



NFFO Shellfish Update

At the meeting of the NFFO Shellfish Committee held in London on 11th March 2013 it was agreed to review and update the Federation's shellfish policy position paper, first adopted on 16th September 2011.

This review was considered necessary in light of a number of developments, notably:

- The lack of movement at Government level occasioned by the moratorium on new legislation leading to a policy inertia
- The production by Cefas of the first stock assessments for edible crab and lobster
- The emergence of a number of trans-boundary issues between IFCA areas
- Concerns about the impact of the Western Waters effort regime on the edible crab sector

Provisional Conclusions

On the whole, the Federation's policy has stood the test of time and it retains its relevance.

- An incremental approach is more likely to ensure progress than waiting for all the conditions for a *big bang* policy, such as national pot limitation scheme or rights based management to fall into place
- The most urgent priority of placing a cap on the potential for expanding the fleet of high volume crab vessels remains as important as ever
- A differentiated approach both regionally and between the offshore and inshore fisheries remains valid, accepting that trans-boundary issues must be handled intelligently
- Shellfish assessments improve our understanding of stock developments in relation to conservation objectives and allow for management measures to be differentiated regionally. They do not however, invalidate the policy approaches advocated in the Federation's policy document; rather they have endorsed their relevance.
- Technical conservation measures in the inshore shellfish are best undertaken at regional (IFCA) level
- By contrast with the specialised offshore fleet, it remains important to retain flexibility for inshore vessels to alter target species periodically in response to local abundance and market conditions

Regional Management

The NFFO reiterates its support for a strong regional dimension to the management of inshore shell fisheries because in principle such an approach

brings the advantages of flexibility, adaptability, along with stronger understanding of the structure and dynamics of local fisheries. It is worth emphasising however that a regional framework only provides the *structure* for effective management. The *content* of decision-making is equally important, as are the principles of good governance. These include:

- Openness
- Participation
- Accountability
- Effectiveness
- Coherence
- Proportionality

The last of these, proportionality, is particularly important in relation to the balance between the management objectives and the industry's ability to absorb change. Measures which are phased-in over a reasonable period are likely to be much more welcome than if they are imposed abruptly.

Voluntary Measures

There is always some scope for the fishing industry to, individually or collectively, take steps to improve the exploitation pattern of the shellfish stocks and marketing conditions for their product. In recent years there have been a number of initiatives of exactly this type, which we commend and support. At the same time there are clear limits to a voluntary approach because of the international character of the fishery, the nature of the measures contemplated and the sheer difficulty arising from geography and logistics of organising a collective approach without recourse to the machinery of government. Whilst it is important to support voluntary initiatives where these are realistic and possible, it is also important to recognise their limitations.

Moratorium

It is the Government's prerogative to propose, and if there is sufficient parliamentary support, to enact new legislation. Equally, it is therefore the Government's prerogative to place a moratorium on new legislation on the grounds that generally, business enterprises are already over-encumbered by prescriptive legislation.

However, in the case of our request for a licence ring-fence to be placed around the high volume crab fleet, to prevent the latent capacity that exists within the system to be converted into active capacity, with adverse conservation and marketing consequences, the fleet concerned actively demands legislative (or administrative) intervention.

This places this issue in a fundamentally different category from those are concerned to reduce the red tape burden on business. It is only government that can limit a cess to fisheries or particular parts of the fleet.

NFFO September 2013

Annex 1



NFFO Shellfish Policy

The NFFO's Shellfish Committee met in Derby, on 16th September 2011, to discuss and agree a way forward on NFFO. Our aim is a national shellfish policy that would deliver a sustainable and profitable future for the crab and lobster fisheries. In its work the Committee drew on a discussion paper developed on the basis of earlier discussions. (Annex 1).

The meeting, and earlier discussions on shellfish policy, took place against an evident lack of momentum on Defra and UK shellfish policy. Despite a broad willingness within the shellfish sector to use the currently reasonably positive conservation status of most crab and lobster stocks to move towards economically and biologically sustainable fisheries, little concrete progress has been made in recent years.

The Committee observed that a number of broad brush proposals, such as a national pot limitation scheme or, more recently, a system of rights based management for shellfish, have faced difficulties in moving beyond the concept stage, not least because of the diversity of the fisheries to which they would apply. In turn, awaiting progress through these high level initiatives has hampered movement on other more prosaic steps, such as an incremental step-wise increase in the minimum landing size for crab and lobster.

