

Title: Crab & Lobster Fishery Management Plan Date: 23 May 2023 BRU No: N/A Lead department or agency: Defra		De-Minimus Assessment (DMA)	
		Stage: Consultation	
		Source of intervention: Domestic	
		Type of measure: Other	
Summary: Rationale and Options		Contact for enquiries: annabel.stockwin@defra.gov.uk	
Total Net Present Value N/A	Business Net Present Value N/A	Net cost to business per year N/A	

Rationale for intervention and intended outcomes

The Fisheries Act 2020¹ sets out the legal framework to achieve “a more competitive, profitable and sustainable fishing industry across the whole of the UK” and places an expectation on the UK’s Fisheries Policy Authorities to publish Fisheries Management Plans (FMPs). The Joint Fisheries Statement (JFS)², published in November 2022 sets this out in practice and lists 43 proposed FMPs. The crab and lobster FMP sets out the road map to manage stocks in English waters and protect the wider environment. Once published, the policies and measures in the FMP will be implemented separately through appropriate mechanisms such as statutory instruments, licensing conditions or voluntary measures. Current evidence points to crab and lobster fisheries having high exploitation rates that exceed the maximum rate of fishing mortality that would maintain population size at Maximum Sustainable Yield (MSY). The MSY is the theoretical largest yield that can be caught from a species stock over an infinite period so the stock can regenerate. Fish are a common good - they are non-excludable, yet rivalrous. Rivalrous means anyone can catch a fish but once a fish is caught and retained it cannot be caught again. They are non-excludable because it is not possible for one actor to exclude another from catching fish. These characteristics mean unrestricted demand cannot be matched by finite supply, so government intervention is needed to avoid fisheries being overexploited and overconsumed. Government intervention is also required to protect the marine environment as this has positive externalities so the private benefit from protecting the marine environment will be less than the social benefit. Market agents have weak incentives for environmental protection, as it will not be beneficial in the short run and there may be free riding. Government intervention is therefore required to protect stocks and protect the marine environment which will benefit social, economic, and environmental wellbeing. The management landscape for crab and lobster in England is highly fragmented, with a range of national and regional management measures. The FMP brings together and builds on the complete portfolio of existing management measures and research for crabs and lobsters with the purpose of achieving MSY. The plan also highlights where information and knowledge gaps exist and what is required to fill those gaps and provide the necessary protection for stocks now and in the long term; including where a precautionary approach may be needed until sufficient evidence becomes available. The FMP also considers evidence of the wider impacts these fisheries have on the marine environment.

Describe the policy options considered

Option 0: Do Nothing - no FMP or related management measures developed

- Lack of strengthened/ new, evidence-based management would increase the likelihood of stocks being overexploited with insufficient protection for the wider marine environment. And be legally non-compliant

Option 1: Self- Regulation – no formal Government FMP but industry introduces voluntary management measures

- The introduction of non-regulatory measures, such as voluntary measures developed and introduced by industry, would unlikely go far enough to ensure stocks are being fished sustainably and the wider marine environment is protected. This is because financial incentives would not align as illustrated in the rationale.
- Voluntary measures are unenforceable so there’s no guarantee they provide increased protection to stocks.

Option 2 (preferred option): Crab & Lobster FMP

- Sets out the policies designed to restore stocks to, or maintain them at, sustainable levels.

Rationale for DMA rating

A DMA has been produced because the FMP itself will have no direct monetised impacts and as such fall below the £5m threshold necessary for an IA. When individual measures are specifically implemented, the statutory or non-statutory mechanism through which these will be implemented will have their own impact assessment.

