**Draft Report**

**SWFPA Scallop Committee**

**Monday 9th September,**

1. **In attendance**

Andrew Brown (chair), Foster Gault, John MacAlister, Gary Buchan, Michael Park,

George Jack (Virtual), Claire Pescod (Virtual), Raymond Hall (Virtual)

1. **Introduction**

AB thanked everyone for making the time especially Raymond who was officially on holiday.

1. **Apologies**

Apologies had been received from George West and Stuart King.

1. **Items for AOB**

No items were listed

1. **Approval of the minutes from the meeting of 4th March 2024**

Approved by Foster Gault, seconded by John MacAlister

1. **Offshore renewables**

RH commented that Sea Green is now fully operational. He believed scallop fishing in the array has been pretty good, although it has been reported that there has been a distinct lack of juveniles.

He requested input from scallop fishers who had fished the area. He believed the area should be monitored to see what the regeneration of scallops in the site is like in the years to come.

He also commented on the length of time fishers had been waiting to receive the cable arrays and rock protection areas. He mentioned it was totally unacceptable that array cables have been laid and rock protection has been put down with the sector still waiting for positioning data. The accuracy of the data is also a concern with some fishers picking up rocks 300 meters from where the rock dump has been reported.

Murray West has seen rapid construction and is due to be operational either end of 2024 or beginning of 2025. NNG due to be operational Q1 2025. Inchcape was not scheduled to begin until 2026; however, it could now possibly be in 2025. It should be noted that both Inchcape and Moray West were successful in the last leasing round, round six.

Berwick Bank, West Orkney and Salamander are still waiting on determinations from the Scottish Government. Their planning applications are in, as is the Mona offshore wind farm, which is in the Irish Sea but comes under Welsh jurisdiction. He had attended an issue-specific hearing in Llandudno were he highlighted the concerns of the scallop sector.

Planning applications expected this year are the Muir Moir, which is in the Turbot Bank area. The Caledonia, which is going to be a hybrid and the Moray Firth Ocean plan application is going to be the largest floating off your wind farm in Scottish waters, that's east of Montrose that's going to be between the Morven and Bell Rock sites which is just east of Seagreen.

There's a significant amount of cabling in the next five to ten years. Round five, which is the Crown Estate England, the Celtic Sea, successful applicants announced later this year or possibly early 2025. Round six will likely affect the scallop sector more than most. Draft plan options are already being looked at by the Crown Estate and English waters focusing on the southwest and in the northeast.

MP updated the committee on the work that is going on, aside from the case study opinion for some other sites. The Muir Mhor wind site off Aberdeen will have a significant economic impact on several whitefish vessels. With it being a useful example of that economic loss SWFPA have engaged with the Ampusan advocates in Edinburgh, through which we have engaged a KC.

It was noted that static gear vessels continue to receive compensation although the actions of a few operators may change that going forward.

1. **Preparation for the MMO visit to the Northeast about the 7d closure**

AB reported on the arranged meeting of MMO officials in the northeast of Scotland. The meeting is to be used to educate officials on the workings of the scallop sector, which clearly, they have very little understanding of.

Officials are arriving Tuesday evening and will be touring Macduff Seafood, a dedicated session with SWFPA will follow a tour of Seafood Ecosse. There'll be a Peterhead market visit, and they are hoping to get onto the new lunar vessel. There'll be four MMO reps coming along.

AB stated that clear lines had to be set, he noted:

Science:

* MMO line is that last year’s science still justified extended closure.
* High level view of latest science expected to be discussed at PSB/SICG
* Potential damage to 7e stock caused by displacement.

Economics:

* Severe impact of extended closure on UK scallop fishing companies

Market:

* This is a roe-on market – no account taken in decision to extend closure.
* UK loses open French market during period when French producers are not providing goods.

Alternatives to closed areas:

* As advised through the FMP process – standalone closures should be avoided.
* Restrict effort and/or catch rather than closed season
* Alternative timing for closure, July – mid-October

The major topic for discussion is the issue of the closure in 7D. AB thought it was important that everyone had their lines and arguments the same, so that they do not go to Seaford Ecosse hear one story and then go to Macduff in to hear another story, and SWFPA to hear a third story. He set out the points and lines that he thought were relevant to changing the attitude of the MMO towards the 7-D closure. The message delivered will have to be consistent, hence the importance of securing the various positions.

