

# Consultation on English reserve quota policy in 2020 and updates to the English Quota Management Rules

January 2020

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## Introduction: Background to reserve quota

Stocks subject to the landing obligation have an increased quota to allow previously discarded fish to be landed and accounted for. The UK has worked closely with the European Commission and other Member States to agree the method to calculate such 'quota uplifts'. Before 2019, the Commission methodology calculated the total amount of uplift for a stock based on the fleets to be covered by the landing obligation, minus any agreed exemption amounts. The uplift is based on scientific estimates of historic discard rates.

Since the landing obligation came fully into force in January 2019, quota uplift has not been differentiated by the Commission from the overall Total Allowable Catch (TAC) set for quota stocks. Defra has taken the approach of calculating the equivalent amount of quota using the same method and referring to this as 'reserve quota'. The consultation questions that follow are designed to gather views from industry on how to allocate this reserve quota.

## Background - Fisheries White Paper and future quota allocation methods

The government published the [Fisheries White Paper](#) in July 2018 as a blueprint for a sustainable and profitable fishing industry into the future, and once the UK has become an independent coastal state upon leaving the EU. The White Paper confirmed the government's commitment to sustainable fisheries, including working towards ending discarding through the implementation of a scheme, using powers in the new Fisheries Bill, to encourage compliance with the landing obligation and minimise wasteful discarding. In England we will work with industry and NGOs to develop a tailored package of measures, taking into account the problem of choke species.

## Confidentiality

1. Would you like your response to be confidential?

## Confidentiality and data protection information

A summary of responses to this consultation will be published on the Government website at: [www.gov.uk/defra](http://www.gov.uk/defra). An annex to the consultation summary will list all organisations that responded but will not include personal names, addresses or other contact details

Defra may publish the content of your response to this consultation to make it available to the public without your personal name and private contact details (e.g. home address, email address, etc).

If you click on 'Yes' in response to the question asking if you would like anything in your response to be kept confidential, you are asked to state clearly what information you would like to be kept as confidential and explain your reasons for confidentiality. The reason for this is that information in responses to this consultation may be subject to release to the public or other parties in accordance with the access to information law (these are primarily the Environmental Information Regulations 2004 (EIRs), the Freedom of Information Act 2000 (FOIA) and the Data Protection Act 2018 (DPA)). We have obligations, mainly under the EIRs, FOIA and DPA, to disclose information to particular recipients or to the public in certain circumstances. In view of this, your explanation of your reasons for requesting confidentiality for all or part of your response would help us balance these obligations for disclosure against any obligation of confidentiality. If we receive a request for the information that you have provided in your response to this consultation, we will take full account of your reasons for requesting confidentiality of your response, but we cannot guarantee that confidentiality can be maintained in all circumstances.

If you click on 'No' in response to the question asking if you would like anything in your response to be kept confidential, we will be able to release the content of your response to the public, but we won't make your personal name and private contact details publicly available.

There may be occasions when Defra will share the information you provide in response to the consultation, including any personal data with external analysts. This is for the purposes of consultation response analysis and provision of a report of the summary of responses only.

This consultation is being conducted in line with the Cabinet Office "Consultation Principles" and be found at: <https://www.gov.uk/government/publications/consultation-principles-guidance>.

If you have any comments or complaints about the consultation process, please address them to:

Consultation Co-ordinator  
6B  
6<sup>th</sup>Floor, Nobel House  
17 Smith Square,  
London, SW1P 3JR.

Or email: [consultation.coordinator@defra.gov.uk](mailto:consultation.coordinator@defra.gov.uk)

2. If you answered Yes to this question please give your reason.

## Your details

3. What is your name?

4. What is your email address?

If you enter your email address then you will automatically receive an acknowledgement email when you submit your response.

5. What is your organisation?

Please include information about whether you are part of the under-10 fleet and/or a member of a Producer Organisation

## Future allocation methods and national reserve

In the Fisheries White Paper, we also said that we would develop a new approach to allocating the additional quota we expect to secure after leaving the EU. In England we held [a call for evidence in 2019](#) to inform this new approach. Among other things we asked what England could learn from allocation models in other parts of the world, how allocation could help tackle choke risk and how a new approach could best support coastal communities and ensure a sustainable industry.

