

# The distribution of fishing opportunities.

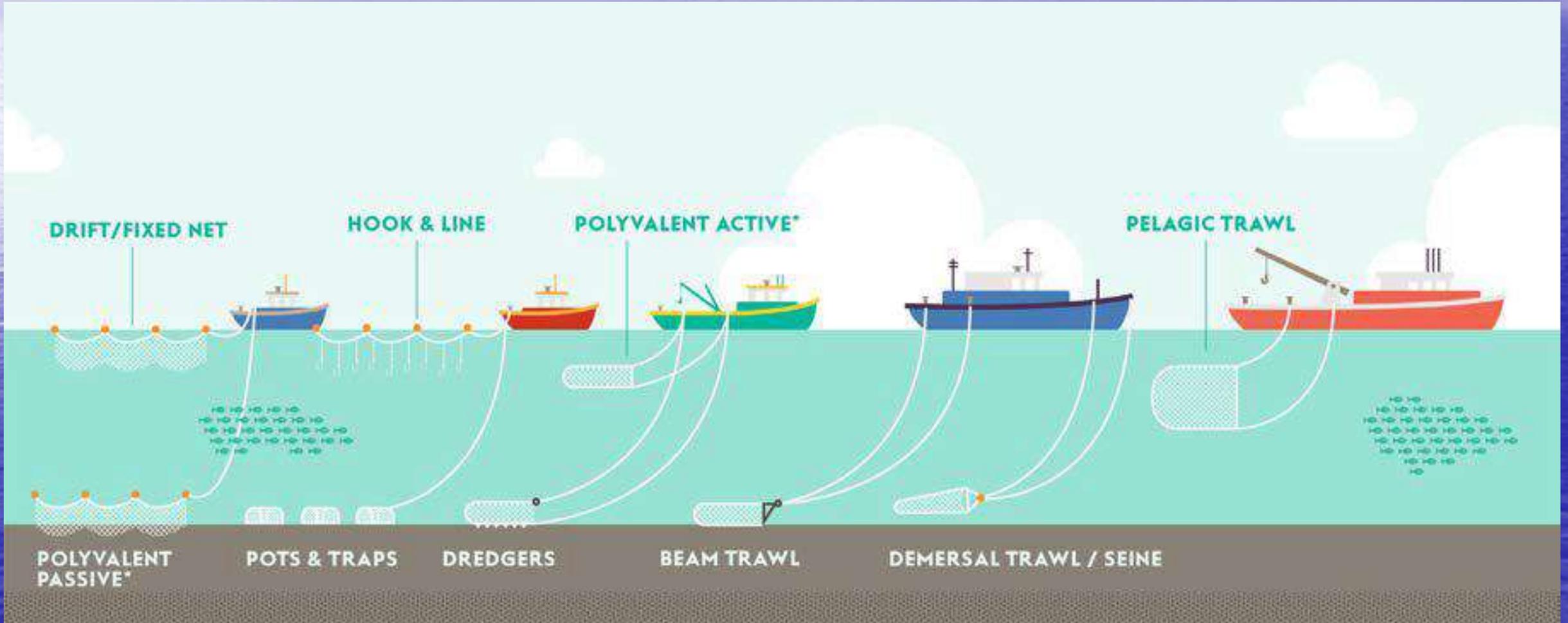


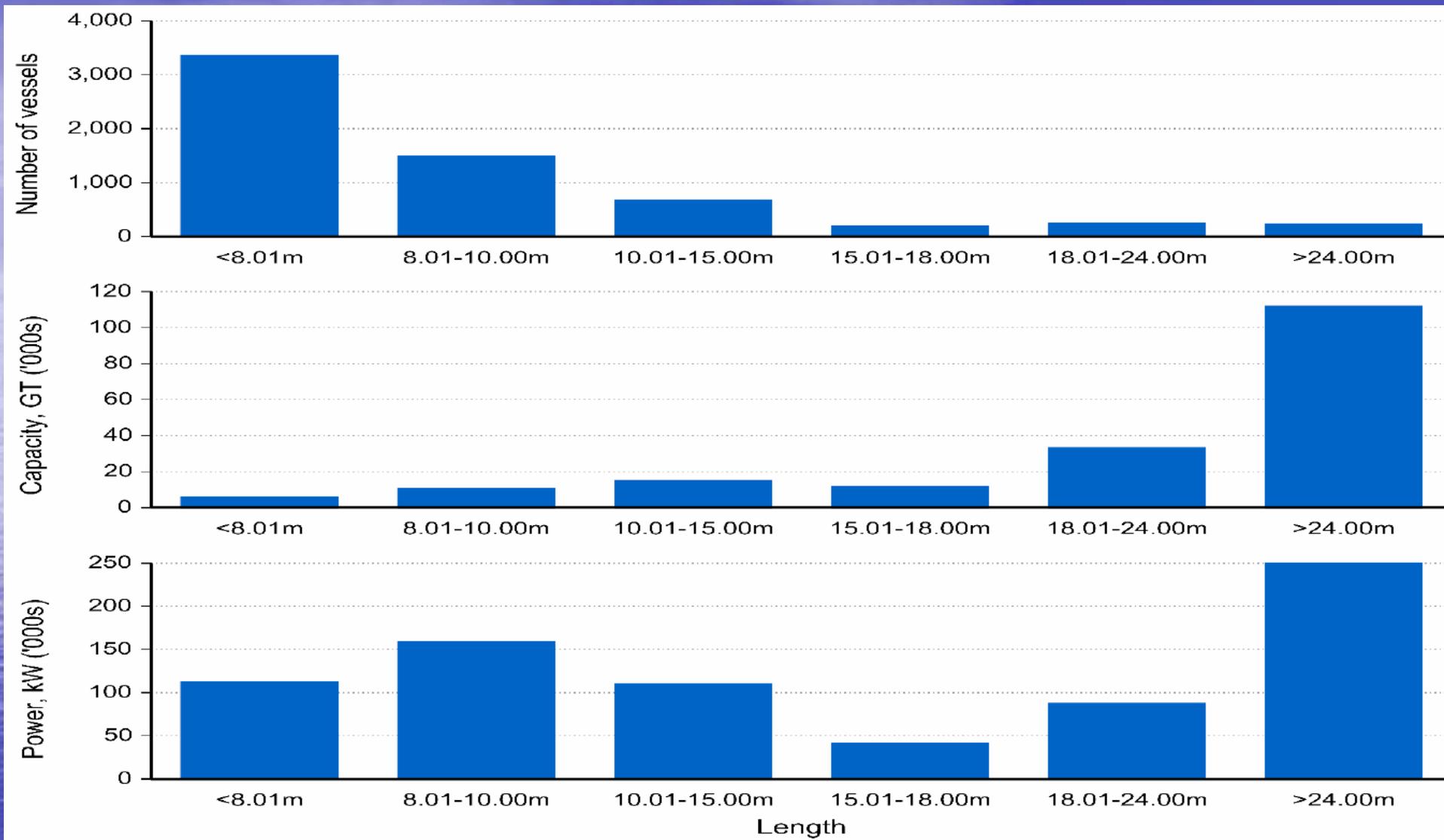
- For who?
- For why?
- For when?
- For how much?
- The past, present and future[s] for quota allocation in the UK

