



# Marine Management Organisation

## Consultation: Western Waters demersal for scallop fishing effort swap in FAO area VII

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INVESTORS  
IN PEOPLE

Bronze



## Background

Vessels of 15 metres and over in length fishing for scallops in FAO area VII are limited by restrictions on the amount of time (days) they can spend at sea (effort) when targeting scallops under the Western Waters regulations<sup>1</sup>. Like quota, effort can be traded between EU member states. The four UK Fisheries Administrations and the Isle of Man have a shared policy view that international effort swaps should be industry negotiated in the first instance but subject to review by the UK fisheries administrations to ensure balance and that they are in the wider public interest.

## Why we are consulting?

The UK scallop industry has negotiated a proposed trade in effort with the Dutch industry. This proposal has been tabled at the Scallop Industry Consultation Group (SICG) and the group has requested that the UK Government consider authorising the swap. In order to ensure all views are taken into consideration, including those outside of the scalloping sector, we are putting this proposal to public consultation.

## The proposed swap

The Netherlands have offered to transfer 155,000 kW days of Western Waters 15 m and over scallop effort in FAO area VII to the UK in exchange for 310,000 kW days of 15 m and over demersal Western Waters effort in the same area. Some key facts to note regarding the proposed transaction:

- A similar proposal in 2018 did not come to fruition due to concerns about the rate of exchange of effort offered and the impact of Dutch demersal fishing practices in UK waters on the UK industry.
- This time the proposed rate of exchange is 2 kW days demersal effort to 1 kW day scallop effort and therefore more favourable to the UK than it was in 2018, when the proposed ratio was 3:1.
- Before any swap can go ahead the UK Fisheries Administrations need to agree that it was in the overall public interest and to put it to the UK Fisheries Minister for approval.
- The UK typically uses less than 25% (22% uptake in 2018<sup>2</sup>) of its available over 15 m, FAO area VII demersal effort. As such the proposed swap, which represents only 1.2% of the UK's available demersal effort, will pose no restriction or risk of restriction on the UK demersal fleet's activities.
- As of the end of May 2019 the UK 15 m and over, FAO area VII demersal fleet had used 11% of the available demersal effort<sup>3</sup>. Over the same period the UK 15 m and over, area VII scallop fleet had used 43% of their available effort.

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<sup>1</sup> <https://eur-lex.europa.eu/legal-content/GA/TXT/?uri=CELEX:32003R1954>

<sup>2</sup> <https://www.gov.uk/government/statistical-data-sets/final-effort-statistics-december-2018>

<sup>3</sup> <https://www.gov.uk/government/statistical-data-sets/effort-statistics-may-2019>

## Considerations

### What is this swap worth to the UK scallop fleet?

In 2018 UK scallopers of 15 m or more in FAO area VII landed almost 13,000 tonnes of king and queen scallops worth £28.7 million at first sale. They used just over 3.8 million kW days of effort when catching these scallops, making a kW day of effort worth about £7.55 or 3.4 kg of scallops. Assuming all 155,000 kW days of effort offered by the Netherlands are used, based on the value per kW days above, this additional effort is likely to be worth in the region of £1.2 million of scallop landings (at first sale prices) to the UK fleet.

### What would be the consequence of no swap?

The UK 15 m and over, FAO area VII scallop fleet has a baseline effort limit of 3,315,619 kW days<sup>4</sup>. The UK fleet have relied for the past five years on obtaining additional effort from other EU Member States to supplement their baseline and allow them to fish beyond the UK's baseline limit (see Table 1). If the UK is unable to conduct an effort swap with another EU member state, the baseline limit of just over 3.3 million kW days will apply. This will result in reduced FAO area VII fishing opportunities for the 15 m and over scalloping fleet compared to recent years. While it is hard to predict in advance, such a limitation on fleet activity in area VII may cause displacement of vessels into other fisheries or areas.

The fleet used in excess of 485,000 kW days more than the UK's baseline last year (2018). Effort uptake trends in 2019 to date show a similar, but slightly lower, pattern when compared with 2018<sup>5</sup>. This implies demand for effort is similarly high and therefore that significantly more than 155,000 kW days is required by the fleet in order to meet their demand. So while this transaction will not provide all the additional effort the fleet might use, it puts the fleet in a much better position than having no swap at all.

**Table 1 - UK FAO Area VII Adapted Baseline and Actual Uptake by Year: 2014 - 2018**

Year	Adapted UK baseline effort limit after swaps (kW days)	UK FAO Area VII % uptake of adapted baseline
2018	4,160,619	3,801,964 91%
2017	4,035,619	3,604,208 89%
2016	4,035,619	3,475,450 86%
2015	4,035,619	3,730,412 92%
2014	3,818,207	3,479,950 91%

Source: UK Fisheries Administrations

<sup>4</sup> <https://publications.europa.eu/en/publication-detail/-/publication/cc9d4aea-0e4d-4821-9813-e727424b2e9a/language-en>

<sup>5</sup> <https://www.gov.uk/government/collections/effort-use-statistics>

## Are there economic risks to the shore-side industry?

It is hard to predict the impact, if any, of this transaction on the processing industry and the supply chain in general. Without the swap vessels may use their available effort more efficiently and manage to land similar amounts of scallops as in previous years. Additionally, if efficiencies in effort usage cannot make up for the reduced availability of effort in 2019 then vessels may relocate into scallop fisheries in other areas or target other species. Such a shift in area and therefore landing port is likely to impact smaller processors heavily reliant on the supply of scallops from their local ports/markets, with reductions for area VII reliant processors and increases for processors in other areas. Larger processors obtaining scallops from around the UK may not notice any impact. However, as these effort restrictions only apply to vessels of 15 m or more in length a decrease in supply from this fleet segment may stimulate an increase in the supply of scallops from vessels less than 15 m in length. Finally, the UK industry is actively exploring additional effort trades with other EU member states and may well bring in sufficient effort from these agreements to cover their projected demand for effort.

