, of course, that the movement of mackerel is causing quite a lot of difficulty.

We are doing a lot of research, and we have hubs of global importance for marine science in this country. They are doing work not just in our waters but around the world. What I saw in Southampton about what was being done in the Antarctic, in Pacific waters, and right around the world is really important. We cannot manage our food security just through what we catch in the North Sea or the waters around our coast. We import so many fish that our food security requires us to be part of regional fisheries management around the

world. Our commitment through international fora to do that is really important, but our commitment through our science base is also vital.

The Chairman: Minister, I think that is a very good point on which to end this session. Thank you very much, on behalf of the Committee, for the positive way in which you have engaged with us today. I also thank Mr Hornby and Mr Clayton for supporting you so ably, not just today I suspect. Thank you very much indeed.