

Defra

Consultation on the Implementation of the pelagic landing obligation in England

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Section 1- Introduction

1.1 Common Fisheries Policy Reform

The Common Fisheries Policy (CFP) is the European Union's instrument for the management of fisheries and aquaculture. EU Member States and the European Parliament agreed an historic deal to reform the CFP in December 2013. The new CFP basic regulation, which can be accessed here (<u>Reformed CFP Regulation</u>), entered into force on 1 January 2014.

The new regulation makes fundamental changes to the way that Europe's fisheries are managed, with the aim of managing fish stocks sustainably to ensure a prosperous fishing industry and a healthy marine environment. One of the most significant changes relates to the phased introduction of a landing obligation, which prohibits the discarding of fish, (also known as a discard ban) that starts on 1 January 2015 for pelagic fisheries.

The Government needs to make changes to the way fisheries are managed in England to ensure the landing obligation is workable. In so doing we will build on the successes of current trials aimed at improving selectivity and sustainability of the fishing industry, such as the Catch Quota Scheme.

This consultation covers our proposals on the implementation of the pelagic landing obligation in England. The detailed proposals are outlined in Section 2 (beginning page 10), with a summary of these proposals in Section 3 (beginning page 25) with the key costs and benefits summarised in Section 4 (beginning page 27) and the accompanying Impact Assessment.

1.2 What is discarding?

Discarding is the return of a proportion of catch to the sea. Discarding includes returning catch to the sea once it has been brought onboard and releasing of catch from fishing gear while still in the water (slipping).

1.3 What is the landing obligation?

The landing obligation is a ban on discarding fish which are subject to catch limits, so that all catches must be brought ashore, except where they are subject to specific exemptions. This means that quotas now control what is caught at sea, rather than what is landed onshore.

1.4 Landing obligation timeline

The new CFP basic regulation includes firm dates for the introduction of the landing obligations for all quota stocks. The landing obligations will eventually cover all commercial stocks; implemented in phases, with the ban on pelagic fisheries being introduced first (see Figure 1). We will consult separately on the introduction of the remaining landing obligations.





1.5 The English pelagic fishing industry

There were 644 English registered pelagic vessels operating in 2012 which landed 63,207 tonnes of pelagic fish (Table 1). This resulted in landings with an approximate value of £17m. The ports where the English fleet landed the most significant proportion of catch in 2012 were ljmuiden (Netherlands), Plymouth, Scheveningen (Netherlands), Brixham, Teignmouth and Las Palmas (Gran Canaria) (shown in Table 4 in Annex). These ports accounted for over 97% by volume and over 93% by

value of total landings of pelagic species by all English vessels in 2012. The majority of the landings into ports outside England were made by large over 24m vessels.

In 2012 landings of herring (37%) and mackerel (31%) were the most important by weight for the English pelagic industry (shown in Figure 2, Annex). However, mackerel is the most important pelagic stock by value due to the higher average market price (shown in Figure 3, Annex).

Table 1: 2012 English fleet landings of pelagic species subject to the pelagic landing obligation.

Length of	Live Weight (tonnes)		Value	(£)	No.	No. Vessels	
vessel	landings	% of total	landings	% of total	Vessels	landing >5t	
0-10m	1,318	2	1,191,177	7	611	60*	
10.1-11.99m	396	1	104,365	1	15	3	
12-14.99m	4,448	7	1,000,534	6	14	6	
15-23.99m	0	0	0	0	0	0	
24m+	57,045	90	14,708,732 86 4		4	4	
Total	63,207		17,004,808		644	73	

Source: MMO analysis of 2012 UK fisheries activity data (IFISH).

*These 60 vessels accounted for 75% of total landings for the under 10m sector.

The available scientific evidence indicates that the discard rates in pelagic fisheries are relatively low. That is why pelagic fisheries are often referred to as 'clean fisheries'. Table 2 shows the discard rates for pelagic species in English fisheries from the EU's Scientific, Technical and Economic Committee for Fisheries (STECF). The low discard rates suggest there will be a minimal volume of unwanted catch which will need to be dealt with under a landing obligation.

The reasons why discard rates in the pelagic industry are low are two-fold. Firstly, the nature of the pelagic fishery means that it is relatively easy to minimise catch of unwanted species as pelagic fish tend to shoal together. Secondly, the pelagic industry is already operating under high grading¹ and slipping² bans for most quota species which aim to prevent discards of fish through these processes.

¹ High grading is the practice of selectively fishing so that only the best quality fish are brought ashore.

² Slipping is when fish are intentionally released from fishing gear before being brought onboard.

Table 2: 2012 STECF discard rates for pelagic species in the English pelagic industry.

Species	Discard rate
Mackerel	5.8%
Herring	1.0%
Horse mackerel	0.5%
Blue whiting	0.4%

Source: STECF discard data 2012

Q.1 Do you agree that the level of discarding in the English pelagic industry is relatively low, and the impact of the pelagic landing obligation should therefore be minimal. If not, please provide details and any supporting evidence.

1.6 Implementation of the pelagic landing obligation in England

The pelagic landing obligation in the new CFP basic regulation is a binding obligation, and is directly applicable under national legislation³. The proposals presented here, and in the accompanying Impact Assessment, identify how we propose to manage fisheries in England to meet the EU obligation and the impact this will have on the fishing industry.

Fisheries management is a devolved issue. As such, the implementation of the pelagic landing obligation is being dealt with individually by each UK administration (i.e. England, Scotland, Wales and Northern Ireland).

Our aim is to ensure that the pelagic landing obligation is implemented effectively and proportionately in England. Effective implementation will help meet the Government's priorities by making a contribution towards improving the environment, and growing the rural economy.

The Government is committed to transparency and in the accompanying Impact Assessment we clearly identify the assumed benefits and costs of the proposed method to implement the pelagic landing obligation in England.

