

The distribution of fishing opportunities.

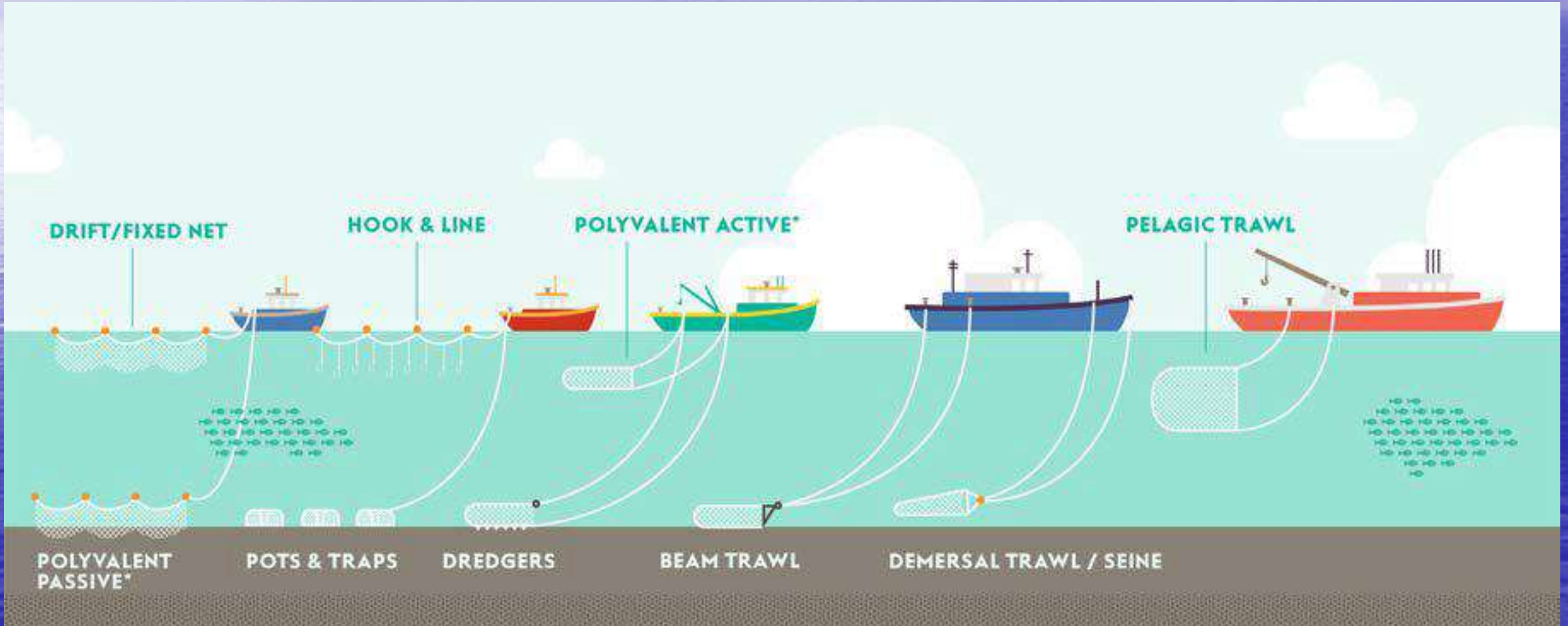


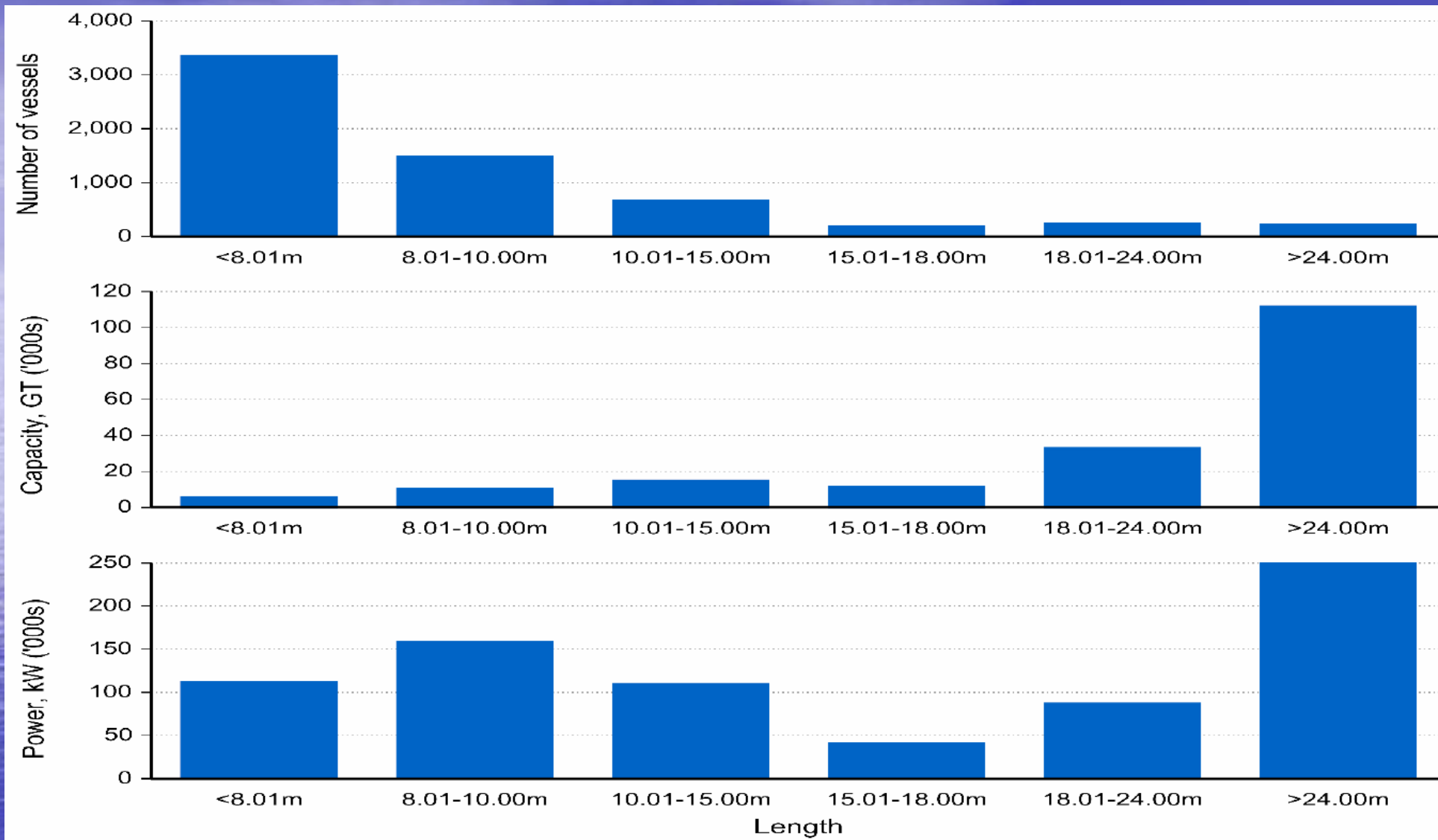
- For who?
- For why?
- For when?
- For how much?
- The past, present and future[s] for quota allocation in the UK

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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.