The Shellfish Committee also observed that:

1. Improving the resilience of the crab and lobster fisheries crucially depends on dealing with the issue of latent capacity
2. Improving the exploitation pattern in the pot fisheries through minimum landing sizes and other technical measures offers a proven means of improving the conservation status of the crab and lobster stocks.
3. The crab and lobster fisheries have a built-in advantage over many other fisheries in the high (almost 100%) survival rate of animals returned to the sea.
4. The attempt to solve all of the shellfish sector's problems at once has led to a period of policy paralysis.

5. The diversity of the shellfish sector is part of its strength but does pose undoubted challenges for the implementation of undifferentiated conservation initiatives.

Against this background the Shellfish Committee recommended a three stranded, staged approach:

Latent Capacity

As the number of pots in the shellfisheries has increased and the average yield per pot has decreased. This decreasing catch per unit effort is indicative of a fishery that has passed the level of optimum yield, unless significant virgin stocks are found. The fear that has driven both fisheries scientists and some in the shellfish sector, to argue for new constraints, is that the large reservoir of *dormant, or under-utilised* licences with shellfish endorsements, could represent the potential for a substantial increase of fishing effort. This potential, if deployed could undermine and jeopardise the economic and biological sustainability of the crab and lobster fisheries. An increase in effort could be driven by periods during which the shellfisheries are profitable, drawing in new entrants, or increased activity by existing participants, or by effort displaced by constraints in the whitefish sector.

There is a strong case therefore for finding a way to cap fishing capacity in the shellfisheries at its current level. It is the *potential* for expansion in the effort deployed in the shellfisheries that has underpinned arguments both for a national shellfish pot limitation scheme and the case for allocating transferable fishing rights to the shellfish sector. Neither of those initiatives has remotely approached take-off speed.

High Volume Fleet

In fact the principal concern in relation to an expansion of effort relates to the high-volume, high capacity (mainly vivier) sector of the fleet which catches the overwhelming majority of the crab catch. The addition of even one additional vessel capable of deploying the amount of gear this class of vessel is capable of carrying, would have adverse consequences for both economic stability of the sector and the conservation of the brown crab stocks.

We therefore recommend that, *as a matter of urgency*, administrative means are used to preclude the addition of more capacity to the high-volume sector of the shellfish fleet. This could be achieved by limiting the aggregation of licences over 10m vessels holding shellfish licences, or through a specific licence endorsement. We would be pleased to enter into discussions on the best means to achieve the desired outcome but the objective should be to ensure no additions to the high-catching part of the fleet. By comparison with a national pot limitation scheme, or the introduction of a system of rights-based-management linked to national output controls, this step would be administratively straightforward, could be introduced quickly, and would have the broad support of the industry.

Inshore Fleet

Capping fishing effort in the rest of the fleet is not as straightforward as dealing with the high volume fleet. While there is clearly a significant reservoir of dormant and underutilised licences, which if attached to active vessels could lead to a substantial increase in deployed gear, there is also a need the need to *retain flexibility* within the inshore sector to change target species. The resilience of the inshore sector has historically depended to a high degree on the ability to respond to changes in the local abundance of target species and market demand. The need to cap fishing effort, whilst retaining this flexibility suggests that a carefully balanced approach is required.

Against this background, the Committee recommends a policy for this part of the shellfish fleet focused on the removal of latent capacity following a thorough analysis of data on dormant and under-utilised shellfish licences and a careful examination of the policy options. The aim would be to progressively remove scope for significant additions of effort to the active shellfish fleet, whilst retaining significant flexibility for the inshore fleet to change target species. We believe that this would best be achieved through a *Licence Review Group* on which the fishing industry plays a central part. Progress would be made through agreed incremental adjustments to the licensing regime that would over time introduce a cap in capacity, in a way that the “big bang” approaches have not. Moving beyond stalled policies requires a careful, non-dramatic, steady approach based on the principles of good governance.

Technical Measures

It has been clear for some time that the log-jam in dealing with the issue of latent capacity has held up progress on other fronts in shellfish conservation and management; the argument being that there is little point improving the exploitation pattern in the shellfisheries if the net result is to increase the profitability of the fishery - thereby attracting in additional effort. Breaking free from the inertia of the recent past in the way suggested above would, we believe, release the breaks in improving the exploitation pattern in the shellfisheries.