³ Section 30 Fisheries Act 1981

1.7 Who is affected by this?

A vessel is covered by the pelagic landing obligation from 1 January 2015 if it is targeting any pelagic species, including quota and non quota species, and using any of the following pelagic gears:

- Towed nets with a mesh size range <70mm;
- Purse seines and ring nets;
- Fixed nets and drift nets; or
- Hand lines, trolling lines and drifting lines.

Vessels which target non quota pelagic species are covered by the pelagic landing obligation. These vessels will continue to have the choice to land or discard catches of any non quota pelagic species, but they must land any by-catch of quota species.

Those vessels which alternate between pelagic and demersal operations will be covered by the pelagic landing obligation when they are deploying pelagic gears.

The Marine Management Organisation (MMO) will notify the masters (and vessel owners) of all English fishing vessels of the rules relating to the pelagic landing obligation ahead of the obligation entering into force. They will detail the objectives of the pelagic landing obligation, how it will be implemented, and the requirements of the industry under the landing obligation.

1.8 Fishing for pelagic stocks outside EU waters

As set out in the CFP Basic Regulation English administered vessels will be subject to the pelagic landing obligation, and the proposals outlined here, when they are targeting any pelagic stocks while in EU or international waters (i.e. waters outside national jurisdictions).

Within the waters of a non-EU country covered by a Fisheries Partnership Agreement (FPA) or Sustainable Fisheries Partnership Agreement (SFPA), English administered vessels will be subject to the rules of the appropriate FPA/SFPA⁴. Vessels will not be subject to the landing obligation in these waters unless the landing obligation is included in the relevant FPA/SPFA.

⁴ Article 28 of the CFP basic regulation

1.9 Which species are covered by the pelagic landing obligation?

All quota species, as defined by catch limits in the TAC and Quota Regulation, caught in pelagic fisheries must be recorded, landed and counted against quota⁵. This covers all catches of quota species in:

- small pelagic fisheries (i.e. fisheries for mackerel, herring, horse mackerel, blue whiting, boarfish, anchovy, argentine, sardine, sprat);
- large pelagic fisheries (i.e. fisheries for bluefin tuna, swordfish, albacore tuna, bigeye tuna, blue and white marlin);
- fisheries for industrial purposes (inter alia, fisheries for capelin, sandeel and Norwegian pout); and
- fisheries for salmon in the Baltic Sea.

It also includes any by-catch of demersal quota species when caught in pelagic operations.

1.10 Species not covered by the pelagic landing obligation

There are some species which are not covered by the pelagic landing obligation and fishermen can choose to return these species to the sea if caught. However, there are some species for which fishing is prohibited and, if caught, must be returned to the sea. This is a continuation of current policy. Any permitted discarding by vessels subject to the pelagic landing obligation must be recorded by fishermen as soon as possible after the event.

a. Any species caught during demersal operations

Vessels targeting demersal species are not required to comply with the rules relating to the pelagic landing obligation in 2015, even if they have a by-catch of pelagic quota species. These vessels will be subject to the landing obligation starting in 2016. Defra will issue a further public consultation in due course which will consider this issue fully. There will be no change to existing policy for these vessels in 2015.

b. Catch of non quota species caught during any pelagic operations

Any catch of non quota species (pelagic and demersal) will not be subject to the landing obligation and may be discarded. Any non quota species below Minimum

⁵ Article 15(1) of the CFP basic regulation

Landing Size/Minimum Conservation Reference Size cannot be landed. This is a continuation of current policy, and represents no change for the fishing industry.

c. Species for which fishing is prohibited

To ensure the continued protection of species for which fishing is prohibited they are exempt from the landing obligation and must be returned to the sea if caught. This is a continuation of current policy, and represents no change for the fishing industry. The species this applies to are⁶:

- basking shark and white shark in all waters;
- porbeagle in all waters, except where it is provided otherwise;
- angel shark in EU waters;
- common skate in EU waters of ICES division IIa and ICES subareas III, IV, VI, VII, VIII, IX and X;
- undulate ray in EU waters of ICES subareas VI, IX and X and white skate in EU waters of ICES subareas VI, VII, VIII, IX and X;
- guitarfishes in EU waters of ICES subareas I, II, III, IV, V, VI, VII, VIII, IX, X and XII; and
- giant manta ray in all waters.

Box 1: Species which must be landed under the pelagic landing obligation from 1 January 2015

Yes

No

- All pelagic quota species caught during any pelagic operations.
- By-catch of demersal quota species caught during operations for any pelagic species.
- Any species caught during demersal operations.
- Prohibited species.
- Catch of non quota pelagic species caught during **any** pelagic operations.
- Catch of non quota demersal species caught during **any** pelagic operations.
- Fish used as live bait.

1.11 Purpose of this consultation

We want to see a profitable and competitive pelagic fishing industry which benefits from healthy fish stocks. Our approach to implementing the landing obligation has

⁶ Article 12 of Council Regulation No 39/2013

been designed to eliminate the wasteful practice of discarding, and allow the fishing industry to land and profit from its entire catch. It will also help enable fishery managers to have a complete picture of fishing mortality, ensuring that fish stocks are sustainably managed and fishing levels are set at the optimum level to maintain high yields in the long term.

The proposals set out here, and in the accompanying Impact Assessment, outline our proposed method to implement the pelagic landing obligation in England. These proposals have already been informed by discussions held with the pelagic fishing industry, and other interested stakeholders.

This consultation will be used to gain further views on the proposals, helping to develop the UK approach on a range of issues. It is our aim to take the necessary decisions on management measures within a time frame that provides those affected with as much time as possible to prepare for, and adapt to, the changes that the pelagic landing obligation will bring. This will also give us sufficient time to work with our partners and the EU Commission to secure regional agreement on a number of key issues.

Our approach has therefore been to make this consultation as comprehensive as possible to help interested parties reach an informed view on the issues that we are able to take decisions on, and how the obligation works in practice. We would be grateful to have your comments on the proposals and the associated Impact Assessment.

Section 2 – Proposals

There are 4 areas of fisheries management where we propose to take decisions to ensure we can effectively implement the pelagic landing obligation. These are:

- Quota management;
- Exemptions;
- Monitoring and enforcement; and
- Catch management.