During 2020 we will work with industry and other stakeholders to develop this approach further. Among other things we will consider the establishment of a national reserve of quota. This could build upon the current reserve policy.

## Reserve quota and top-slicing: general questions

In England, since 2016, Defra have allocated reserve (formerly uplift) quota via a combination of;

- top-slice (first 100t + 10% thereafter of each stock) for the non-sector (with some exceptions e.g. where that would increase choke issues for the sector);
- using it to incentivise more sustainable fishing, including participation in the North Sea Fully Documented Fisheries (Remote Electronic Monitoring) scheme and other selectivity trials by making it available to participants; and

- allocate via Uplift Quota Allowances or by reference to FQAs to avoid exacerbating choke risks.

Non-sector fishermen have therefore been able to land extra fish since the landing obligation started to be phased in as a result of the Government's decision to pass (with some exceptions) the first 100 tonnes of reserve quota, and 10% of the remainder on top of that, to them – supporting its commitment to provide extra support for smaller fishing vessels.

Read the [full details of the allocation of reserve quota in 2019](#).

## English reserve quota allocation for 2020

We keep the allocation of reserve quota under annual and in year review, in collaboration with those parts of the fishing fleet that have an interest in the relevant stocks.

We are now seeking views on whether top-slicing should continue and the methods by which any top-slice should be calculated.

In 2020 the Government wants to look at how reserve quota is allocated to both the non-sector fleet (i.e. vessels not associated with a Producers Organisation) and the sector fleet (i.e. vessels associated with a Producers Organisation) fleet.

The Government is considering specific examples already raised by the industry in our analysis of these different options, based on historic uptake data.

**6. What do you think the advantages and disadvantages of continuing to top-slice this quota in 2020 and beyond would be?**

**7. Are there more appropriate methods for supporting the inshore fleet while at the same time ensuring that the whole fishing fleet receives an adequate and fair share of fishing opportunities?**

## Top-slicing methods

Use this page to give us your views on the methods used for calculating the top-slice of the reserve quota.

The government is considering whether the means of calculating any top-slice – currently by allocating the first 100t, plus 10% of the remaining reserve quota to the non-sector – achieves the right balance between supporting the non-sector and providing additional fishing opportunities to the sector.

Below, we set out two possible alternative methods.

## Fixed percentage top-slicing

This would allocate a fixed percentage of all stocks not at risk from choke to the non-sector, for example, 25%. Based on 2019 reserve quota allocations, a fixed percentage of 25% would result in an increase in tonnage allocated through the top-slice of 15%, and an increase in the value of the allocation to the non-sector of 0.4%. This would be mainly due to increases in the share of stocks with a large reserve quota pool, whereas a number of the top-slices for stocks with smaller reserve pools would decrease. However this does not account for uptake. Accounting for patterns of uptake, this method is likely to result in a decreased value of the top-slice to the non-sector, compared with the status quo.

## Allocation based on historic uptake of top-sliced quota

This would enable better consideration of stocks with less than 100t reserve quota. For example:

Where the non-sector is highly dependent upon the reserve quota allocation (historic uptake or usage as trade of the reserve quota by the non-sector is greater than 75%), the entire reserve would be allocated to the non-sector as is the status quo.

For stocks with non-sector uptake below 75%, the reserve quota would be allocated to the non-sector in proportion to historic uptake. This means that the amount of the reserve pool allocated to the non-sector for a given stock would depend on two factors:

- a base percentage, which would represent the maximum fraction of the reserve pool that could be allocated to the non-sector. For example 25%
- A percentage derived from historic uptake of the stock by the non-sector (this could be based on the previous year or an average of uptake over a number of previous years), for example 50%

Where the reserve quota is over 100t, the same method would be followed.

So for an example stock with 80t in the reserve pool and 50% historic uptake by the non-sector: 25% (base percentage) of 80t is 20t. Then, adjusting for historic uptake; 50% of 20t would result in a top-slice allocation of 10t to the non-sector.

If the base percentage were to be set at 25%, this would result in an overall decreased tonnage of 55% and a decreased value of the allocation to the non-sector of 45%, compared to the status-quo, based on 2019 allocations. Accounting for uptake patterns, this approach would also result in a likely decrease in the value of the top-slice to the non-sector.

The percentages used here are by way of example and we would welcome your feedback in the question below, with reasoning, as to how you would prefer to see historic uptake considered in any top-slice calculation.