AB said the MMO still claim the science justified the extended closure. A position that conveniently ignores the displacement and the potential damage to other scallop stocks, particularly in 7e and possibly in Scottish waters, which have received greater effort than in previous years. What was ignored by the MMO in its decision was the fact that this is a roe-on market for the product, and if it is going to protect the stock throughout the spawning period, which is a questionable principle in any case, it destroys the roe-on market.

The French are not landing at this point, which makes it a great time for the UK to export product to France, where demand is high. It was noted that the fleet had operated in difficult economic conditions during the period of the closure. It was felt that some analyses should be carried out on the precise level of economic impact.

There was some thought given to a partial closure of the area or some limitation on outtake or effort during a restricted season. Pushing the opening date back until later in October might also be an option given the roe would be in better condition. That could be a tradeoff for closing the area later than this year. July to mid-October may be an option worth considering. The meeting did believe that some English operators were happy at an earlier closure.

1. **Preparation for the meeting in Brussels on scallop management in the English Channel on 17 Sep.**

AB informed that the driver for this meeting had been the paper produced by the Northwestern Waters Advisory Committee in June of this year, which in some way was a response to the UKs Scallop FMP. As would be expected, the French sector believe the way ahead is to adopt the French model. The meeting agreed that the discussion in Brussels should be used to listen rather than adopt positions. DEFRA should not be agreeing to anything at this time. It is important that DEFRA make no commitments but provide a robust position in favour of supporting UK industry priorities. Any future agreement must recognize the different fleets, markets and fishing partners.

The point was raised that the best available science had to be used going forward. Transparency and sharing of data are what we currently lack. The UK sector has no idea what our EU colleagues are fishing in UK waters. It was noted that they are allowed up to 32,000 tonnes pf non-quota stocks annually from UK waters, whereas the UK traditionally remove no more than 12,000 tonnes overall, around 8,000t being king king scallops, from EU waters.

1. **Marine Directorate’s Inshore Improvement (scallops)**

AB informed that there had been very few meetings of the main FMAC group although there had been a few of the inshore component and Scallop equivalent. The inshore group is working on the Inshore Fisheries Improvement Plan, which has two work streams, a short term and long-term. All work to date had been on the short-term plan, which had focused on crabs and lobsters. Marine Directorate had assessed those two stocks as being the most vulnerable hence the introduction of early management measures, such as a ban on landing berried females. Scallops had been pushed into the longer-term plan. The SFF has drafted a paper, which will be presented to the Scottish Government in due course.

AB thought the role of this committee was to determine how we would want to see scallops managed in Scotland and pass that through the SWFPA into a position that we can feed the Scotland Marine Directorate. The committee agreed it would be useful to have a session that focused on the way ahead, just as we had prior to the formation of the UK FMP on scallops. It would be arranged for early into 2025.

It was mentioned that Irish super crabbers are now registering in the UK to get access to inshore waters, a situation that seemed perverse given the move to reduce outtake from the crab and lobster stocks.

1. **Q4 days – discussion**

After short discussion the meeting agreed to recommend 80 days at the SICG meeting.

1. **NQS at this year’s autumn negotiations with the EU**

AB mentioned the nominal TAC for NQS stocks of 32,000 tonnes for the EU and 12,000 tonnes for the UK. It was noted that discussions between the two parties would take place once the 80% uptake level was reached by a pre-agreed date. It was further noted that very little had been achieved through the Specialized Fisheries Committees.

It was further reemphasized that DEFRA mustn’t give anything away at the meeting with the EU in Brussels. There was a fear that the new government was keen to have a closer relationship with the EU and the worry around what that could mean for decision making.

1. **MPA Consultation – Update**

In Kenny Coull’s Absence MP mentioned that in the first instance it is worth pointing out that the (zonal) measures presented in Option 1 were developed over a period of years prior to 2018 and incorporated outputs from extensive stakeholder engagement including national, international (including ACs) and local meetings with fishers.