2.1 Quota management

There are currently two arrangements which are used for the management of quota in England. Arrangements that allow a degree of autonomy for groups of vessel owners are currently in place for vessels that are members of Producer Organisations (POs). All remaining vessels fish against a pool of quota managed by the Marine Management Organisation (MMO). Due to differences between the two systems we propose slightly different adjustments to each.

POs will continue to manage its collective quota holdings across its member vessels, including exchanging quota with other groups and internationally.

To increase the flexibility in the quota management system for the under 10m and non sector vessels, whose quota is managed by the MMO, we propose to increase the time period over which catch limits are allocated, on a stock by stock basis. This will give fishermen more flexibility in their fishing activity while still allowing managers to retain a degree of control over total fishing activity. We also propose to make quota leasing arrangements more transparent via the MMO website so that sources of quota are more easily identifiable to those who need to access additional quota. Quota leasing will be allowed following landing in instances where the catch limit set for that stock has been exceeded.

2.1.1 Quota uplift

Under the new CFP basic regulation, a fundamental change will be made to the way Total Allowable Catches (TACs) will be agreed at EU level. Currently, scientific advice on the health of fish stocks (stock assessments) builds in assumptions about the amount of fish being discarded, meaning that the fishing industry ultimately receives quotas which are lower than total catch. In providing advice on TACs for stocks subject to the landing obligation, the International Council on the Exploration of the Sea (ICES), has been asked to reflect the introduction of the landing obligation and the assumption that fish are no longer being discarded. This may mean that at EU level TACs will be set at a higher level. Any uplift agreed would be available from 2015 for those stocks subject to the pelagic landing obligation. As currently, agreed TACs will be shared amongst Member States in line with relative stability, and England would receive a proportion of this potentially higher quota in line with current quota allocation arrangements.

This uplift is not guaranteed; adequate scientific evidence, enforcement and quota management will all be essential in justifying, receiving and properly managing any TAC uplift. We propose that, if received, the uplift in quota will be allocated to fishermen in line with fixed quota allocation (FQA) units. However, Defra reserve the right to reconsider this position if unexpected issues emerge in 2015.

To illustrate the potential benefit the English pelagic industry could gain from an uplift in TAC at EU level we have considered the STECF English discard rates (Table 2). Initial estimates suggest the turnover that could be gained from additional landings could be in the range $\pounds 0.8 - \pounds 1.4$ million per annum, depending on the average market price and magnitude of quota uplift (Table 5, Annex).

STECF discard estimates indicate that the level of discards of demersal species in pelagic fisheries is thought to be neglible. Therefore we do not expect to receive any uplift in demersal quota in 2015. As such, any landings of demersal by-catch will need to be managed within current quota allocations and the additional quota flexibilities.

It should be noted that any use of exemptions and flexibilities, which allow 'permitted discarding' or catching in excess of annual quota for a particular stock, will impact upon the level of TAC set and any uplift.

Q.2 Do you agree that any additional quota, made available through an uplift in EU agreed TAC, should be allocated through Fixed Quota Allocation units? If not, please explain why you disagree and suggest alternative methods with any supporting evidence.

2.1.2 Quota flexibilities

A set of quota flexibilities for fisheries managers are included under the landing obligation to help enable industry to match catches to quota, and maximise turnover under a landing obligation. These quota flexibilities exist to help the fishing industry, but their use will impact upon the quota, including the potential uplift, received. After

securing these flexibities during the CFP negotiations, Defra want to ensure they are used in the best possible way.

a. Year to year banking and borrowing

For all quota species the Control Regulation currently allows Member States to borrow up to 5% of quota from the subsequent year. The reformed CFP basic regulation increases flexibility by allowing Member States to bank and borrow up to 10% of quota for species subject to the landing obligation between consecutive years. The management bodies (English pelagic POs and the MMO) are able to use this year to year flexibility as they see fit to help match quota to catch. In 2015 this banking and borrowing can be applied to the quota of pelagic species and, if necessary, for any demersal by-catch.

As the levels of demersal by-catch in pelagic fisheries are very low this flexibility is unlikely to be needed and by-catch can probably be dealt with through existing quota swapping or leasing arrangements. However, if a Producer Organisation feels that it is necessary to borrow demersal quota from 2016 for use in providing quota for bycatch in 2015 they will need to request permission from the MMO and provide adequate justification in terms of details of historic and planned fishing activity. As elements of the demersal landing obligation will come into force from 1 January 2016, which may significantly increase the demand for demersal quota, they must also provide information on how they would intend to repay the borrowed demersal quota in 2016.

It should be noted that borrowing of quota, irrespective of when it occurs, will be applied to the collective quota allocation of the management body at the beginning of the year.

Banking and borrowing must be concluded by the end of the reporting year i.e. management bodies can bank or borrow quota until 31 January in the following year.

b. Interspecies flexibility

Over quota catches of species which are subject to the pelagic landing obligation, or catches of species for which England has no quota, may be deducted from up to 9% of the quota of the target species, if the non-target stock is within safe biological limits. In the pelagic fishery this flexibility can be used to land both pelagic and demersal by-catch species. This is an important flexibility which could address problems with choke species, but it is the view of Defra that this flexibility should only be applied once the quotas for non-target species have been exhausted, and industry is not able to swap or lease additional quota to cover the overfish.

The relevant management bodies will administer the interspecies flexibility. The interspecies flexibility will be applied to the collective quota held by the management body at the time it is applied, but can only be applied between two species i.e. it cannot be applied to the aggregate of quota for all target species within the management body. Management bodies which apply the interspecies flexibility will be required to report the species and volume of non-target catch counted against quota for target species.

Assessment of the sustainability of pelagic and demersal stocks to ensure they are within safe biological limits is the responsibility of ICES. A stock is deemed to be outside safe biological limits⁷ when the population of mature fish (the spawning stock biomass) is too low⁸ and fishing mortality is too high⁹.

