



Department
for Environment
Food & Rural Affairs

Fisheries: Fishing Licence Reform in England

Proposed removal of the quota finfish licence cap on
English 10 metre and under vessels

Date: 17 July 2023

We are the Department for Environment, Food and Rural Affairs. We are responsible for improving and protecting the environment, growing the green economy, sustaining thriving rural communities, and supporting our world-class food, farming, and fishing industries.

We work closely with our 33 agencies and arm's length bodies on our ambition to make our air purer, our water cleaner, our land greener and our food more sustainable. Our mission is to restore and enhance the environment for the next generation, and to leave the environment in a better state than we found it.



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Executive Summary

Just under a quarter of English registered 10 metre and under (u10m) vessels are subject to a limit, or cap, of 350kg on the amount of finfish quota species they can fish per annum. Defra introduced the capping policy to help manage the utilisation of quota available to this section of the fleet that fish for quota species from the u10m quota pool. In recent years, the level of quota in the pool has increased, partly as a result of Brexit, with the pool not being fully utilised. Licence capping is cited as a barrier preventing u10m vessels fully utilising the pool with capped licence holders requesting that the cap be permanently removed. Removing the cap would give u10m vessels more of the certainty they need to invest in the new gear necessary to catch more or different stocks.

In response to requests from industry the Marine Management Organisation (MMO) has temporarily lifted the cap in the last 3 years without issue. The MMO temporarily lifted the cap on 1 March 2023 for the remainder of the 2023 fishing year.

We are now seeking views on permanently lifting the licence cap from 1 January 2024.

This change applies to the 432 capped licences of English registered vessels. The Devolved Administrations do not have a similar capping arrangement in place for their respective u10m fleets.

Suspended shellfish permits do not fall under the scope of this consultation.

Consultation Period

The consultation will run for 6 weeks, starting at 09:30 on 17 July 2023 and ending on 30 August 2023.

Consultees can respond to this consultation via Citizen Space (online portal), email or by post. Full details on how to respond to this consultation are set out in the General Information section of this document. All citizen space and email responses to this consultation should be submitted to Defra by 23:59 on 30 August 2023 and written responses to be received by 29 August 2023.

Post Consultation

Defra will read and analyse all of the responses with a summary of responses to be published by Defra on the government website at: www.gov.uk/defra. The response will be published within 12 weeks of the consultation closing. An annex to the consultation summary will list all organisations that responded but will not include personal names, addresses or other contact details.

The summary will also include the final government response and the policy decision for licence capping for the 2024 fishing year and beyond.

Why are fishing vessels licensed?

To ensure that English fishing opportunities are managed sustainably a licensing regime is in place which limits the number of vessels that can target quota species. The purpose of the licensing system is to manage the size of the UK fleet and to control the quantity of fish harvested from our waters.

The licensing system uses two metrics to limit the overall fleet capacity:

- engine power (kW); and
- catch capacity (tonnes)

These metrics apply to the UK fleet as a whole and are apportioned to individual vessels via their respective licence. All licences have both their engine power (kW) and catch capacity (tonnes) specified. Therefore, if a vessel owner seeks to buy a bigger boat the requisite power and catch capacity will also need to be acquired. The vessel owner can do this by buying another licence that would be merged with, or replace, the existing licence.

The licensing regime is also the mechanism under which management measures are introduced stemming from domestic legislation. These measures include:

- Limiting where a vessel can fish;
- What it can fish for; and
- Technical measures which apply to its fishing activity for example specified gear type to be used.

What is licence capping?

Licence capping currently limits affected English registered u10m licence holders to a maximum of 350kgs per annum of finfish quota species. The cap was initially introduced and set, following consultation, at 300kg in 2009 but increased to 350kg in 2016 (post 2015 consultation). In 2016 there were 2,833 English u10m licences with 987 capped (35% capped). On 1 March 2023 there were 1,939 English u10m licences, with 432 (22%) currently subject to a licence cap of 350kg of quota finfish per annum. The number of English u10m licences has reduced with fishers either leaving the industry or licences being consolidated. Consolidation is when a licence holder combines more than one licence to ensure that the vessel has both the requisite power and catch capacity to match its fishing plan.

However, there are restrictions on the types of licences that can be consolidated, for example, a fisher cannot top up the capacity of an over 10m licence by buying and consolidating with an under 10m licence.

Why was the capping policy introduced?

