

# Consultation on proposals for allocating Northern Ireland additional quota for 2022 to Northern Ireland registered fishing vessels.

## DAERA Response

### August 2022

#### Contents

<b>1. Introduction.....</b>	<b>2</b>
<b>2. Background.....</b>	<b>2</b>
<b>3. Responses to the Consultation. ....</b>	<b>5</b>
<b>4.1. Allocation basis for additional quota: Question 1, question 7, various comments.....</b>	<b>6</b>
<b>4.3. Additional Nephrops quota to the non-sector.....</b>	<b>7</b>
<b>4.5. Herring fisheries .....</b>	<b>9</b>
<b>4.6. Support for Fishery Science Partnerships.....</b>	<b>10</b>
<b>4.7. Allocation of other NI additional quota .....</b>	<b>11</b>
<b>5. Outcome .....</b>	<b>12</b>
<b>6. Final comments .....</b>	<b>12</b>

## 1. Introduction

- 1.1. We consulted on the use and allocation of Northern Ireland's share of additional quota in 2022. This paper sets out the Department's response to the consultation.
- 1.2. Our consultation set out the principles we would follow for the allocation of additional quota noting the requirements of the criteria established in the Fisheries Act 2020. The consultation proposed that additional quota was managed differently from existing quota, i.e. not automatically allocated following the FQA basis as in 2021.
- 1.3. We sought comment on three possible uses in 2022 and asked for other examples of different allocation need to be identified. Finally we proposed that, for those additional quotas, where no differential allocation need was identified, that the default allocation would follow the FQA basis.
- 1.4. We identified the scale of the additional quota available in 2021. The main part of the additional quota for 2022 was allocated when received from the UK, with the exception of the quantities under discussion here.

## 2. Background

- 2.1. Additional quota is the extra quota gained as a result of the UK's withdrawal from the European Union and the Common Fisheries Policy. The quota previously received under the CFP<sup>1</sup>, referred to as existing quota, continues to be allocated on the same basis. This should mean that no fishermen receive any less than they would have previously while the UK was part of the EU.
- 2.2. In the 2018 UK Government White Paper (Sustainable Fisheries for Future Generations) the Department of Environment, Food and Rural

---

<sup>1</sup> Existing quota includes the quota gained by application of Hague preferences, where there was a loss the quota before Hague Preferences are applied.

Affairs (DEFRA) indicated that existing quota would continue to be allocated on the same sharing method, i.e. by Fixed Quota Allocation units (FQAs). The basis for allocating additional quota, representing additional fishing opportunities was to be further explored.

2.3. The Fisheries Act 2020 established a new fisheries policy for the UK, including criteria on how quotas should be allocated. Section 25 of the Act sets out criteria, namely that 'when distributing catch quotas and effort quotas...national authorities must use criteria that;

- are transparent and objective, and
- include criteria relating to environmental, social and economic factors.

2.3.1. Further these criteria may relate to;

- the impact of fishing on the environment;
- the history of compliance with regulatory requirements relating to fishing;
- the contribution of fishing to the local economy;
- historic catch levels.

2.4. DEFRA in 2020 undertook a consultation on the apportionment (split) of additional quota between the devolved administrations. The accepted method, based on zonal attachment and track record of each administration's fleets was applied in 2021 and 2022. A method for 2023 is under consultation. While DEFRA establishes how quota is allocated to each administration, it is for each devolved Fishery Administration to determine how they would allocate their share to the vessels they license.

2.5. Due to the late agreement on a sharing system in 2020, and the drawn out negotiations with the EU on Total Allowable Catch (TAC) setting in early 2021, there was a delay in establishing the quantity of additional quota available to Northern Ireland. There was insufficient time to begin to explore alternative ways to utilise it in 2021. To prevent further delay for fishing businesses to plan ahead in 2021 DAERA therefore allocated the Northern Ireland additional quota on a mainly FQA basis for that year only.

2.6. This consultation was created to explore how the quota for 2022 could be allocated, noting that this arrangement may change in future years.

2.7. The consultation ran between the 11th March and 22nd April 2022.

### 3. Responses to the Consultation.

- 3.1. A summary of the responses has been published on the Department's consultation website<sup>2</sup> and on the Citizen Space<sup>3</sup>.
- 3.2. There were 63 online responses, 4 written submissions, 1 meeting request and 1 phone call (in lieu of a meeting). Responses were split between fishing industry (sector / non-sector fishermen), processors, quota managers, fishermen's representatives (including Producer Organisations). A number of responses did not identify any specific background.
- 3.3. In addition to the questions posed some respondents identified some concerns over the process, we address these in our response.