ICES fishing	Species					
area	Pelagic	Demersal				
IV	Herring (IV, IIIa, VIId), Sprat	Haddock (IV, IIIa), Plaice, Sole				
VIa		Haddock, Megrim (Inc. IV a)				
VII a	Herring					
VII e		Sole				
VII e-k		Cod, Whiting				
VII fgj	Herring					
Combined	Blue Whiting					

Table 3: Stocks identified by ICES as being within safe biological limits in 2013.

Source: ICES stock assessment 2013

Table 3 outlines which stocks of interest to the UK are currently defined to be within safe biological limits, and therefore stocks to which the interspecies flexibility could currently be applied. Note, however, that ICES develops stock assessments annually and therefore the stocks within safe biological limits will be reviewed and updated in the 2014 advice from ICES.

Quota exchange rate

In order for the interspecies flexibility to be applied there will need to be a quota exchange rate applied. We will be working with other parts of the UK and other

⁷ Article 4 CFP basic regulation.

⁸ Below the biomass precautionary approach reference point.

⁹ Above the fishing mortality precautionary approach reference point.

Member States to develop a regionally agreed quota exchange rate to be in place by 1 January 2015.

Summary of Proposals

- Any uplift in quota will be allocated in line with fixed quota allocation units (FQAs) and managed in line with current quota management.
- Any additional quota will be managed by the POs for the sector, and the MMO for the non sector and under 10m vessels.
- From 2015 the English pelagic POs and the MMO, will have full access to the provisions to bank and borrow up to 10% of quota for all species subject to the pelagic landing obligation between consecutive years.
- From 2015 the English pelagic POs and the MMO, will have full access to the 9% interspecies flexibility for species within safe biological limits.
- To increase the flexibility in the quota management system for the under 10m and non sector vessels, whose quota is managed by the MMO, from 1 January 2015 we will:
 - On a stock by stock basis increase the time period over which catch limits are allocated;
 - Make quota leasing arrangements more transparent via the MMO website so that sources of quota are more easily identifiable to those who need to access additional quota; and
 - Allow quota leasing to be carried out following landing in instances where the catch limit set for that stock has been exceeded.

Q.3 Do you think you will need to utilise any of the additional quota flexibilities available under the new CFP basic regulation? If so, please provide details and any supporting evidence.

Q.4 Do you agree that the quota management flexibilities should be managed at management body (PO and MMO) level? If not, please provide details and any supporting evidence.

Q.5 Do you agree that the proposed changes to the quota management systems will help English fishermen operate under the pelagic landing obligation? If not, please provide details or and suggest other changes to quota management that would be beneficial.

2.2 Exemptions

2.2.1 Exemptions to the pelagic landing obligation

There are a number of exemptions to the landing obligation, where fish must be returned to the sea if caught, which are automatically applicable (see Section 1.10). However, there is also the possibility of securing scientifically driven exemptions to the landing obligation through regionalisation¹⁰. These exemptions exist to help the fishing industry operate under the landings obligation, but their use will impact upon quota, including the potential uplift.

Fishermen will need to record the species and the volume of catch of any permitted discarding (see Box 2) in order to prevent conviction for illegal discarding. Regionalisation enables EU Member States to form regional groups in order to better manage those fisheries in which they have a shared interest. The scope of what these regional groups can do is defined in the CFP basic regulation¹¹. Regions can come together, in consultation with relevant EU stakeholder Advisory Councils (ACs), to produce joint recommendations for achieving the objectives of the CFP. This includes recommendations for Discard Plans for the Commission to consider and adopt, as well as Multiannual Plans which will be co-decided. Member States may also agree jointly to adopt national measures simultaneously as an alternative method of implementation.

The North West Waters (NWW) and North Sea (NS) regional groups are already working to draft regional Discard Plans in consultation with the Pelagic and other ACs. Our consultation, and the information we gather, will feed into future decisions of these groups. As part of this process the need for exemptions on the grounds of high survivability or under the *de minimis* provision is being considered

a. Species with high survivability

There is the opportunity to secure an exemption to the landing obligation for species that have been scientifically proven to have a high rate of survival after discarding. This exemption needs to be agreed regionally, and set out in a regional Discard Plan.

Survivability will be assessed on a species by species basis, taking account of gear characteristics, fishing practices and ecosystem influences. The definition of species survivability for conditions relevant to English fisheries will be carried out by Cefas,

¹⁰ Article 15(2) of the CFP basic regulation

¹¹ Article 18 of the CFP basic regulation

and may be validated by the EU Scientific, Technical and Economic Committee for Fisheries (STECF) at a regional level.

At present no pelagic species have been assessed as having a high rate of survival after discarding, and there are no obvious pelagic species which may qualify. However, Defra will work with scientists and industry to make proposals regionally on high survivability if it is requested by industry and supported by scientific evidence. If granted, the high survivability exemption will be automatically available to all relevant English vessels, and will be managed at an individual vessel level. All such discards must be fully recorded by the vessel.

b. Catches falling under the *de minimis* exemption

There are provisions within the CFP basic regulation¹² which enable the use of a *de minimis* exemption. This allows up to 5% of total annual catches of all species subject to the pelagic landing obligation to be discarded in the following cases:

- i. Where scientific evidence indicates that increases in gear selectivity are very difficult to achieve; or
- ii. To avoid disproportionate costs of handling unwanted catches, where the unwanted catches do not represent more than a certain percentage of total annual catch for each fishing gear.

For a transitional period of four years, the percentage of catch which can be discarded under the *de minimis* exemption can be:

- i. Up to 7% in 2015 and 2016; and
- ii. Up to 6% in 2017 and 2018.

Discards under the *de minimis* exemption will not be counted against the relevant quotas, however, any planned use of *de minimis* is likely to be taken into account in establishing the TAC. All such discards must be fully recorded by the vessel.

Under the CFP basic regulation the application of the *de minimis* exemption can be outlined in a Multiannual Plan, a Discard Plan, or directly by the Commission through a delegated act. The Commission can only set the *de minimis* exemption when no measures have been adopted through a Multiannual Plan or a regional Discard Plan. The Commission is only able to set the *de minimis* level at an annual maximum of 5% of the total annual catch of all species.