The licence cap was introduced following consultation in 2009 in order to prevent vessels that had ceased fishing for quota from the under 10 metre pool resuming their activities thus disadvantaging those who had always fished quota.

The capping of finfish licences was introduced to:

- Limit the number of vessels targeting stocks in order to maintain the economic viability and business certainty to those fishing actively; and
- Manage fleet capacity sustainably in line with EU requirements.

The cap was applied as a licence condition to English u10m fleet licence holders who had caught less than 300kg of finfish quota species per annum in all three reference years.¹

Who manages capped licences?

The English u10m quota management pool is managed by the MMO, who control quota uptake through licences and monthly catch limits. The cap is implemented through a licence condition that states that the licence holder is limited to 350kg of finfish quota species per annum.

When was the finfish quota species capping policy last reviewed?

The policy was last subject to a full review in 2015. At that time 755 of the 2,625 licensed English u10m fleet vessels were capped at 300kg per annum. A further 677 licences were identified as having fished under the 300kg limit in the new reference period² and identified for licence capping. Those subject to a cap were able to appeal against this decision and, when this process concluded, affected licence holders were notified that their licence would be capped at 350kg per annum.³

The cap was increased to 350kgs to allow fishers to comply with the phased introduction of the landing obligation (discard ban) under the EU Common Fisheries Policy (CFP). The last review of the cap was done in the context of meeting the requirements of the CFP. As an independent coastal state this consultation gives us the opportunity to reflect whether a cap is still required.

¹ Reference years were 2006, 2007 and 2008. If any year the vessel had fished more than 300kg of quota it was not capped.

² Reference years for 2015 review were 2010,2011, 2012 and 2013

³ Those capped at 300kg in 2009, had their cap increased to 350kg.

Recent changes to the licence capping policy

During the last three fishing years (2020, 2021 and 2022) we have temporarily lifted the cap of 350kg to remove one of the barriers limiting fishers' ability to target finfish quota stocks. This has been in direct response to fishers asking for support from government in what have been challenging market conditions caused by, for example, the impact of Covid 19 on the sales market and the increase in fuel prices.

A number of vessels have used this opportunity to fish additional quota, but the pool has still not been fully utilised. In light of this, we took the view that allowing this temporary lifting of the cap would not cause the pool to be overfished.

The cap was reinstated most recently on 1 January 2023 but following further requests from industry it has been lifted temporarily for the current fishing year from 1 March 2023 until 31 December 2023.

Proposed policy change

Permanent removal of 350kg licence cap from English u10m fleet licences

Over the last decade or so, the total amount of English quota allocated to the English u10m fleet quota pool has increased, most recently post Brexit. However, the pool has not been fully utilised with licence capping cited as one of the reasons.

This policy proposal will not increase the total amount of quota available to the English u10m fleet quota pool. Instead, we are looking to remove a restriction that limits some fishers' ability to fully utilise the available quota limits set by MMO.

In 2022, 1,072 of the 2,075 English u10m fleet licensed vessels fished quota species (52%), and of these 662 fished in excess of 350kg in the year. This means that at least 48% of licensed vessels only fished non-quota species or chose not to fish.

The issue of licence capping has been raised frequently by inshore fishers at regular stakeholder engagement meetings such as the Regional Fisheries Group (RFG) meetings and with MMO colleagues in coastal offices.

What is the intended impact of lifting the cap?

We anticipate that lifting the cap would help increase the uptake of quota in the pool (which has, for some stocks, been low) by giving fishers more certainty. We also anticipate that this will not lead to overfishing as activity is controlled through the MMO monthly catch limits for the pool.

It is intended that this will increase the quota uptake within the pool by removing a restriction that limits catching capacity. One reason cited for capped vessels not fishing quota despite the temporary lifting of the cap over the last three years is that they do not have the relevant fishing gear to target quota species. They have been reluctant to invest in new fishing gear if they cannot guarantee having access to quota in future years. The changes do not increase overall fleet capacity or quota allocated to the non-sector pool.

In 2022, 12 vessels that would have been limited to 350kg took advantage of the temporary lifting of the cap to fish above the limit. A further 95 capped vessels have also fished quota species since the cap was lifted, albeit in volumes less than 350kg.