---

<sup>2</sup> [Consultations | Department of Agriculture, Environment and Rural Affairs \(daera-ni.gov.uk\)](https://consultations2.nidirect.gov.uk/daera/consultations/department-of-agriculture-environment-and-rural-affairs)

<sup>3</sup> Link to consultation and responses at

<https://consultations2.nidirect.gov.uk/daera/allocation-of-additional-fishing-quota-ni-2022>

## 4. Our Response

*In developing our response, we have considered all submissions, we respond in turn to the allocation basis of additional quota, the three proposals for 2022 and potential future uses. It is clear that there is an interest from all sectors in ensuring access to additional quota. We note that there are various underlying issues that may be outside of the scope of this consultation but have been raised.*

### **4.1. Allocation basis for additional quota: Question 1, question 7, various comments.**

- 4.1.1. There was marginally greater support for not simply allocating additional quota in the same way as in 2021, i.e. on the basis of the FQA system.
- 4.1.2. In 2022 we expect that again additional quota will be apportioned to Northern Ireland, on the basis of track record (both sector and non-sector) and zonal attachment. The basis for apportionment to NI may change in future years.
- 4.1.3. The use of track record does imply that the investment of the fleet in acquiring sufficient quota (acquiring FQAs) and landing it is the principal element in underpinning the additional quota allocated to NI, and there is therefore a reasonable expectation from this sector of the industry to receive this benefit.
- 4.1.4. Conversely many respondents identified that access to quota remains the main barrier to developing their business or exploring new fishing opportunities. Additionally as the non-sector is fixed (vessels cannot acquire FQAs nor lease quota) then diversification is limited.
- 4.1.5. These are complex issues, maintaining additional quota as a separate resource allows us to explore this further in future and to open future conversations on how the NI fleet is developed. However in developing this we need to ensure that available

fishing opportunities are maximised, quality and markets are maintained and that the criteria of the Fisheries Act 2020 are applied.

#### **4.2. Conclusion:**

- 4.2.1. We consider that there is justification to explore other possible uses of additional quota going forward. We maintain that our proposal in 2022 to allocate specific additional quotas to meet pre-identified needs, such as specific fisheries, address by-catch issues and to then allocate all other quotas on an FQA basis is a fair approach.
- 4.2.2. Going forward DAERA undertake to publish by March 31<sup>st</sup> each year how NI additional quota will be distributed for the current year following collaboration with the Industry. For certain stocks fished early in the year an announcement will be made by 31st December.

#### **4.3. Additional Nephrops quota to the non-sector.**

- 4.3.1. Responses were split between whether additional quota should be allocated to the non-sector and also on the potential quantity that could be allocated.
- 4.3.2. Our response is made in consideration of a number of factors.
- 4.3.3. The non-sector receives a small amount of quota, it cannot act to acquire or invest in additional quota.
- 4.3.4. The non-sector pools are managed to provide seasonal fisheries, and are insufficient to provide for consistent targeting. Historically the allocations to the sector are based on non-quota fisheries. Vessels that wish to predominately target quota fisheries must respect the monthly quota limits or consider joining the sector to access sufficient quota for their businesses. The non-sector has previously benefited from Producer Organisation support to address shortfalls.

- 4.3.5. Under the current NI Quota Management Rules <sup>4</sup>vessels wishing to enter the 10m and under non-sector may do so only if they have removed all FQA units from their licence. However vessels wishing to move from the non-sector to the PO may take their FQAs with them. This does not change the allocation to the non-sector (this quota is fixed historically and underpinned).
- 4.3.6. In 2021 NI received an additional 935t of Nephrops, 17% of the overall allocation. In 2022 additional Nephrops quota will again be approx. 935t, or 20% of the NI allocation. While the overall TAC has decreased the UK's additional share increases. The non-sector receives quota as a percentage of the initial (existing) quota, so will receive 66t in 2022 compared to 80t in 2021.

#### **4.4. Conclusion**

- 4.4.1. This is a decision for 2022. We consider that there should be an increase in the non-sector allocation, to provide some stability and ensure there is some diversification opportunities. However this increase should not be at a level that distorts the current quota management regime by making the non-sector more attractive for full time targeted fisheries.
- 4.4.2. On this basis we intend to allocate an additional 50t, bringing the non-sector pool to some 116t, which will allow for greater monthly catches over the main fishing season. We consider that this will allow for strong seasonal fisheries and potentially some additional seasonal activity.
- 4.4.3. Historically total non-sector quota over 100-120t results in a small risk that the quota will be undershot- fishing for this species by small vessels effectively finishes early autumn. In line with the identified principles we propose that part of any undershot is transferred/ swapped to acquire other fishing opportunities for the non-sector, in mid-September.