Jeremy Percy, Director, New Under Ten Fishermen's Association

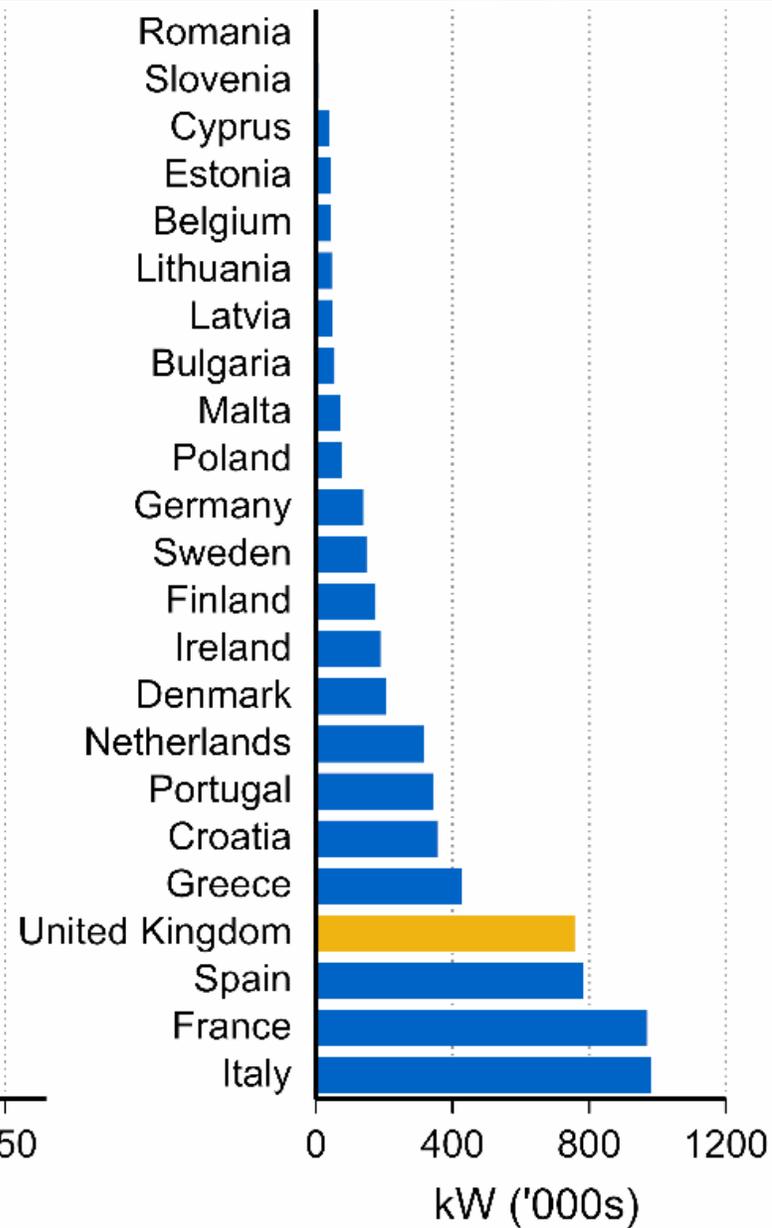
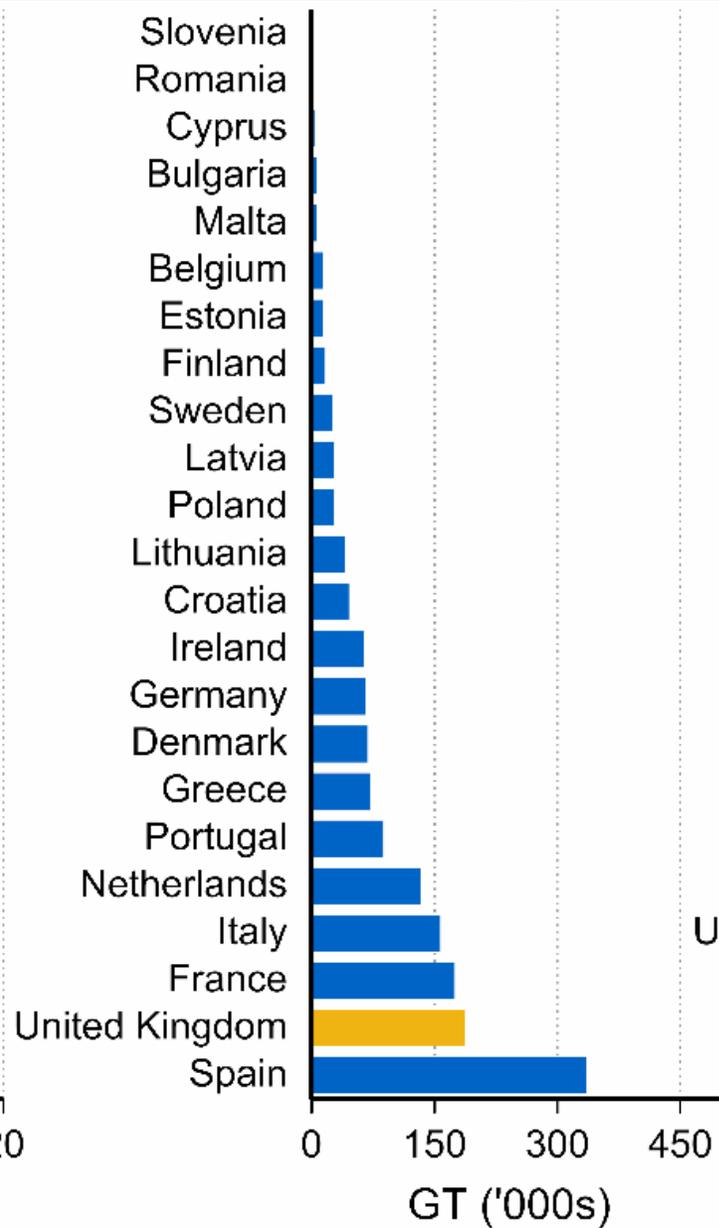