The Pelagic Advisory Council are currently considering the need for any exemptions on the basis of high survivability or *de minimis*. If cases are identified which meet the

¹² Article 15(5) of the CFP basic regulation

criteria for the exemptions, and are scientifically justified, we will work to secure this exemption under regionalisation.

Summary of proposals

- If a species is defined in an agreed regional Discard Plan as having a high rate of survival after discarding Defra will permit all relevant English vessels to discard those species in line with the provisions of the Discard Plan.
- If any *de minimis* exemption is secured, Defra would permit all relevant English vessels to use the exemption.
- Under EU rules vessels which carry out permitted discarding under any exemption are required to record the necessary information.



Q.6 Do you think you will need to utilise a survivability or *de minimis* exemption available under the new CFP basic regulation? If so, please provide details and any supporting evidence.

2.3 Monitoring and enforcement

To ensure effective compliance with the pelagic landing obligation we propose to introduce a revised system of monitoring and enforcement from 1 January 2015. This will apply to all English vessels affected by the pelagic landing obligation (see Section 1.7).

The enforcement regime Defra is proposing is risk-based and proportionate, focusing enforcement on those sections of the fishing fleet which pose the greatest risk to fishing mortality.

2.3.1 Monitoring and enforcement regime

a. Vessels over 24metres in length

The supply of logbook data, as mandated by legislation for all vessels over 10 metres in length, will continue to be applicable under a pelagic landing obligation. Defra is not proposing any changes to the data collected in the logbook as all catches and discards must already be recorded. However the Commission has released proposals under the amendments to the Control Regulation as part of the 'Omnibus' proposal¹³ to revise the minimum weight of catch and discards that must be recorded (currently 50 kg live weight). Following these negotiations industry will be required to comply with any amendments to the Technical Conservation and Control Regulations.

In addition to the logbook data we are proposing that all English pelagic vessels over 24m in length (currently 3 vessels) will be required to fit and continuously run Remote Electronic Monitoring (REM) systems whilst at sea. REM systems use cameras, similar to CCTV, to record fishing levels and catch handling. The REM systems would remain on the boats for an indefinite period of time and may be augmented by occasional observer trips. We consider this to be a proportionate response to monitoring as these vessels account for the highest risk to fishing mortality: 90% of English pelagic catches in 2012 (Table 1).

The capital cost of purchasing and running the REM system for the pelagic industry will be met by Government, and may be partly funded through European Maritime and Fisheries Fund (EMFF). The vessels subject to REM monitoring will need to be docked to have the REM systems fitted, and for the swapping of hard drives. Fitting and swapping of hard drives will be managed around vessel fishing patterns, ensuring a minimal cost from loss of fishing time. However, the presence of the skipper and/or vessel owner is required for a proportion of the REM fitting (expected to equate to 1 working day).

Hard drives will be encrypted to ensure they are tamper proof and secure. Arrangements will be made for hard drives to be swapped when vessels are landing

¹³ <u>http://new.eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=COM:2013:889:FIN&from=EN</u>

into ports outside England. It is estimated that the hard drives will need to be swapped every 1 - 2 months, depending on the capacity of the hard drive used (either 500GB or 1TB) and the number of cameras in operation. The skippers will be trained in system operation and briefed on a duty of care to ensure adequate data collection. The MMO will be responsible for analysing the collected footage, and will meet the cost associated with this.

The information gathered from the REM monitoring will be used as an evidence base to enforce the pelagic landing obligation.

b. Vessels between 10-24metres

The supply of logbook data for 10-24m vessels will also continue to be applicable under a pelagic landing obligation as set out above.

To evaluate compliance across this part of the pelagic fleet, and validate the data collected by fishermen through logbooks, a number of pelagic vessels between 10 – 24m in length will be required to take part in a monitoring reference fleet. We believe that this is a proportionate and risk based approach to monitoring, as this section of the fleet accounted for only 8% of English pelagic catches in 2012 (Table 1). Those vessels between 10-24m involved in the monitoring reference fleet will undergo occasional at sea monitoring (in the form of either on-board observers or REM) and land based sampling to validate the self documentation of catches and discards. Where appropriate and beneficial at sea observations may also be used to collect relevant scientific evidence.

Those vessels chosen to participate in the monitoring reference fleet will be contacted by the MMO. Operators will also receive prior warning if observers are to be placed onboard. The vessels within the monitoring reference fleet may change.

The information gathered through the monitoring reference fleet will be used to create a profile of catches covering this part of the pelagic industry. This information will then be used to evaluate overall compliance with the landing obligation and inform future inspections, so that enforcement activity is risk based.

c. Vessels under 10metres

There is no overarching EU statutory obligation for vessels under 10m in length to complete a fishing logbook¹⁴. Fishing activity is managed by the MMO through catch limits (upper limits on fishing activity) and data generated from sales notes. Under the pelagic landing obligation this will remain unchanged to avoid unnecessary

¹⁴ There are national requirements to complete logbooks when leasing quota or fishing in IVc and VIId in the same trip.

burdens on this section of the pelagic fleet. However, skippers of under 10m vessels will have to record any permitted discarding (as outlined in Box 2).

A number of under 10m pelagic vessels will also be required to take part in the monitoring reference fleet to evaluate compliance within this section of the fleet. The form and coverage of the at sea observations, either on-board observers or REM, and land based inspections will be appropriate to the under 10m sector, taking into account the small risk to fishing mortality they pose and the fishing practices of the fleet.

d. Producer Organisations

Producer Organisations (POs) will be required to continue with their current reporting requirements to the MMO, to allow the UK to fulfil our reporting requirements under EU law. Under the pelagic landing obligation POs will be required to provide additional information on the utilisation of specific flexibilities and exemptions.