Will the policy be reviewed? Yes		If applicable, set review date:		
Are these organisations in scope?	Micro Yes	Small Yes	Medium Yes	Large Yes
Senior Policy Sign-off: Jane Barton	✓		Date: 21/04/2023	
Peer Review Sign-off: Archie Hayton	✓		Date: 19/04/2023	
Better Regulation Unit Sign-off: Nadia Tiwana	✓		Date: 23/05/2023	

1.0 Policy Rationale

¹ Fisheries Act 2020 (legislation.gov.uk)

² Joint Fisheries Statement (JFS) - GOV.UK (www.gov.uk)

Policy background

1. The Fisheries Act 2020 provides the framework to manage our fisheries as an independent coastal state outside of the EU Common Fisheries Policy. The Act requires the UK fisheries policy authorities (Defra, and the devolved administrations in Northern Ireland, Scotland and Wales) to prepare and publish fisheries management plans (FMPs) to help deliver our ambition for sustainable fisheries. The Joint Fisheries Statement (JFS), published in November 2022 sets out how the ambition of the Fisheries Act 2020 will be achieved in practice and lists 43 proposed FMPs to be published, one of which is the crab and lobster FMP in English waters. The fisheries policy authorities have a statutory obligation to prepare and publish any FMP on that list in accordance with the timescales set out in the JFS
2. FMPs set out the policies designed to restore one or more stocks of sea fish to, or maintain them at, sustainable levels. Each plan will specify the stock(s), type of fishing and the geographic area covered. Each FMP will identify the measures that will be used to deliver its policies. Such measures may include both existing or new regulations, statutory instruments, technical measures, or non-statutory routes such as research plans, voluntary agreements, or codes of conduct. The precise mechanisms used will depend on the policies set out in the plan and, where appropriate, will be enforced by the relevant national fisheries authority.

Problem under consideration

3. Non-quota species (NQS) fisheries, including crabs and lobsters, are of significant interest to both UK and EU vessels, given the high monetary value of NQS, and their importance to local communities. In 2020, landings of NQS made up 19% (118,370 tonnes) of the total quantity of landings (623,000 tonnes) by the UK fleet and 28% (£233m) of the total value (£831m) into the UK and abroad³. Crab and lobster are amongst our most valuable fisheries but, despite this, are data poor, compared to quota species, in terms of stock status, estimates of MSY and affecting factors, which leaves them vulnerable to unsustainable levels of fishing activity.
4. Available scientific evidence, which are being strengthened, points to crab and lobster fisheries having high exploitation rates⁴ that exceed the maximum rate of fishing mortality that would maintain population size at MSY, stock sizes which mostly do not meet the MSY target reference point, and year-on-year increases in landings. The crab and lobster FMP primarily aims to ensure that brown crab and European lobster stocks in English waters are managed to ensure their long-term sustainability and long run economic profitability from MSY, while addressing the management of crawfish, common prawn, common spider crab, and velvet swimming crab as secondary species.

Rationale for intervention

³ [UK Sea Fisheries Statistics 2020 \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

⁴ [Crab and Lobster stock assessments 2019 - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

5. Crab and lobster were prioritised for early development of a Fisheries Management Plan because they met the following criteria:
 - Current risk of over-exploitation without additional management action.
 - High economic value contributing to coastal communities.
 - Wider social and economic importance of the stock and its associated fisheries, considering factors such as employment levels, local income, recreational fishing interest, contribution to coastal communities, and legal or governance and institutional structures.
 - Ecosystem significance of the stock, including factors such as its fisheries' impact on the ecosystem and interactions with non-target species including protected species.
6. The crab and lobster FMP sets out the policy framework for managing stocks in English waters to achieve maximum sustainable yield (MSY) and includes the complete portfolio of existing management measures in inshore and offshore waters in addition to all available science and evidence. The FMP also highlights where gaps exist and what is required to fill those gaps and provide the necessary protection for stocks now and in the long term.
7. The FMP will also consider evidence of the wider impacts the fishery has on the marine environment and will set out a long-term plan to improve data that will inform mitigation and management actions. The ecosystem management measures will ensure the fishery operates harmoniously within the wider marine environment.
8. Government intervention is required as fish stocks, including crab and lobster, are a common pool resource. That is, that they are non-excludable, yet rivalrous. Rivalrous here means anyone can catch a fish but once a fish is caught and retained it cannot be caught again. They are non-excludable because it is not possible for one actor to exclude another from catching fish. These characteristics would lead to the classic economic problem of 'the tragedy of the commons', were the government not to intervene. This is because market agents would only consider the benefits of catching. They would not weigh it against the impact it will have on the stock health, overall, leading to overexploitation of the stock. Government intervention would prevent this overexploitation of fish stocks, and this FMP provides the framework through which government intervention would work.
9. Furthermore, a thriving marine environment has positive externalities to society which would not be captured by the market mechanism. For example, a healthy marine environment can capture carbon emissions, helping reduce the impact of climate change for all individuals, which would provide social benefit far greater than the private benefit of an individual taking actions to protect the marine environment. Industry alone would not be able to provide adequate protection of the marine environment as this requires coordination and enforcement that is not possible within markets. Government intervention is therefore required to ensure that this optimal social benefit is achieved.