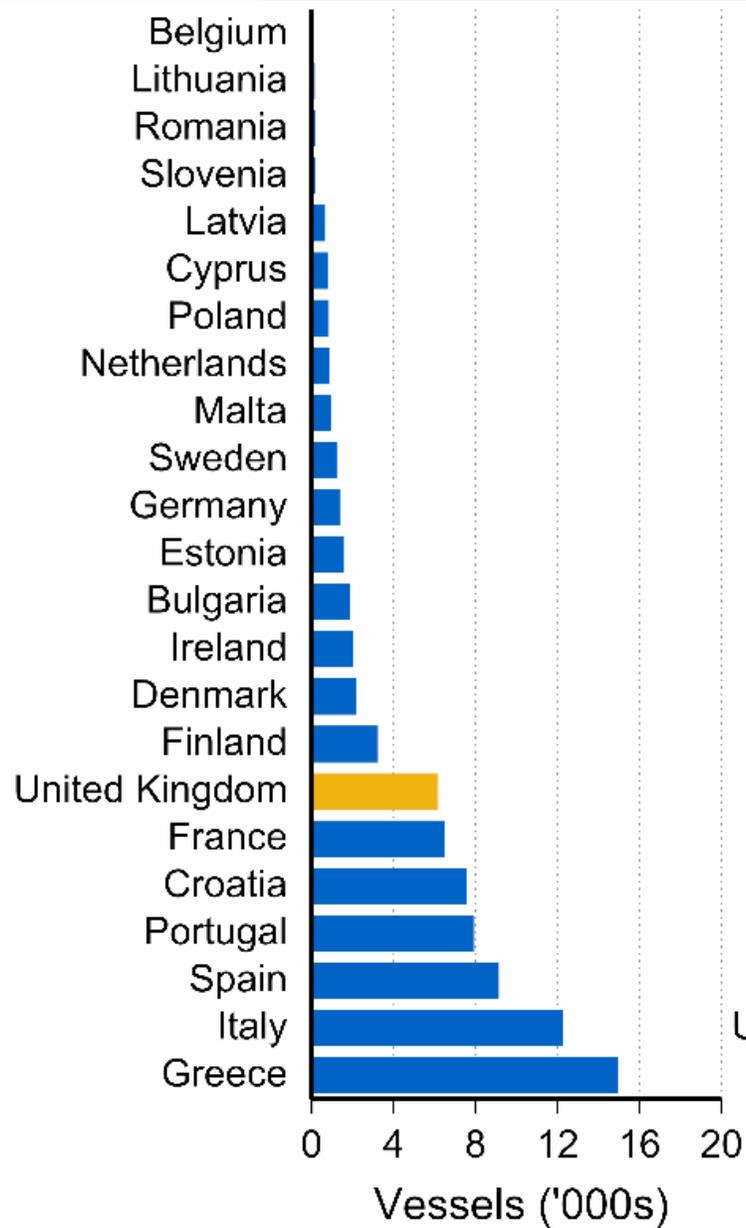
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# UK Main Fishing Gears [NEF]