2.3.2 Non-compliance

The proposals outlined here are designed to implement the pelagic landing obligation as efficiently as possible, ensuring industry have full access to the flexibilities and exemptions to allow them to fish sustainably and comply with the pelagic landing obligation. However, in the event of non-compliance with the pelagic landing obligation the MMO will penalise offenders using proportionate sanctions.

Under proposed amendments to the Control Regulation¹⁵ discarding will be defined as a serious infringement from 1 January 2015 and, in addition to being penalised in line with the MMO's enforcement regime¹⁶, may be subject to licence penalty points.

Additionally, appropriate penalties will be imposed by the MMO if vessel operators are found to not be abiding by the requirements of the monitoring and enforcement regime. For example, failure to maintain an operational REM system may result in that vessel being required to carry an observer on board for a prescribed period of time at the cost of the vessel operator.

Discarding

Examples of the sanctions which may be used by the MMO for illegally discarding catch include:

¹⁵ Article 90(1)(c) of the Control Regulation (EC 1224/2009)

¹⁶ http://www.marinemanagement.org.uk/about/documents/compliance_enforcement.pdf

- Official written warning;
- Financial administrative penalty (FAP)¹⁷; and
- Points on fishing licences and for masters following a conviction in court¹⁸.

It is the view of Defra that there is no circumstance where an obligation to comply with a sea-fisheries regulation should compromise the safety of a fishing vessel or its crew. If such a situation arises the master must take whatever action he considers necessary but inform the MMO at the first possible opportunity of what regulation he has not complied with and the relevant circumstances. The MMO will deal with these cases as appropriate.

Landing catch in excess of quota

There is no change to current policy for landing catch in excess of available quota and it will continue to be penalised in line with current penalties for over fishing¹⁹. However, it is expected that, with the use of quota management tools and flexibilities within the rules of the landing obligation, instances of landing catch in excess of quota will be minimal.

The MMO will retain responsibility for managing uptake by the under 10m and non sector vessels, and POs will have responsibility for managing the fishing levels of their vessels. However, if a PO is not able to balance its quota at the end of the year, and ends up with an overfish, the usual penalties and compensation arrangements will apply. If individual vessels not in a PO land catch in excess of available quota, accounting for all available flexibilities and exemptions, they will be penalised in line with the current MMO compliance and enforcement strategy. The available penalties include:

- Official written warning;
- Financial administrative penalty (FAP)²⁰; and
- Points on fishing licences and for masters following a conviction in court²¹.

2.3.3 Fishing licences

Fishing vessels that are registered in the UK are not allowed to fish without a valid licence and the conditions of the licence must be adhered to.

¹⁷ The Sea Fishing Penalty Notices (England) Order 2011

¹⁸ Article 92(1) of the Control Regulation (EC 1224/2009)

¹⁹ <u>http://www.marinemanagement.org.uk/about/documents/compliance_enforcement.pdf</u>

²⁰ The Sea Fishing Penalty Notices (England) Order 2011

²¹ Article 92(1) of the Control Regulation (EC 1224/2009)

The national measures proposed in this policy will be set out in the conditions within the fishing licences and will be automatically renewed with licence renewal.

Defra will be consulting on possible amendments to the English licensing scheme to remove existing requirements which are out of date, or place unnecessary burdens on the fishing industry. As part of this consultation, current restrictions not compatible with a landing obligation will be removed or amended by 1 January 2015. For example, those conditions which prevent certain species being kept onboard and landed will be removed if they contradict the landing obligation.

Any amendments to fishing licences will be administered by the MMO, who will provide prior warning, and information on the changes, to all relevant vessel owners.

Summary of proposals

We propose that:

- All pelagic vessels over 24m in length will be required to continuously run Remote Electronic Monitoring (REM) systems whilst at sea.
- A risk-based monitoring reference fleet will cover the rest of the pelagic fleet, which may include self-recording of catches and permitted discards, at sea observations (by onboard observers or REM) and land based checks.
- Continuation of the completion of paper logbooks for all vessels between 10-12m in length and the completion of e-logs for all vessels over 12m in length.
- Continuation of the completion of sales notes for all vessels under 10m in length²².
- Enforcement action will be taken against vessels found to be in breach of the requirements of the landing obligation.

Q.7 Do you agree that the proposed monitoring and enforcement regime, including a mix of Remote Electronic Monitoring systems, at-sea observers, land based sampling, and self-reporting is a proportionate and risk based approach to enforce the pelagic landing obligation in England? If not, please provide details and any supporting evidence.

²² It is the buyers/sellers responsibility to complete these sales notes

Q.8 Do you expect to incur new costs from the new monitoring and enforcement regime? If so, please provide details on expected costs and any supporting evidence.

2.4 Catch management

From 1 January 2015 the Minimum Landing Size (MLS) of all quota species will be amended to the new Minimum Conservation Reference Size (MCRS). The MCRS for each species will be established at EU level, under the updated Technical Conservation Regulations²³. Negotiations on the MCRS for pelagic species are currently ongoing. Industry will be required to comply with any future amendments to the Technical Conservation Regulations.

Under the pelagic landing obligation catches of all quota species (including target and by-catch species) below the agreed MCRS must be retained onboard, landed and counted against quota. Whilst at sea fish below MCRS will have to be stored and recorded separately. Once onshore, fish below MCRS will have to be sold into the not for human consumption food chain. This requirement is included in the CFP Basic Regulation and is designed to deter potential targeting of juveniles. Non human consumption markets include fish meal, fish oil, bait, pet food, food additives, pharmaceuticals and cosmetics. Catches will be subject to specific regulations depending on the market they enter. Defra will issue guidance to registered landing ports on the necessary requirements for each new market (other than human consumption) before 1 January 2015. This will include information on the regulations of each market.

As discarding in the English pelagic sector is low the need for additional onshore management in line with the pelagic landing obligation is expected to be minimal.

Summary of proposals

- Whilst at sea, catches below MCRS will need to be stored and recorded separately.
- Once onshore, catches will be subject to specific regulations applicable for the market they are entering.