Given the diversity of the shellfisheries around our coast, so far as the inshore fleet is concerned, there is little option but to pursue a strongly *regional approach*, with the IFCAS taking a leading role for fisheries within the six mile limit. It is however, possible to describe a *menu* or *toolbox* of possible measures from which the regional authorities may construct a mix of measures tailored to local requirements. This could include:

- Minimum landing sizes
- Maximum landing sizes
- Prohibition on the landing of berried lobsters
- Escape hatches and other gear
- Closed areas/seasons
- V-notching
- Local pot limitation schemes

Notwithstanding our support for a strongly regional dimension to shellfish conservation, the Federation advocates and supports incremental, staged, increases in the minimum landing sizes for crab and lobster on the following lines:

Brown crab

- Landing size increased by 10mm across all areas over a 3 year period, subject to an impact assessment to identify fisheries in which a different approach may be required. (for example where the ecological/habitat conditions constrain the development and size locally)

Lobster

- A stepped annual increase in MLS up to 90mm

Nomadic Fleet

The high-volume nomadic fleet operates mainly in waters outside the 6 mile limit and indeed often in waters outside UK jurisdiction. This raises a number of particular challenges in terms of achieving a coordinated and coherent approach to technical conservation measures. However, the outcomes from number of transnational meetings involving high-volume catchers from the Republic of Ireland, Scotland, England and France have demonstrated that coordinated voluntary measures are feasible. We consider that there is considerable scope for coordinated self-management in this sector if the right conditions are created. These are principally dialogue and trust and a supportive regulatory framework.

Science

Fisheries scientists would agree that despite some recent progress, scientific assessments on crab and lobster stocks remain rudimentary and cannot as yet be relied on to provide a reliable or robust picture of the conservation status of these stocks. It is difficult given the current level of financial resources how this situation will change in the near future unless there is a much higher level of collaboration between fisheries scientists and the operators of vessels in the shellfish fleet. We would strongly support the development of a strong fisheries science partnership in these fisheries, either inside or outside the formal FSP framework.

Rights Based Management

As with most measures, there is a range of views within the shellfish sector about the extension of rights based management to the shellfisheries. At present it is probably true to say that there are too many unanswered questions about how such a system would operate in practice for any definitive conclusion to be reached. In these circumstances it is unsurprising that the dominant view within the shellfish sector is to decline to move in this direction and to focus on what can be achieved reasonably quickly, as described above.

Whelks

The whelk fisheries can be vulnerable to overexploitation and boom-and-bust fishing activity, as well as effort displaced from other fisheries. It is important therefore that the conservation status of the whelk fisheries is fully taken into account in the design and application of the shellfish policy.

Conclusion

Progress in the development and application of a shellfish policy has been painfully slow. There is a danger that an opportunity provided by the current generally positive stock conditions to adopt and implement measures that would ensure the continued sustainability and profitability of this sector is lost. Dealing with the issue of dormant and underutilized licenses is central to an effective shellfish policy. Broad brush, top-down policies such as a national pot limitation scheme or the extension of fixed quota allocations to the pot fisheries have not attracted the minimum support necessary to move forward, not least because regulators have not been able to explain convincingly how they would operate effectively in practice. We therefore advocate a stepwise approach beginning with the most immediate problem: capping capacity in the high volume part of the shellfish fleet. Having accomplished an effective constraint on this part of the fleet, we should turn to the issue of latent capacity in the rest of the industry. Here, striking the right balance between dealing with the potential for an increase in effort with retaining inshore vessels' flexibility to change target species is best dealt with through a licence review group' on which the industry has a central place. In the meantime, progress in improving the exploitation pattern through regionally sensitive measures should be reinstated.

We think that this approach has relevance on an all UK basis but recognize the realities of devolved government. Devolved administrations and the shellfish sectors in other parts of the UK will have to make their own judgment as to its worth.

Finally, we do not think that this paper is the last word in shellfish policy. It is a pragmatic and reasoned response to the diversity of the shellfish sector that does not seek to solve all problems in a single sweep. The attempt to find an all-embracing approach lies behind the inertia in shellfish policy in recent years. More work is required but adopting the approach suggested in this paper would be an important step forward.

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