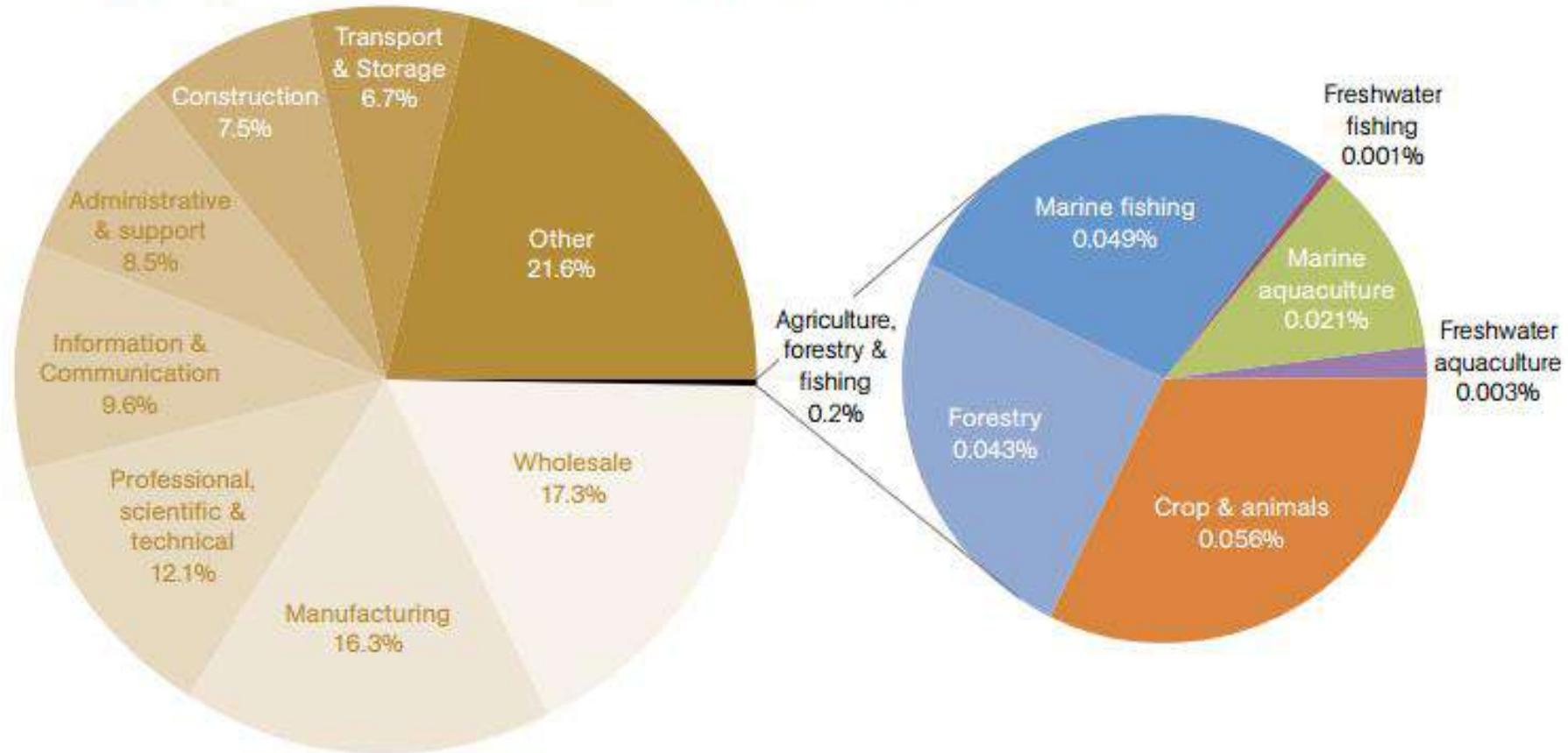




UK fishing vessels; 6148; 1314 >10m; 4834 <10m. There were an estimated 11,692 fishermen in 2017, down 9 per cent since 2007 and 65 fewer than in 2016. Of these, 5,299 were based in England, 756 in Wales, 4,799 in Scotland and 838 in Northern Ireland.



**Figure 1. Contribution to UK GDP by sector.** The 'pie' on the left is UK contribution to GDP by sector and the 'pie' on the right is the contribution by areas within the sector (agriculture, forestry and fishing); the percentages reflect contribution to overall GDP.