²³ http://new.eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=COM:2013:889:FIN&from=EN

• It will be the responsibility of the registered port authority to ensure that they are aware of, and meet the necessary regulations, which are currently in place for fish entering each market.

Q.9 Do you agree that our proposals are a proportionate response to the requirements on quota species below MCRS? If not, please provide details and any supporting evidence.

Section 3 - Summary of key proposals

Quota management

- Any uplift in quota will be allocated in line with fixed quota allocation units (FQAs) and managed in line with current quota management.
- Any additional quota will be managed by the POs for the sector, and the MMO for the non sector and under 10m vessels.
- From 2015 the English pelagic POs and the MMO, will have full access to the provisions to bank and borrow up to 10% of quota for all species subject to the pelagic landing obligation between consecutive years.
- From 2015 the English pelagic POs and the MMO, will have full access to the 9% interspecies flexibility for species within safe biological limits.
- To increase the flexibility in the quota management system for the under 10m and non sector vessels, whose quota is managed by the MMO, from 1 January 2015 we will:
 - On a stock by stock basis increase the time period over which catch limits are allocated;
 - Make quota leasing arrangements more transparent via the MMO website so that sources of quota are more easily identifiable to those who need to access additional quota; and
 - Allow quota leasing to be carried out following landing in instances where the catch limit set for that stock has been exceeded.

Exemptions

- If a stock is defined in an agreed regional Discard Plan as having a high rate of survival after discarding Defra will permit all relevant English vessels to discard those species in line with the provisions of the Discard Plan.
- If any *de minimis* exemption is secured, Defra would permit all relevant English vessels to use the exemption.
- Vessels which carry out permitted discarding under any exemption are required to record the necessary information.

Monitoring and enforcement

- All pelagic vessels over 24m in length will be required to continuously run Remote Electronic Monitoring (REM) systems whilst at sea.
- A risk-based monitoring reference fleet will cover the rest of the pelagic fleet, which may include self-recording of catches and permitted discards, at sea observations (by onboard observers or REM) and land based checks.

- Continuation of the completion of paper logbooks for all vessels between 10-12m in length and the completion of e-logs for all vessels over 12m in length.
- Continuation of the completion of sales notes for all vessels under 10m in length²⁴.
- Enforcement action will be taken against vessels found to be in breach of the requirements of the landing obligation.

Catch management

- Whilst at sea, catches below MCRS will need to be stored and record separately.
- Once onshore, catches will be subject to specific regulations applicable for the market they are entering.

Q.10 Do you think that there are any issues relating to the implementation of the pelagic landing obligation in England that we have not identified and should be aware of?If so, please provide details and any supporting evidence.

²⁴ It is the buyers/sellers responsibility to complete these sales notes

Section 4 – The Impact Assessment

A consultation stage Impact Assessment has been prepared, and can be found at <u>www.gov.uk/defra</u>. The Impact Assessment sets out the range of evidence sources we have used to develop and access the impact of the proposals outlined in this consultation. Our analysis has shown that the scale of discarding in English pelagic fisheries is low, and therefore the impact of the pelagic landing obligation will be minimal. The key outcomes of the Impact Assessment have been included in Box 3.

Box 3. Key monetised costs and benefits of the proposals from the Consultation Impact Assessment

Costs

Government

Government, and its arm's length bodies, will incur relatively small costs as a result of the proposed changes to the monitoring and enforcement regime. Up to 90% of these costs could be co-financed through the European Maritime and Fisheries Fund (EMFF) or the Data Collection Framework (DCF), and the remainder will be absorbed within available budgets by redirecting or reprioritising current resources:

- Capital costs of the REM systems £38k
- Analysis of REM data £14k
- At sea observations £80-130k

Industry

Vessels involved in the REM monitoring (currently 3) will incur a cost of £390 in years 1 and 6 of the landing obligation (due to the 5 year life time of the REM system).

Benefits

Under the pelagic landing obligation there may be an uplift in Total Allowable Catch at EU level because industry are no longer discarding. This would allow the pelagic industry to land and sell more fish, resulting in a potential benefit in the range $\pounds 0.8 - \pounds 1.4$ million per annum.

Q.11 Do you have any comments or evidence on the costs and benefits presented in the associated Impact Assessment. This includes, but not limited to, any costs or benefits associated with:

- hosting an observer onboard;
- familiarisation with the new monitoring and enforcement regime; and
- accessing non human consumption markets for fish below MCRS.
- If so, please provide details and any supporting evidence.

Section 5 – Summary of questions

Q.1 Do you agree that the level of discarding in the English pelagic industry is relatively low, and the impact of the pelagic landing obligation should therefore be minimal. If not, please provide details and any supporting evidence.

Q.2 Do you agree that any additional quota, made available through an uplift in EU agreed TAC, should be allocated through Fixed Quota Allocation units? If not, please explain why you disagree and suggest alternative methods with any supporting evidence.

Q.3 Do you think you will need to utilise any of the additional quota flexibilities available under the new CFP basic regulation? If so, please provide details and any supporting evidence.

Q.4 Do you agree that the quota management flexibilities should be managed at management body (PO and MMO) level? If not, please provide details and any supporting evidence.

Q.5 Do you agree that the proposed changes to the quota management systems will help English fishermen operate under the pelagic landing obligation? If not, please provide details or and suggest other changes to quota management that would be beneficial.

Q.6 Do you think you will need to utilise a survivability or *de minimis* exemption available under the new CFP basic regulation? If so, please provide details and any supporting evidence.

Q.7 Do you agree that the proposed monitoring and enforcement regime, including a mix of Remote Electronic Monitoring systems, at-sea observers, land based sampling, and self-reporting is a proportionate and risk based approach to enforce the pelagic landing obligation in England? If not, please provide details and any supporting evidence.

Q.8 Do you expect to incur new costs from the new monitoring and enforcement regime? If so, please provide details on expected costs and any supporting evidence.

Q.9 Do you agree that our proposals are a proportionate response to the requirements on quota species below MCRS? If not, please provide details and any supporting evidence.