Reality is that the measures presented in Option 1 were the outcomes of that engagement and had the support of JNCC who confirmed that these measures would meet the Conservation Objectives for the relevant features and the sites. As you know, the process has been delayed due to Brexit. There has been some revision and updates to advice since then, but these have also been subject to discussion with Industry.

The problem really lies with the evolution of Option 2, and this is, effectively full site restrictions. Unlike the pre-Brexit position, Scot Gov were obliged to provide choice on suitable alternative measures. No surprise then that these were included, and MP did not think it a coincidence that at least 3 different groups threatened legal action if full site restrictions were not considered.

Although we do not yet have sign off on our response to the consultation, Kenny anticipates responding in general support of Option 1 (Zonal management).  He had kept members informed through our internal committee system, always keeping updated.

It would be our intention to oppose Option 2 (full site protection) but recognise that 5 sites have full protection as the only proposal. Also worth noting that Option 2 does not really provide clear benefits but comes at a significant cost to industry.

We will advise our members to put in individual responses for the area they operate in and, where they have concerns, flag that and offer alternatives.

1. **Scallop FIP – current situation**

Claire gave a short summary of the work being carried out with Scallop FIP. The Project UK scallop FIPs came to an end in June. This includes the channel scallop FIP and the wider UK FIP, which is all other areas except the channel. There's agreement from the steering groups, which is led by industry, that we want to continue in some form or another.

The discussion has been had at an industry level that we want to continue. We called a meeting of both the steering groups for the channel for the other FIP and are now in the process of looking to find funding to continue the work.

It's been agreed that Foster will chair the Scallop FIP working group and lead us forward and we've identified a six-year period looking to make improvements over that time, using the MSCs in transition to MSC framework. The group would look to employ a project manager and a fishery expert, which is obviously supported by the working group and the steering group.

The transition plan is in development through the working group, which will be presented for sign-off and we are looking now to try to fund the project. The funding requirements are six years at £5,000 a year. Currently we have four members SWFPA, Macduff and Seafood Ecosse. Waitrose have indicated that they would like to provide funding but are discussing that internally.

Both POs in Northern Ireland have come back to say that they do not want to fund but want to remain on the group as observers. As a result, the group is looking to carry out a scope of our interests in continuing with the Irish Sea as part of the FIP, or whether the work in the Irish Sea is paused until the Northern Irish are willing to contribute.

1. **SWFPA build project – Update**

Mike informed the meeting that the build had begun, and the delivery date was now the end of May 2025. SWFPA had requested a couple extensions part the financial year end of March 2025. Both had been granted.

1. **Economic viability of the scallop fleet**

Foster informed the meeting that, in his belief, the economic viability of the scallop sector was being challenged. The price at which the industry is selling the product is unsustainable with several vessels and companies on the brink of financial failure. He did not know the answer to the problem but suggested something had to change.

Juliette from the southwest PO is having similar problems with her members, who are receiving prices as low from £10.50 per kilo through to £14.50. Vessels cannot operate viably at the lower level. Foster highlighted the cost of production at Seafood Ecosse, which clearly showed a loss-making situation; he suggested this would be like most other companies.

It was suggested that part of the problem was those operating out of smaller less certified units, such as containers and sheds, that had lower costs as a result. There was a concern of an expose with these firms regarding health and hygiene that would bring the whole sector down. Speaking to one of the EHOs in Aberdeenshire, they said, essentially, that scallop processing is not high enough risk, and that they do not have enough workers, so we target the high-risk places—kebabs shops and other restaurants.

It was mentioned that the other big difficulty is levelling the playing field. At a European competition level, we are currently disadvantaged because we have the additional export charges and administration fees, but also, we do not have the same access to labour that they do on the continent.

In summing up AB said there are two routes open to the sector. Utilize the route into the local authorities when we hear or are aware of unhygienic operations. The second is the wider point about what else we need to do about the viability of the sector, and he would be happy to talk to Aoife a Seafish to see if they would be willing to carry out and economic analysis, but also to start understanding the reasons why it is not economically successful at this time.

**Action: AB to contact Seafish**

1. **Date of the next meeting**

The next meeting was scheduled for 5th December venue TBC