Source: New Economics Foundation – How Important is fishing to the UK economy?

2014, there were 301 UK ports that received an economically significant amount of landings (>£50,000). Of these ports, 153, or 51% received the bulk of their landings from the under 10m fleet.

## The Problems ( Challenge [s]) facing coastal communities

- Significant shares of residents in 'skills poverty' (those qualified below NVQ234)
- Higher proportions (than non-coastal areas) of working-age people on out of-work benefits.
- Challenges within unstable economies with a short supply of good jobs
  - *Polarised communities, with high levels of economic inequality*
  - *Lower aspiration, with accounts of intergenerational unemployment and educational underachievement.*
  - *A greater percentage of residents with a long-term health problem that limits their daily activities.*
  - *Higher levels of relative deprivation*
  - *deprived communities often show pockets of anti-social behaviour.*
  - *The average insolvency rate for all coastal authorities in 2011 was nearly 20% more than the inland average.*
  - *Debt problems for individuals seem particularly difficult in seaside areas that continue to rely on tourism as a major source of income and that lack a more diversified local economy.*
  - *Presence of neglected or decaying architecture.*
  - *Higher-than-average proportions of small and cheap private sector rented housing units, often of poor quality.*

# Where we came from:

- “If the price of entry is the destruction of the Scottish Fishing Industry it is a price that has to be paid”. *Edward Heath on Accession to Europe*
- Annual EU Council of Ministers meeting set overall Total allowable catches ostensibly based on scientific advice, for following year. Divided via RS to individual member states. Further subdivided to sectors [based on historic track records] = UK <10's = 80% of fleet by number awarded 2% of UK allocation
- “When quotas were first delegated to and divided amongst PO's.....there was an incentive to maximize catches, even to the point of inventing landings, or ghost fishing”. *UKAFPO*
- Over fishing, black fishing and ghost fishing, followed by Registration of Buyers and Sellers Regulation 2005 nailed <10 quotas on a permanent basis
- “If I was starting, it wouldn't be from here”. *Richard Benyon, Fisheries Minister*

# How we arrived here:

- Previously mentioned – allocation based on falsified track records
- Ad hoc stratified sampling for <10's
- MAFF / DEFRA abrogated responsibility for quota management, handing it to PO's
- EU – 'too many boats', need to reduce capacity = Decommissioning
- DEFRA spent £126m + providing opportunities for larger vessel owners who sold their old boat out of fishing to:
  - Buy or build a new vessel to fish their quota
  - Retain & lease out quota and become a 'slipper skipper' NI Trawler – 60%
  - Sell quota [fqa's] to others, including foreign interests [flag ships]
- 50% of UK quota owned by foreign interests
- Consolidation – up to 60% of income for quota leasing – foreign crews / new entrants
- Factortame
- Economic Link
  - Land 50% into UK
  - 50% of crew normally resident in a UK coastal area
  - Incurring significant operating expenditure
  - Gifting quota

# Where we are now - Brexit and Fishing Opportunities

- We will take back control and become an independent coastal state" *Michael Gove*
- 100's of 1000's of tons more fish" *George Eustice*
- "We do not intend to change the method for allocating existing quota". *Fisheries White Paper*
- "We recognise that fishermen have invested in FQAs. We will continue to use this methodology for the apportionment of existing quota". *Fisheries White Paper*
- "we do not yet know the outcome of the UK's negotiations to withdraw from the EU or on a future economic partnership."  
*Fisheries White Paper*
- All predicated on a successful 'fisheries first' Brexit Windfall

# To boldly go.....

- Brexit; A one off opportunity to make amends
- Clause 1: Managed in a way that is consistent with the objectives of achieving economic, social and employment benefits.....
- Clause 20 and alternative [A17 – CFP]
- 22: The Secretary of State may by regulations make provision for the sale of—
  - (a) rights to use an English catch quota for a calendar year;
  - (b) rights to use an English effort quota for a calendar year.for the payment of compensation to a person who holds but does not use rights sold in accordance with the regulations;
- “For the under-10 pool, you might do something very different. You might [...] simply just put some extra fishing opportunities in there and not tender it”.
- As we depart from relative stability and have new fishing opportunities coming in, I do not think it makes any sense at all to compound the injustice of the FQA system