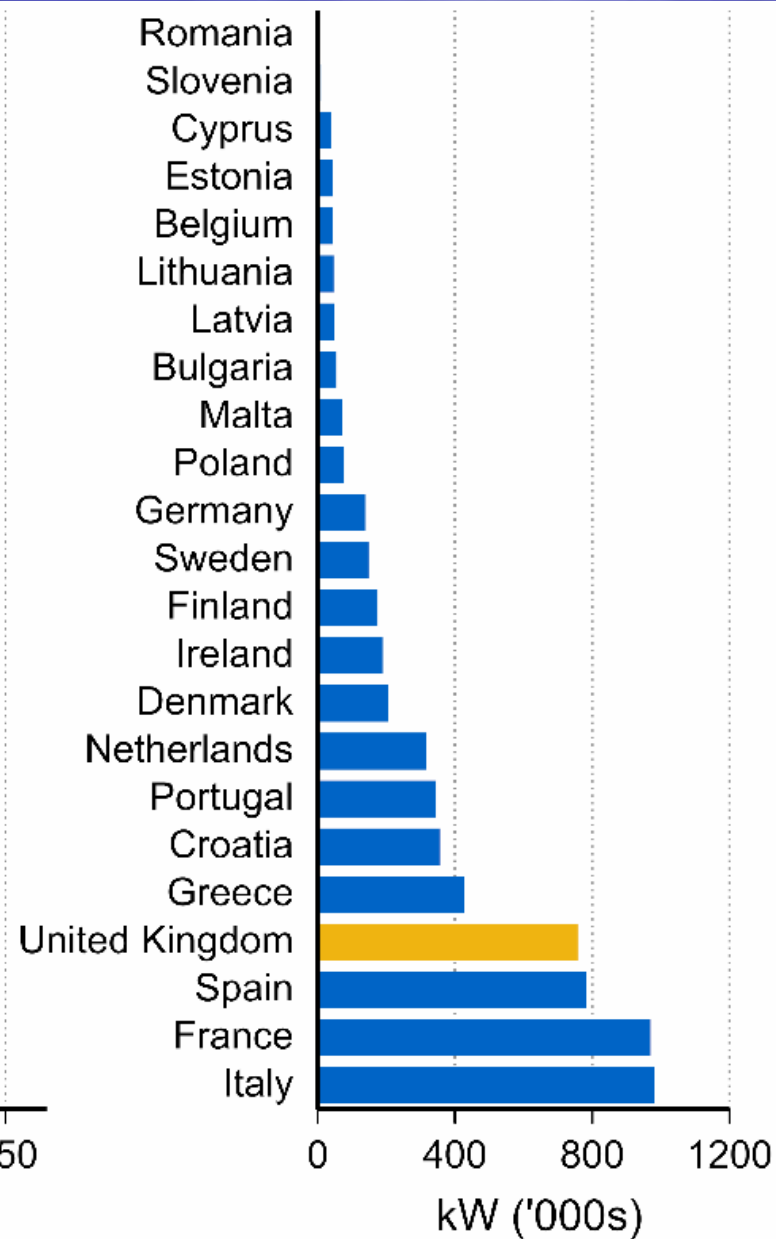
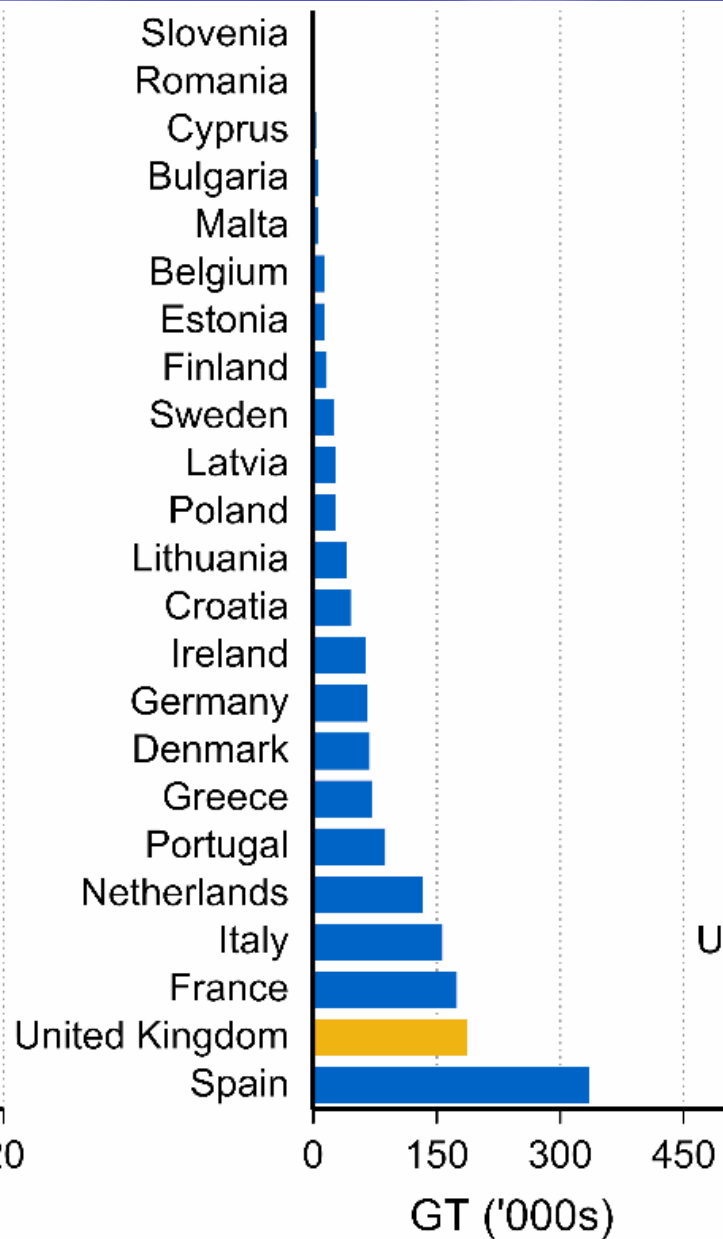