The ports handling the most scallops landed by 15 m and over vessels caught in FAO area VII are given in Table 2 below. Jointly these top 5 ports account for 75% of the value of the scallops landed, with Shoreham-by-Sea being the most important. As such, this transaction is likely to have the greatest benefit to companies reliant on scallop landings at these ports.

**Table 2 - Top 5 ports by landed value for Area VII scallops landed by 15 m and over vessels**

Port	Quantity (tonnes)	Value (£)	% Total Value
Shoreham-by-Sea	5,432	£12,632,773	44%
Brixham	1,586	£3,405,123	12%
Kirkcudbright	1,671	£2,994,390	10%
Plymouth	561	£1,286,573	4%
Peel	525	£1,208,140	4%
Others	3,173	£7,182,047	25%

## What is the environmental status of the fishery and is the exploitation proposed sustainable?

Both the king and queen scallop fisheries in FAO area VII as a whole are data poor in respect of their biological stock status. The scallop industry operating in the area are collaborating with CEFAS and the UK Government to undertake an English waters scallop stock assessment, covering a large amount of the area concerned in the English Channel (FAO area VII d and e). Results from the first two years of assessments have been published<sup>6</sup>. It is not yet possible to derive trends or precise

<sup>6</sup><https://www.gov.uk/government/publications/assessment-of-scallops-stocks-201718>

estimates of the harvest rates and total biomass. Reflecting recent stock assessments showing declining abundance and biomass indices in both the king<sup>7</sup> and queen<sup>8</sup> scallop fisheries in the Isle of Man territorial sea, the Isle of Man government currently implement total allowable catch restrictions in addition to effort and permitting schemes to enhance protection of these fragile stocks<sup>9</sup>. There is a growing impetus to adopt broader management measures to cover the whole of the Irish Sea (FAO area VIIa) and waters to the West of Scotland (FAO area VIa) to safeguard the queen scallop fishery. Following a consultation in 2017, the UK's Fisheries Administrations have adopted an annual spring queen scallop closure in this area<sup>10</sup>. Further work is being carried out in a queen scallop working group to develop additional measures to protect this fishery.

Owing to wide gaps in the spatial and temporal coverage of the available survey data it is not possible at present to know the status of the king and queen scallop fisheries across the whole of FAO area VII at present. There are clearly stock pressures in the Isle of Man and most likely across the broader Irish Sea area. However it is important to bear in mind, as noted above, that the amount of incoming scallop effort from the Netherlands is significantly less than the amount used in excess of the baseline by the UK fleet last year. This means that if this swap is the only swap conducted in 2019 then the pressure in terms of kW day fishing effort is highly likely to be less than in 2018. Moreover, should a swap with another EU member state be carried out that brings in sufficient effort to cover the likely activities of the area VII 15 m and over scallop fleet then the basis for carrying out this swap will be weakened.

### **What is the impact of this swap on other UK fleet segments?**

As noted above the amount of outgoing demersal effort is a very small amount (1.2%) of the UK's overall baseline and the UK 15 m and over FAO area VII demersal fleet typically do not use more than 25% of their effort. As such, this swap causes no limitation of fishing opportunities for the donor fleet segment.

The MMO is aware from anecdotal statements that there are concerns about the environmental impacts of the fishing methods used by the Netherlands vessels that will benefit from this transaction. We would like to understand more about these concerns so that we can better judge the full implications of this proposal.

It is important to note that the Netherlands has procured the effort they are requesting in this proposal from other EU Member States regularly in the past. As such, the Dutch vessels concerned will almost certainly be able to obtain the effort elsewhere and prosecute these fisheries regardless of the outcome of this consultation.

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<sup>7</sup> <http://fisheries-conservation.bangor.ac.uk/iom/documents/73.pdf>

<sup>8</sup> <http://fisheries-conservation.bangor.ac.uk/iom/documents/72.pdf>

<sup>9</sup> <https://www.gov.im/categories/business-and-industries/commercial-fishing/iom-licencing/>

<sup>10</sup> <https://www.gov.uk/government/publications/queen-scallop-seasonal-closure>

## Consultation questions

Given the information above the MMO, on behalf of the UK's Fisheries Administrations (Marine Scotland, Welsh Government, DAERA Northern Ireland) and Department for Environment, Food and Rural Affairs, would like to obtain your responses to the following questions:

1. Do you support the effort transaction as laid out above?
2. Why do you support or object to this proposal?
3. Do you have any evidence or documents that you would like to bring to our attention in deciding this matter? If so, please attach these to your response or provide links/directions so that we can review them, preferably with a commentary explaining why they are relevant.
4. Does this proposal impact you or your sector directly? If so, in what way?
5. What are your views on the environmental and sustainability impacts of this proposal?

Please email your responses, with a brief statement setting out who you are and what your interest in the area is, to [effort@marinemanagement.org.uk](mailto:effort@marinemanagement.org.uk) by 5 pm 17<sup>th</sup> August 2019.

We may wish to contact you about your submission for further details, if you are happy for us to do this please let us know in your submission, setting out what the best method (e.g. email, telephone, post) and time to do this would be. We will not contact you to follow up on this consultation unless you provide permission.