

**Speech by Prabhash Subasinghe, President, Seafood Exporters Association of Sri Lanka (SEASL) at the Brussels Seafood Expo.**

On the 21st of April 2016 the European Commission released an official press communiqué stating that the Red Card issued against Sri Lanka will be lifted as it has significantly improved its national fisheries governance. European Commissioner for Environment, Maritime Affairs and Fisheries, **Karmenu Vella**, said *"It also shows that we can bring important players on board: Sri Lanka has now a robust legal and policy framework to fight illegal fishing activities. As the fight against IUU fishing is part of the EU's commitment towards sustainability and good ocean governance, each third country that comes on board is an asset."*

**It is important to discuss why this happened – and some of the Key issues raised by DGMARE (Director General Maritime Affairs), EU**

On 15<sup>th</sup> Nov, 2012, The European Commission in their first notification to Sri Lanka stated that Sri Lanka pursuant to Article 32 of IUU Regulation that it considered the possibility of identifying Sri Lanka as a non-cooperating third country and also included the identified shortcomings.

Adoption of an adequate legal framework much needed for a large scale fishery engaged in fishing activities in international waters, Lack of adequate monitoring of the fishing fleet, Lack of Observer scheme, Lack of sufficiently deterrent sanctioning system against IUU activities in the international waters, Improper implementation of catch certification scheme, General compliance with international obligations including RFMO recommendations and resolutions, and Lack of compliance with recommendations and resolutions of United Nations International plan of Action against IUU were the main shortcomings pointed out.

Since 14<sup>th</sup> December 2012 Sri Lanka informed the commission, the institutional arrangements made to address the shortcomings, and submitted written comments on 31<sup>st</sup> December 2012 and 4<sup>th</sup> January 2013, and the commission requested on the 7<sup>th</sup> February 2013 to update information of the suggested action plan. Again on 13<sup>th</sup> March 2013 Sri Lanka sent a report with an updated time bound action plan, a national plan of action to combat IUU, updates on administrative procedure and guide lines for catch certificate issue, confirmation with regard to establishment of a Catch Certificate office at International Airport, and a draft of the revised legislation related to fishery etc. This dialog and reporting continued for over a six to seven months but without credible action by Sri Lanka.

Therefore unconvinced the European Commission on the 11<sup>th</sup> of June 2013 informed Sri Lanka that the European commission will continue to have a dialog for a further period of 9 months until February 2014. However still Sri Lanka failed to show tangible and credible action on the ground.

The European commission also observed that Sri Lanka had also introduced eight (08) large scale purse-seine vessels without any monitoring devices during the period of 2013 -2014.

Finally in the light of the elements gathered the European commission was convinced that Sri Lanka had not sufficiently addressed the areas concerned and that Sri Lanka failure to discharge its duties under international law as flagged, port, coastal or market state and to take action to prevent, deter and eliminate IUU fishing. European Commission in accordance with Article 31 of IUU regulations, considered Sri Lanka as a non-cooperating third country in fighting IUU, thus the Red card was issued on the 15th of December 2014 and the actual Ban was implemented on the 15th January 2015.

### **Let us now discuss the Impact on Sri Lankan Exports.**

Sri Lanka is the second largest exporter of fresh Tuna and chilled swordfish to the EU. In 2013, Sri Lanka accounted for Euro 74 million of fisheries imports to Europe. The ban's strongest and most devastating impact was to be borne by Sri Lanka's fishing community – over 192,000 households and 222,000 fishermen and women who were dependent on fishing as a livelihood lost over half their income. Most of the vessels that used to go in to deep oceans for fishing drastically reduced the frequency of their fishing trips. Large number of long line vessels were kept tied down in harbors. It's not only the fisherman who suffered, but also the processors. All thirty (30) odd processing plants were operating at less than 50% capacity and some of the plants were completely shut down since implementation of the ban. The exporters in fact started recovering only after a year with alternative markets and some volume of raw material from Maldives and India to keep the buyers in EU satisfied.