Policy objective

10. The objective of this policy, in accordance with the Fisheries Act 2020⁵, the Joint Fisheries Statement⁶ and the 25 Year Environmental Plan⁷, is to contribute to the health and abundance of key commercial species and promote healthy seas and economic stability.
11. Management of crab and lobster fisheries in English waters aims to achieve environmental, social and economic sustainability, benefitting coastal communities and wider society. A key priority of the FMP is to ensure that crab and lobster stocks in English waters are being fished sustainably by ensuring fishing effort is responsive to stock status and does not exceed the ability of the stocks to regenerate. Ensuring effective, adaptable, evidence-based fishery management measures are in place is crucial to protecting the long-term sustainability of crab and lobster stocks.
12. The FMP contains and builds on the existing management measures and research for crabs and lobsters. The FMP aims to highlight where evidence is limited and identifies the requirements to improve research to provide the necessary protection for stocks now and in the long term. The FMP sets out to guide crab and lobster fisheries to the point where management is driven by a comprehensive harvest strategy underpinned by a reliable stock assessment methodology. The management objectives detailed in this FMP set out the shared commitment that industry and government will have for these important fisheries.
13. Unlike some other shellfish fisheries, there are already existing stock status assessments⁸ and work is underway to improve the quantity and quality of data that support these assessments. The available data indicates that fishing pressure is likely to exceed levels required to ensure long term sustainable stocks across all crab and lobster fisheries in English waters. This highlights the need for better management. There are also already established reporting requirements to inform these models and the uncertainties and assumptions that should be addressed to improve the robustness of outputs have largely been identified already. Specifically, the crab and lobster FMP objectives aim to:
- Deliver harvest strategies and harvest control rules for crab and lobster which are supported by regular, reliable stock assessments and are responsive to stock status through clear and decisive management measures. Management measures should ensure that fishing mortality is managed at a level allowing long-term sustainable exploitation based on assessment of stock status. The development of such strategies, rules, and measures will ensure that pressure on stocks does not exceed the ability of the stock to regenerate.
 - Improve current approaches to the management of these fisheries by addressing inherent issues, exploiting alternative approaches, identifying opportunities for broad alignment of management measures considered effective, and formalising a

⁵ [Fisheries Act 2020 \(legislation.gov.uk\)](https://legislation.gov.uk)

⁶ [Joint Fisheries Statement JFS 2022 Final.pdf \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

⁷ [25 Year Environment Plan - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

⁸ [Crab and Lobster stock assessments 2019 - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

strategic approach to deliver agile management that is informed by robust evidence.

- Support the delivery of government priorities relating to the wider marine environment, specifically the requirement to ensure the health of our seas for future generations, ambitions to restore biodiversity, and requirement to address climate change.

Options considered

Option 0: Do Nothing - no FMP or related management measures developed

- The Government would fail to meet commitments under the Fisheries Act 2020 and Joint Fisheries Statement (JFS) to publish FMPs, increasing risk of legal challenge.
- Lack of strengthened/ new, evidence-based management would increase the likelihood of stocks being overexploited with insufficient protection for the wider marine environment.

Option 1: Self- Regulation – no formal Government FMP but industry introduces voluntary management measures

- No legally recognised FMP which would result in above commitments not being met and associated legal risks.
- The introduction of non-regulatory measures, such as voluntary measures developed and introduced by industry, would unlikely go far enough to ensure stocks are being fished sustainably and the wider marine environment is protected. This is because it relies too heavily on the industry's desire to commit to and put resources to applying and observing voluntary measures. As voluntary measures are unenforceable, there is no guarantee they will be consistently adhered to and provide a high enough level of protection to stocks.