## 8. If top-slicing is used in 2020, which method should be adopted:

- Maintain the current approach (100t + 10% )
- A fixed percentage approach. If so, 25% or a different percentage and why.
- Allocation based on historic uptake. How do you think information on historic uptake levels should be applied to top-slice calculations?
- Another method, please specify

Please provide more detail for your answer here.

## Stocks and choke

Use these questions to tell us about specific stocks and choke risks relevant to you and the impact of reserve quota and top-slicing on them.

The Government is aware of the risks of choke facing parts of the English fleet. 'Choke' is where restricted quota for one species, prevents the fishing of other quotas in the same fishery.

Further information on reserve quota in the context of choke risk is in the fact bank below.

## Choke

Reserve quota has been used to address choke issues. In 2019 North Sea cod, haddock and saithe reserve quotas were not top-sliced and whiting was partially top-sliced with the reserve quotas otherwise kept in a pool which was released to vessels participating in the Fully Documented Fisheries Scheme due to the choke risk these stocks presented. Cod (Division 7.b-c, e-k) and Whiting (Division 7.a) were not apportioned any reserve quota that could be top-sliced due to their high risk choke status.

As the possibility of choke is likely to be high in 2020 the Government is considering how the current reserve quota allocation method could be revised to reflect specific industry pressures.

We propose that if inshore fisheries continue to receive a top slice of the reserve quota, stocks that are at a high risk of choking in 2020 would be exempted, as in previous years. The reserve quota for these high risk stocks would be aligned to the affected fleet segments that are at most risk of choke.

9. Which stocks should or should not be omitted from top-slicing?

10. Based on information currently available to you, when in 2020 would you experience choke due to the stocks in your previous answer, if you did not receive additional allocated quota?

11. What impacts, other than choke would result from these stocks being omitted or not from top-slicing?

12. Please specify what measures your fleet or vessel(s) have already taken to improve selectivity for these stocks. If no selectivity measures have been adopted, please explain why

## Reserve quota feedback

13. Is there anything else you think we should consider in determining the 2020 reserve quota policy, including any feedback you have on the 2019 reserve quota policy communications and guidance?

## English Quota Management Rules

The English Quota Management Rules set out how quota is managed in England. We propose to include some text in the English QMR outlining the government's approach to allocating reserve quota since 2016. We also propose to update the reference to the introduction of the landing obligation given that it is now fully in force. We are also proposing to correct a small number of other obvious inaccuracies that now appear in the rules.

A version of the rules which shows the proposed updates is below. The changes are as follows:

Update	Explanation
In Article 1.5, we have removed the word "top-slicing" and replaced it with "reserve quota" and provided a reference to the new paragraph explaining this (see below).	This is a reference to the new paragraph outlining the government's approach to allocating reserve quota since 2016.
Removal of "in the context of preparing for the landing obligation" in Article 1.6.	The Landing Obligation is now in effect.
The addition of "Article 2.8 – Reserve	This outlines the government's approach to



Quota".	allocating reserve quota since 2016.
Article 2.9 about realignment has been reworded slightly and now refers readers to the FQA register instead of the old Annex A, which has now been removed.	This information is available on the FQA register now and the realignment work has been completed.
Article 3.3 shows an updated list of producers' organisations.	This has been changed to reflect the current list.
Annex C has become Annex B and has been updated to provide general contact information for the MMO.	This was changed as the previous information was out of date.

It is expected that a broader update of these rules will take place in due course to reflect the UK's withdrawal from the EU.

We are now seeking your views on these proposed updates. In particular, we would like to know whether you agree with the proposed updates, have any further updates to suggest or other comments to make on the English QMR in general.

## Updated English Quota Management Rules

**14. Do you agree with the proposed changes provided in the draft?  
Please provide the reasons for your answer.**

**15. What, if any, further updates to the QMR should be made?**

**16. What other comments or observations do you have about the English Quota Management Rules?**

## How to respond

Responses must be received by 11:59pm on 2 March 2020.

You can respond online at: <https://consult.defra.gov.uk/fisheries/consultation-on-english-rq-and-qmr-2020>

You can also email: [fisheriesengagement@defra.gov.uk](mailto:fisheriesengagement@defra.gov.uk)

or send your responses by post to:

Reserve quota 2020 consultation

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