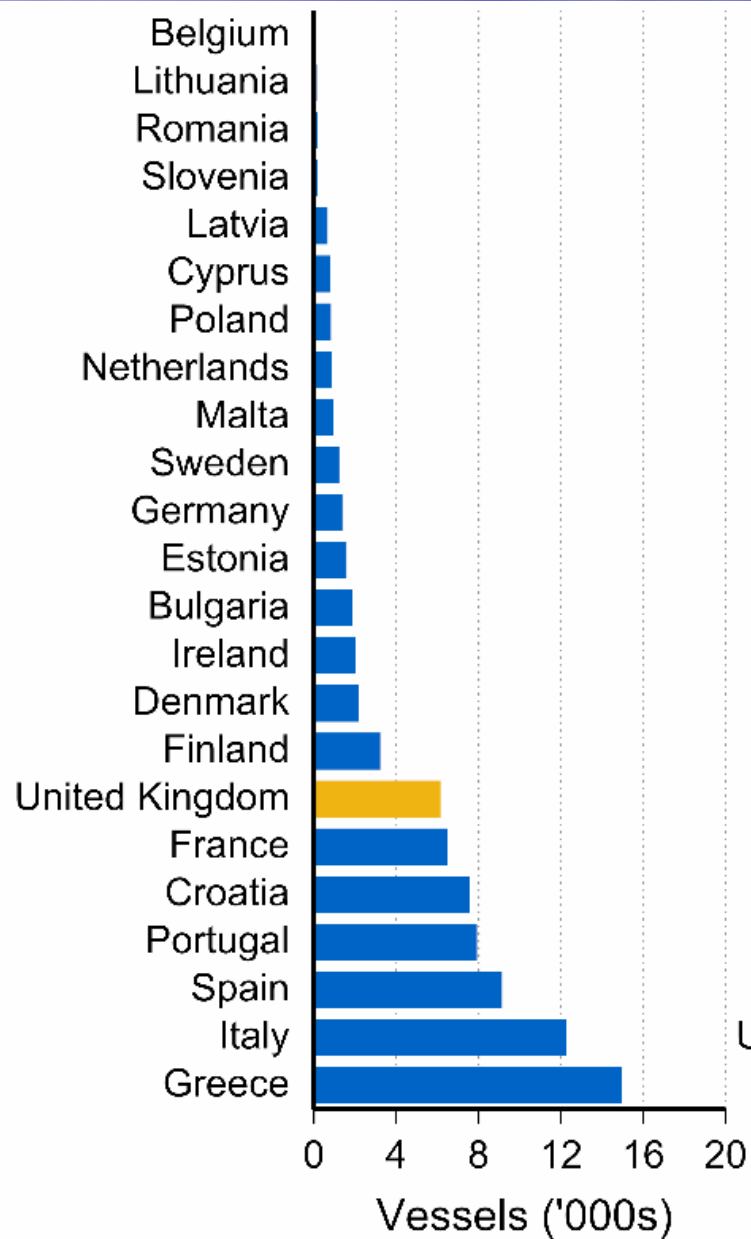