# But:

- Landings Obligation –
  - Land all catch
  - Charging Scheme for discards - Cost penalty for landing over quota
    - a) a charge is payable in respect of an unauthorised catch of sea fish, and
    - (b) such other conditions as may be prescribed by or in accordance with the scheme are met,
- The 'Under ten' PO [ Coastal PO] still prevented from providing same opportunities for members as other PO's
- Quota costs increases
- Non tariff barriers to trade

# Options

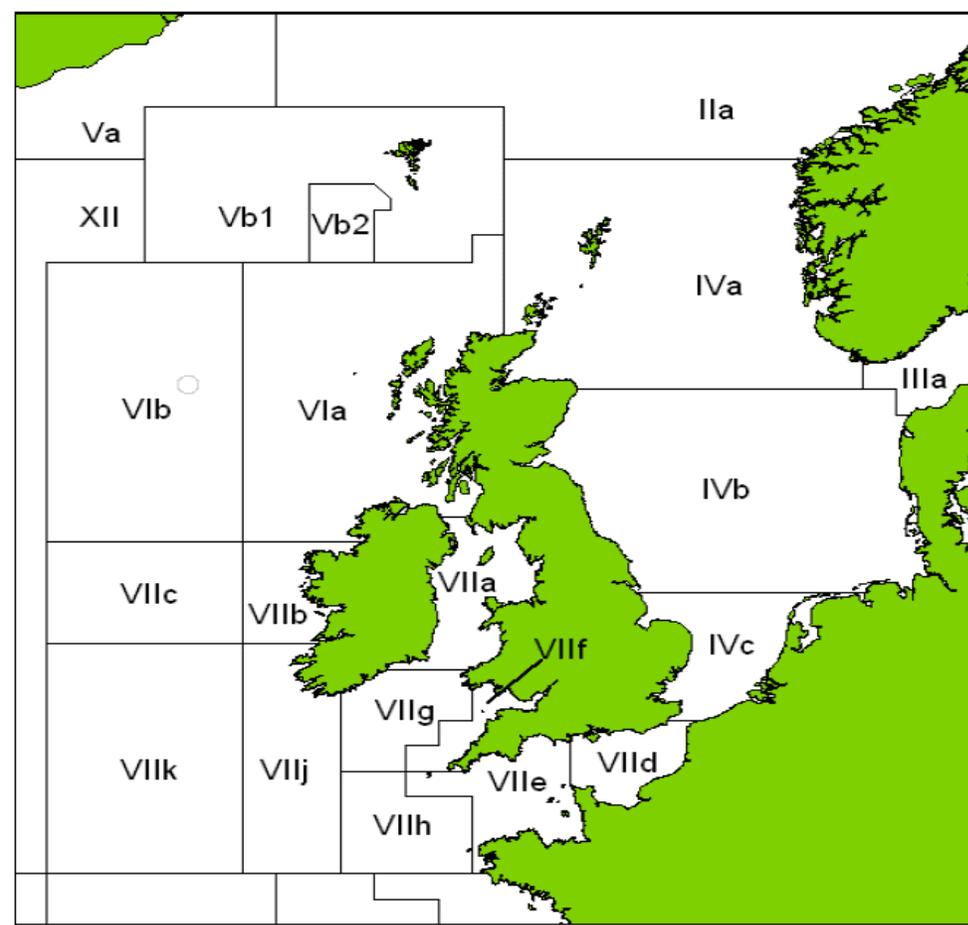
Windfall – predicated on doing the deal

Redistribution – no change to current unjust fqa system

Reallocation – Clause 20 variant

Realignment – 2013 Judicial Review revisited

# Realignment II?



Species & Area	UK%	FR%	UK Underfish [tons]	FR Underfish [tons]
Monkfish 7	85%	80%	1170	3995
Cod 7b-k	73%	64%	73	795
Nethrops NS	74%		4203	
Pollack 7	67%	11%	675	7758
Sole NS	54%	54%	429	341
Whiting 7b-k	45%	42%	1156	10632
<b>Totals</b>			7706	23521 [UK+FR= 31227]

**Thank You**

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