### **How did Sri Lanka resolve the biggest threat to her fishing industry?**

In this backdrop we note with delight about an interesting and a significant change in the approach by the government of Sri Lanka. After 6 days of taking office on the 15<sup>th</sup> of January 2015, the Hon. Prime Minister Mr. Ranil Wickremesinghe called to order his 1<sup>st</sup> meeting on this subject and thereby appointed a steering committee to monitor and manage the progress of the removal of the red card.

This crucial committee comprised of all the related stake holders, and interestingly included the private sector as well and our association. This was the 1<sup>st</sup> time that such a high level steering committee was formed between the Government of Sri Lanka and the private sector.

Additional Budget allocation, establishment of the Vessel Monitoring Center, Recruitment and Training of new personal, introduction of necessary regulations and sanctions, awareness programs were included in this humongous task and the countries' prime minister and the staffs were regularly monitoring the progress through the very effective steering committee.

This is how the activities related to management of the Sri Lankan fishery and combating Illegal, unreported and unregulated fishery were carried out to the satisfaction as per the international obligations by Sri Lanka. Whilst appreciating the Government's efforts steered by Hon. Prime Minister Ranil Wickremesinghe, SEASL also does recognize the active role played by all the political and bureaucratic authorities.

Director General of Maritime Affairs of European Commission was actively engaged with their observations with regard to the progress made from time to time and finally ended up in a delegation visit headed by the Principle adviser of DGMARE Mr. Cesar Deben in November 2015 to ensure that the management measures are actually in place. Finally the conclusive discussion between the Fisheries authorities and DG MARE took place on the 6<sup>th</sup> of April 2016 where DGMARE accepted that Sri Lanka has a comprehensive and robust management systems for her fishery and to combat IUU fishing.

### **What is next and when can we really export to EU is an important question at this time.**

The next step will be the draft commission implementing decision on Sri Lanka reaching the administrative layers, working party on internal & external fisheries policy, the COREPER 1 and AGRIFISH Council/Foreign Affairs Council of the European council, which will take about 2-3 months as per EU practice. SEASL is Optimistic that the final decision by the council of the European Union on revoking the ban on Sri Lanka may be possible before July 2016 so that Seafood exports to EU countries can actually commence by then.

### **Future Export Plan of Sri Lanka**

Just with the announcement by the EU Commission of the revoking of the Ban, the SEASL and the Exporters have witnessed increased inquiries from around the world, of course some confused as to when Sri Lanka could really export to EU countries. As mentioned before Sri Lanka will be open for business with the EU in the next 2-3months. With observed enthusiasm Sri Lankan seafood industry, expect a significant boom in the market for Sri Lankan Seafood products, especially in the area of Tuna. This will not be only within the EU countries, but also in the other regions such as USA, Japan and Russia and this big time demand entails more head-on challenges for the Sri Lankan Fishery and Seafood export industry. Slow moving Tuna fishery may require a complete overhaul to meet the renewed market demand. Renovation of fishing vessels, introduction of new technology such a RSW to vessels, introduction of latest technology into collection of tuna catches, introduction of freezing capacities such as -35 C & -60 C in to the fleet may be necessities to face the future. SEASL also envisage many improvements in the field of processing where the logistics on ground, Ice plants, freezing capacities, introduction of new product lines to improve the processing quantities.

## **Finally the GSP +**

GSP + is the next big thing that SEASL expects to come behind the lifting of the EU Ban. Sri Lanka for sure will be eligible to apply for this facility once again and to our knowledge, the GOSL is already working hard on the application process and SEASL is confident that the GOSL will receive a positive response from European Commission and will be successful in getting the GSP+ in early 2017. This is going to be a complete game changer.

The team that worked hard to lift the EU ban may have to continue with the same spirit to face the new challenges and to continue to maintain good ocean governance. The Government of Sri Lanka, Minister of Fisheries along with the able staff and the Department of Fisheries headed by the DG, and NAQDA, NARA and other related agencies may need to work round the clock to do the balance to meet, what is expected to come. We sincerely hope that all these stake holders have the strength and courage to continue with their good work to realize the GOSL and SEASL's dream of \$1.5 Billion Seafood Exports by 2020.