Q.10 Do you think that there are any issues relating to the implementation of the pelagic landing obligation in England that we have not identified and should be aware of? If so, please provide details and any supporting evidence.

Q.11 Do you have any comments or evidence on the costs and benefits presented in the associated Impact Assessment. This includes, but not limited to, any costs or benefits associated with:

- hosting an observer onboard;
- familiarisation with the new monitoring and enforcement regime; and
- accessing non human consumption markets for fish below MCRS.

If so, please provide details and any supporting evidence.

Section 6 – Basic information

Who will be interested in responding?

- Pelagic Fishermen;
- Any organisation representing fishermen;
- Fish Producer Organisations;
- Environmental Groups;
- Fish Processors;
- Port Authorities; and
- Fish Markets.

Having your say

We welcome your views and comments on the proposals. We would prefer you to respond to the consultation questions using the online survey on our consultation website <u>www.gov.uk/defra</u>

Alternatively, if you are unable to respond online, you can respond:

- via email to: <u>cfp.consultation@defra.gsi.gov.uk;</u> or
- in writing to: CFP Reform Implementation Team, Sea Fisheries Conservation Division, Defra, Area 8A, 9 Millbank, c/o 17 Smith Square, London, SW1P 3JR

If you wish to obtain a hard copy of this consultation please contact us via the postal or email addresses above.

Responses should be received by 12 May 2014.

What will happen to your responses?

Copies of responses will be made available to the public on request. If you do not want your response – including your name, contact details and any other personal information – to be publicly available, please say so clearly in writing when you send your response to the consultation. Please note, if your computer automatically includes a confidentiality disclaimer, that won't count as a confidentiality request.

Please explain why you need to keep details confidential. We will take your reasons into account if someone asks for this information under freedom of information

legislation. But, because of the law, we cannot promise that we will always be able to keep those details confidential.

We will summarise all responses and place this summary on our website at: www.gov.uk/defra

This summary will include a list of names of organisations that responded but not people's personal names, addresses or other contact details.

Consultation principles

This consultation is in line with the Consultation Principles which can be found at: http://www.cabinetoffice.gov.uk/resource-library/consultation-principles-guidance

If you have any comments or complaints about the consultation process, please address them to Defra Consultation Co-ordinator, 629 Milbank, 17 Smith Square, London SW1P 3JR or email <u>consultation.coordinator@defra.gsi.gov.uk</u>.

Confidentiality issues and freedom of information

- Information provided in response to this consultation, including personal information, may be subject to publication or disclosure in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004).
- If you want information that you provide to be treated as confidential, please be aware that, under FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things with obligations of confidence.
- In view of this, it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.
- The Department will process your personal data in accordance with the DPA and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties.

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This document/publication is also available on our website at: <u>www.gov.uk/defra</u>

Any enquiries regarding this document/publication should be sent to us at: Email: <u>cfp.consultation@defra.gsi.gov.uk</u>

Post: CFP Reform Implementation Team, Sea Fisheries Conservation Division, Defra, Area 8A, 9 Millbank, c/o 17 Smith Square, London, SW1P 3JR

Annex: Additional information

Table 4: English fleet landings, by port, of pelagic quota species (greater than 5 tonnes per year) in 2012.

Port	Volume (t)	% of total	Value (£)	% of total	
Ijmuiden	39,072	62	8,525,207	50	
Plymouth	9,374	15	3,321,800	20	
Scheveningen	7,533	12	2,104,694	12	
Brixham	2,812	4	778,801	5	
Teignmouth	1,722	3	325,886	2	
Las Palmas	1,106	2	788,885	5	
Leigh-On-Sea	452	1	5,6097	0.3	
Newlyn	296	0.5	278,957	2	
St Ives	140	0.2	206,234	1	
Southend-On-Sea	134	0.2	13,680	0.1	
Looe	126	0.2	143,170	0.8	
Mevagissey	112	0.2	210,579	1	
Exmouth	93	0.1	20,274	0.1	
Torquay	40	0.1	37,291	0.2	
Great Yarmouth	29	0.05	19,782	0.1	
Polperro	24	0.04	36,096	0.2	
Felixstowe	22	0.03	8,702	0.1	
West Mersea	18	0.03	15,367	0.1	
Port Isaac	10	0.02	3,521	0.02	
Sennen	10	0.02	14,751	0.1	
Hayle	9	0.01	14,294	0.1	
River Fal - Falmouth	8	0.01	9,640	0.1	
Rochford	8	0.01	1,060	0.01	
River Fowey	8	0.01	10,856	0.1	
Total of vessels landing >5 t	631,568	100	16,945,625	100	
Total of all vessels	63,207.2	99.9	17,004,808	99.7	

Source: MMO analysis of 2012 UK fisheries activity data (IFISH).



Figure 2: Volume of English fleet landings of pelagic species in 2012.

Source: MMO analysis of 2012 UK fisheries activity data (IFISH).



Figure 3: Value of English fleet landings of pelagic species in 2012.

Source: MMO analysis of 2012 UK fisheries activity data (IFISH).

Species name	Pelagic catches (t)	STECF Estimated quota			Average annual		Estimated turnover from quota uplift (£k)			
		discard uplif		ft (t) price per t (£)		75%		100%		
		rate (%)	75%	100%	Min	Max	Min	Max	Min	Max
Mackerel	19,540	5.8	850	1,133	863	897	734	762	978	1,017
Herring	23,184	1.0	174	232	369	733	64	127	86	170
Horse Mackerel	13,156	0.5	49	66	320	474	16	23	21	31
Blue Whiting	1,590	0.4	5	6	222	-	1	0	1	0
Sprat	4,945	-	0	0	160	198	-	-	-	-
Total	-	-	1,078	1,437	-	-	815	912	1,078	1,437

Table 5: Estimated annual quota uplift and expected turnover for the English pelagic industry.

Source landings data: Analysis of 2012 UK fisheries activity data (IFISH).

Source average price data: Analysis of 2012 UK fisheries activity data (IFISH).

STECF: Scientific, Technical and Economic Committee for Fisheries