Table 1: Impact of temporary lifting of the licence cap					
activity year	number of active vessels with a capped licence	number of these vessels landing quota	total amount of quota landed by a capped licence (in tonnes)	number of vessels landing over 350kg	total quota landed in excess of 350kg (in tonnes)
2020	540	100	12.0	3	4.0
2021	505	102	13.6	7	4.7
2022	455	107	20.5	12	11.0

Won't finfish quota stocks be overfished as a result of lifting the cap?

The English u10m fleet quota management pool is managed by the MMO, which controls quota uptake through licences and monthly catch limits. The cap is implemented through a licence condition that limits the licence holder to fishing 350kg of finfish quota species per annum.

The risk of over-exploitation of the finfish quota stocks is low as demonstrated by the volume of vessels taking advantage in the last 3 years (Table 1), and the quota uptake figures (Table 2) show that the temporary lifting of the cap has not placed pressure on the quota pool but has helped increase quota uptake for some stocks.

Table 2: Uptake of quota by English u10m pool		
Year	Live Weight (tonnes)	Percentage uptake of English u10m quota pool
2020	3,590	64%
2021	3,910	35%
2022	3,670	32%

Why don't you continue to lift the cap on a temporary basis?

This is not practical for capped licence holders in the long term as it provides no certainty to them that this quota will be made available permanently. This is important if a fisher needs to modify their boat to catch quota species (for example, invest in new fishing gear), as they need certainty that they can recover the initial modification outlay through the sale of quota species.

Consultation Questions

Question 1: Do you agree with the proposed removal of the licence cap from English u10m fleet vessels?

Question 2: What is the reason for your answer for Question 1?

Question 3: What impact do you think removing the licence cap will have?

Question 4: Is there anything else you would like to share in relation to the proposal of removing the licence cap?

General Information

The consultation will primarily be run via the Citizen Space online portal. However, we will accept email and hard copy responses for those unable to access the online survey.

Large print and braille versions of this document are available on request.

Duration of the Consultation

The consultation will run for 6 weeks, starting at 09:30 on 17 July 2023 and ending on 30 August 2023. Consultees can respond to this consultation via Citizen Space (online portal), email or by post. All citizen space and email responses to this consultation should be submitted to Defra by 23:59 on 30 August 2023 and written responses to be received by 29 August 2023.

Responses can be:

- Submitted online via the Citizen Space online portal:

<https://consult.defra.gov.uk/future-fisheries-team/finfish-licence-cap>

- Sent via email to: fisheriesengagement@defra.gov.uk

Sent via post to: Consultations Coordinator
Defra Kings Pool,
Unit 4 Foss House,
1-2 Peasholme Green,
York, YO1 7PX

If you are submitting your response via post or email, please include the following in your response along with your responses to the questions:

Your name

Whether you are responding as an: Individual, on behalf of an Organisation or Both

Name of Organisation you are responding on behalf of (if applicable):

Postal address:

Email address:

Telephone number:

Whether you wish for your name to be published alongside your response in any documents we make available to the general public as a result of this call? (Yes/No)

Whether you want your response to be confidential? (If Yes, please specify why)

At the end of the consultation period, we will summarise the responses, and place this summary on the UK government website and all devolved administrations' websites.

Confidentiality and Data Protection information

A summary of responses to this consultation will be published by Defra on the UK government and devolved administrations' websites at: 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 (For example home address, email address, etc).

If you answer '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 response to this consultation may be subject to release to the public or other parties in accordance with the legislation on access to information (this is primarily the Environmental Information Regulations 2004 (EIRs), the Freedom of Information Act 2000 (FOIA), the General Data Protection Regulation 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 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 to be kept confidential, 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 answer '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 will not 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 can be found at:

<https://www.gov.uk/government/publications/consultationprinciples-guidance>.

Our privacy notice is uploaded as a related document alongside our consultation document.

Comments or complaints about the consultation process should be sent to:

Consultations Coordinator,
Defra Kings Pool,
Unit 4, Foss House,
1-2 Peasholme Green,
York, YO1 7PX

Or email: consultation.coordinator@defra.gov.uk

Or email directly to our dedicated email account: fisheriesengagement@defra.gov.uk

What happens next

Upon the conclusion of the consultation, we will summarise and publish a summary of the responses to this consultation which will be published on the UK government website at: www.gov.uk/defra. An annex to the consultation summary will list all organisations that responded and what part of the UK they represent but will not include personal names, addresses or other contact details.

This summary of responses will also include a final government response to the consultation setting out the policy decision on capping. This policy decision to be taken before the start of the 2024 Fishing Year.