Figure 1. Contribution to UK GDP by sector. The 'pie' on the left is UK contribution to GDP by sector and the 'pie' on the right is the contribution by areas within the sector (agriculture, forestry and fishing); the percentages reflect contribution to overall GDP.



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

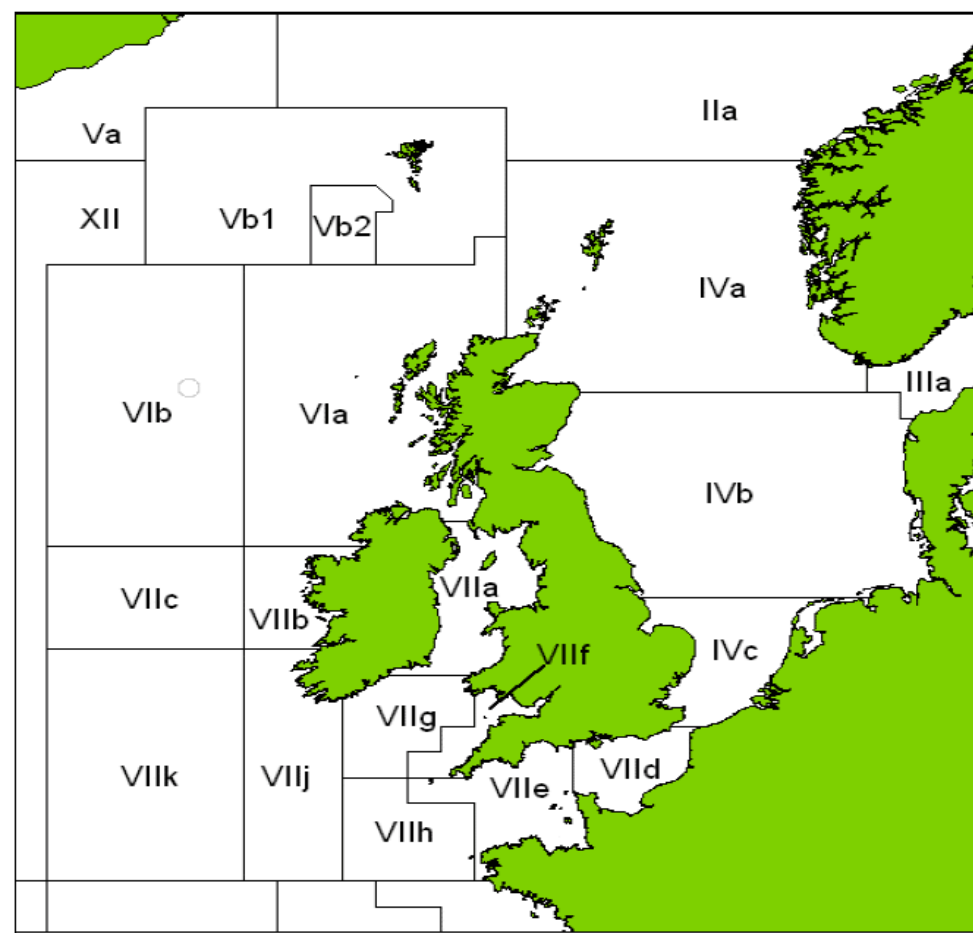
Windfall – predicated on doing the deal

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
Totals			7706	23521 [UK+FR= 31227]

Thank You

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