Option 2 (preferred option): Crab and lobster FMP

- Meets the above commitments under the Fisheries Act and JFS sets out the legal framework to achieve “a more competitive, profitable and sustainable fishing industry across the whole of the UK” and complies with the statutory obligation in the Fisheries Act to prepare and publish the crab and lobster FMP (the FMP having been included in the JFS which was published in November 2022).
- Sets out the policies designed to restore stocks to, or maintain them at, sustainable levels, by bringing together information on existing measures and available evidence, mapping where there are gaps and opportunities to fill them, setting a clear pathway to developing and introducing improved, evidence-based management (both regulatory and non-regulatory) in collaboration with industry/ stakeholders.

2.0 Rationale for De Minimis Rating

14. The purpose of this de-minimis assessment is to:

- Assess the impact of the crab and lobster FMP as a new policy according to the better regulation framework
- Demonstrate that, at this stage, there are no monetary impacts to business

- Allow Defra to formally consult on and publish the crab and lobster FMP
- Begin to assess proposed approaches and measures as set out in the draft FMP (specific measures will be assessed separately as and when they are developed and implemented)

15. Whilst the crab and lobster FMP includes a variety of proposed approaches and measures that will be used to deliver its policies, these actions will not be implemented immediately when the plan is published. Instead, specific measures must be developed through the appropriate processes before being implemented; such development may require further evidence and/or stakeholder, legal and policy input. The appropriate process will depend on whether the measures being introduced are statutory or non-statutory.
16. The crab and lobster FMP does not result in direct measurable impacts at this stage because the FMP does not result in new regulation upon publication. Therefore, this document is a narrative assessment and does not include monetised costs to business. It is also a de-minimis assessment rather than a full impact assessment because the impact is less than £5m.
17. As specific measures are implemented, further impact assessments or de-minimis assessments will be completed that include the monetised costs to business of that measure.

3.0 Costs and Benefits

18. Whilst the crab and lobster FMP identifies measures that could be introduced post-consultation, these proposed measures will be developed further and do not currently have sufficient detail for any economic analysis to be done. The proposed measures could be regulatory or deregulatory, and positive or negative to business, hence it is not possible to estimate impacts. As detailed costs and benefits cannot be provided in this DMA, background figures to understand the potential scale of impact and scope have been provided. When individual measures are specifically implemented, the statutory or non-statutory mechanism through which these will be implemented will have their own impacts assessed in the appropriate manner.
19. The crab and lobster FMP applies only to English waters. The landings value of crab by UK vessels in English waters in 2021 was £49 million and catching live weight of approximately 20,000 tonnes. The majority of these landings are done by vessels over 10 metres, accounting for 14,000 tonnes in landings⁹. However, smaller vessels of 10 meters or less, still account for a significant part of the fleet catching crab. Of the 1,853 vessels landing crabs, 1,530 (83%) are 10 metres or under¹⁰, so any policy changes could impact smaller businesses.
20. The landings value of lobster by UK vessels in English waters in 2021 was £50 million and catching live weight of approximately 3,000 tonnes. The majority of these landings are done by small scale vessels of under 10 metres, accounting for 2,040 tonnes of landings and 86% of vessels in the fleet¹¹. As such, policy changes could disproportionately impact smaller businesses and small-scale catchers.

⁹ UK sea fisheries annual statistics report 2021 - [GOV.UK \(www.gov.uk\)](http://GOV.UK (www.gov.uk))

¹⁰ MMO statistics internal analysis, extracted from ifish2 on 21/03/2023

¹¹ UK sea fisheries annual statistics report 2021 - [GOV.UK \(www.gov.uk\)](http://GOV.UK (www.gov.uk))

21. The landings value of crawfish by UK vessels in English waters in 2021 was £1 million and catching live weight of 41 tonnes, of which 39 tonnes was from English nationality vessels. Here too, small scale catchers are likely to be affected, with vessels of 10 meters or under making up 70% of the fleet.

4.0 Post publication review

22. When producing policy and determining the need for regulatory impact assessments, the Better Regulation Framework guidance and the better regulation principles of robust evidence, transparency and proportionality are taken into consideration. Where policies require legislation, a regulatory impact assessment is undertaken and submitted to the Regulatory Policy Committee (RPC) for independent scrutiny. Such scrutiny will be in advance of introducing any secondary legislation for all measures that are above the £5 million per annum threshold for net costs to business. Analysis to support these changes is produced in line with HMT Green Book methodology and includes consideration of the impact on small and micro businesses. This analysis is not required for measures below the £5 million equivalent annual net direct costs to business (EANDCB) threshold. For measures below this threshold Defra will, if appropriate, produce de-minimis assessments.

