

Trade & Supply Chain Update

Day 1 Readiness - No Deal Planning

Introduction

Since Christmas, Welsh Government has strengthened its efforts in terms of no deal planning. It is still hoped that the UK Government can reach a deal with the EU, but Welsh Government consider that no deal is a real possibility and is now planning for that eventuality.

Industry Engagement

A significant amount of effort has been applied to industry engagement to support them in preparing their businesses for no deal.

- A **Fisheries and Brexit Bulletin** has been launched. It is an electronic bilingual newsletter. Four issues have been produced since November 2018, covering business support, exporting to the EU, certifications, deadlines for the industry to be aware of such as applications for haulier permits. They also publicised the Fisheries & Brexit Roadshows. To date we have 364 subscribers.
- **Brexit postcards** have been produced bilingually, both electronically and in hard copy. They sign-post the industry to the Brexit portal, relevant technical notices and published guidance. These have been shared with all relevant stakeholders such as the WFA, The Fisherman's Mission and FLAG's. DEFRA have recognised the value and have copied the idea! DEFRA are producing similar postcards for a number of issues.
- Seven **Fisheries and Brexit Roadshows** have been held in accessible locations across Wales. The purpose was to help the industry understand the implications of Brexit and assist in preparing businesses as we leave the EU. They have been delivered bilingually by a consultant to offer a safe space to raise issues. At the time of writing initial uptake had been low. It is unclear the reason; whether the fishing industry are sufficiently prepared and require no further assistance or whether they are reluctant to engage on the matter. If it is the latter with just 7 weeks to go it is of concern. Early feedback is that those that attended found the events useful. The events have generated a wealth of questions and feedback for the team to consider. Of those who attended few had mitigation and contingency plans in the event of no deal.
- The **Preparing Wales website** has been launched by Welsh Government offering a wealth of information and advice for all businesses and offers the fishing industry further support in their preparations.

Finance

- At the Fisheries and Brexit Roadshows a small number of fishers called for compensation in the event that they can not trade under no-deal. At the time of writing (24/01/2019) no funds were available from the UK Treasury to offer this kind of compensatory support.

- The Commission had very recently announced plans for legislation to be able to compensate their fleet in event of a no deal and not having access to UK Waters, The EU have very recently signalled that they intend to make legislation such that after UK withdrawal they may use EMFF to compensate EU fishers. It is unlikely therefore that this would apply to the UK on exit and would
- **EMFF** – see separate WMFAG update on current scheme

Supporting Exporters

- Exporters are a key element of the supply chain and many fishers in Wales are dependent on them to buy their produce and export it live or fresh to the EU. It is vital that exporters continue to trade.
- Welsh Exporters are also dependent on EU trade deals with other countries such as South Korea. It is still unclear from the UK Government if alternative arrangements will be in place in time.
- Given the number of issues. Exporters are being invited to a bespoke workshop at the beginning of February to discuss their no deal planning. All known exporters to WG have been contacted with the aim of meeting with them in February in order to discuss their Brexit preparedness.
- The event will include a demonstration of the new IT system that has been developed to create **Export Catch Certificates**.
- Exporters rely on vehicle access to the EU. Although outside the scope of the team, we are seeking to provide information to industry on changes that are being considered in respect of **Haulier Permits**. The EU have proposed a relaxation of the rules for a short period, but this had not been agreed. Therefore at the time of writing haulier permits were still required. It is unclear if sufficient permits will be able UK-wide and current prioritisation proposed by DfT is unlikely to benefit the Welsh fishing industry