23. When new crab and lobster measures are introduced and result in new or changed regulation, Defra will complete a monetised impact, or de-minimis assessment for the specific measures, depending on the monetised cost to business.

FMP review

24. The Fisheries Act requires the effectiveness of the FMP is regularly assessed. The FMP must be reviewed at least every six years or sooner if relevant evidence, international obligations, or wider events require a change in the policies set out in the FMP.

25. The results from the individual FMP assessments will contribute to the formal report on the Joint Fisheries Statement (JFS) that will be published every three years. The JFS reports will be laid before the UK's legislatures. The report will set out the extent to which the policies contained in FMPs have been implemented and have affected stock levels in the UK.

1. **Review status:** Please classify with an 'x' and provide any explanations below.

	Sunset clause	X	Other review clause		Political commitment		Other reason		No plan to review
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The Fisheries Act 2020 requires the crab and lobster FMP to be reviewed at least every 6 years to assess the extent to which the policies in the plan have been implemented and how the stock has been affected.

2. **Expected review date** (month and year, xx/xx):

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Five years from when the Regulations come into force

Before the end of the period of 6 years beginning with the day on which the FMP is published

3. **Rationale for PIR approach:**

Formal review:

- The Fisheries Act 2020 requires the crab and lobster FMP to be reviewed at least every 6 years to assess the extent to which the policies in the plan have been implemented and how the stock has been affected.
- Depending upon the outcome of the review, the FMP could be revoked, amended, replaced or remain the same.
- This formal review is independent of the post implementation review process.

Independent evaluation:

- A 3-year independent process, impact and value for money evaluation of the FMP programme and individual FMPs is underway currently due to run to March 2025. The evaluation will:
 - generate key learning to support adaptive management and provide an independent and objective assessment of the FMP programme objectives.
 - capture lessons learnt by the FMP to inform the design and implementation of future FMPs
 - Contribute to monitoring and evaluation plans to generate the evidence needed to assess performance to support the 6-yearly reviews of FMPs.

Implementing measures:

- The FMP sets out the policies and measures needed to achieve its stated objectives. It does not implement those measures upon publication. When proposed new measures are implemented, they will require separate impact assessments, monitoring regimes and post implementation reviews.
- The FMP will have an associated action plan that will set out the actions, timelines and milestones for effective implementation. Progress against this action plan will be routinely monitored and reported through Defra's normal corporate reporting functions.
- The FMPs are listed in the Environmental Improvement Plan 2023 as key measures to achieve the headline targets. FMPs will be part of the EIP23 reporting process.

FMP post implementation review:

- A post implementation review for the crab and lobster FMP will coincide with the formal review to assess the wider impacts of the FMP and its associated measures. This review will include wider impacts to business and unintended consequences.
- This review will also collate the impacts of individual measures where they have been implemented and provide a holistic assessment of the impact of the FMP.

Monitoring:

- The FMP must set out the indicators and specific the monitoring required to assess its effectiveness.
- Stock status will be monitored using available stock assessment data.
- Compliance with harvesting rates will use the data on fish landings collected by the MMO.
- Information will be drawn from on-going data collection by the MMO and Seafish to assess progress against social and economic objectives in the FMP.
- The ongoing monitoring of the wider environment through the UK Marine Strategy and MPA programmes will provide information to assess the impact of the FMP' policies to mitigate the impact of the fishery on the wider environment.

Stakeholder Views

- Stakeholder views will be sought by the Shellfish Industry Advisory Group and Crab Management Group as the industry groups who collaborated on the development of the FMP. Such collaboration will be ongoing with a commitment to increased engagement as the FMP is published and implemented.
- Stakeholder views will also be sought through the independent FMP Evaluation Programme
- Stakeholder views will be sought through any public consultation on specific management measures in the FMP and through and through public consultation during the formal review process if the FMP is amended, revoked or replaced.