---

<sup>4</sup> 2017- to be revised

4.4.4. Sufficient additional quotas for the main by catch species (cod, whiting, haddock) will be withheld to cover the non-sector, as in the table below.

Principal by catch species	By catch (t) required for 50t of Nephrops
Whiting	1.83
Cod	0.5
Haddock	0.94

#### 4.5. Herring fisheries

- 4.5.1. We proposed that we would withhold 30% of the additional Irish Sea herring quota pending a full review of the Mourne shore fishery. This question prompted the greatest number of responses, with significant focus on the 2021 fishing activity of the 10-25m vessels and on the quality and value of the catch.
- 4.5.2. It is clear that this stock is in significant demand – our proposal however was to look primarily at the Mourne shore/ non-sector. Responses have reinforced that even within the sector there is difficulty in accessing quota to explore fisheries and support diversification.
- 4.5.3. A number of representations were made for subsequent meetings with the Minister to discuss the herring allocation in 2022. The Minister met with representatives from the Mourne Shore drift net fishery, mainly non-sector, vessels, and vessels within the PO, other FQA holding and non-FQA holding vessels.
- 4.5.4. In consideration of the arguments put forward we continue to support a small increase in the Mourne shore allocation in 2022, of an additional 50t. This doubles the size of the fishery. Future development will be dependent on demonstrating that this is a sustainable fishery and the increase allows the market for a high quality product to be developed. Conditions for access to the Mourne shore fishery are currently being reviewed to ensure

compliance. Non-compliant vessels and operators will have their permit revoked and may not be permitted entry in future years. This fishery will be reviewed again for 2023.

- 4.5.5. Quota management within Producer Organisations was initially considered outside the scope of this consultation. However, we have received significant responses and representation from vessels that do not currently hold FQAs for this stock. These vessels maintain that availability and cost present barriers to accessing quota and that the opportunities made available in 2021 should be further explored.
- 4.5.6. We have reviewed the catch of Irish Sea herring in 2021. There is clearly a diversification opportunity for this fleet, but further development is a long term programme and beyond the scope of a single year's allocation. However, we consider that support could be provided to allow vessels to establish if they wish to make further investment in this fishery.
- 4.5.7. A Fisheries Management Plan for this stock is to be developed in collaboration with all stakeholders in 2022/23. A change in the fishing pattern may have implications for the management objectives.
- 4.5.8. In collaboration with the Producer Organisations we have considered what support could be provided and we will make available up to 374t for a PO led programme..

#### **4.6. Support for Fishery Science Partnerships**

- 4.6.1. We proposed that additional quota might be used to support further scientific work above that quota currently permitted. We identified that there are no demands for 2022 but we may develop proposals for future years.
- 4.6.2. In general there was marginal support for allocating additional quota to the current Fisheries Science Partnership activity. We therefore will review any further need in 2022, and allocate

accordingly. Again, going forward, any unused quota will be reallocated promptly.

#### **4.7. Allocation of other NI additional quota**

- 4.7.1. DEFRA has identified that they will not use FQA as a basis for their allocation of additional quota, however it is for each administration to determine how they will use their respective share. This consultation sought evidence of what might be considered
- 4.7.2. We set out a general approach for all other additional quotas, in the absence of an identified basis the default would be to follow the FQA allocation basis. This was not widely supported.
- 4.7.3. We asked respondents to identify what other stocks could be targeted by the 10m and under / non sector and if these should have a different approach than following the FQA basis.
- 4.7.4. We note that some diversification opportunities were identified, and we would like to explore these further. In developing these further we need to identify how any proposal meets the criteria of quota use in the Fisheries Act 2020.
- 4.7.5. .
- 4.7.6. There are a number of broad issues that we need to consider, including privatisation of quota by companies or individuals, support for new entrants, barriers to diversification and the long term resilience of the industry. These need to be fully considered and developed only after complete engagement across the whole industry. Again the criteria of the Fisheries Act 2020 will provide a framework for examining this further.
- 4.7.7. There are a number of possible benefits that can be achieved, through direct support. We would welcome further discussion on specific fisheries that under 10m vessels might wish to pursue, such as a line caught mackerel fishery. These need to be further explored before any allocation would be considered and we would welcome proposals for 2023.

4.7.8. We are unsupportive of broad use of additional quota as an exchange currency. Additional quota was allocated on the basis of historic use, to now simply swap this away would undermine the allocation basis and potentially weaken further apportionment arguments.

## 5. Outcome

5.1. After consideration of all the responses and the information provided as a result of this consultation, the Department proposes in 2022 to;

- Allocate 50t additional quota of Nephrops Area 7 quota to the non-sector (including associated bycatches).
- Allocate 50t additional quota of Irish Sea herring to the Mourne shore fishery.
- Allocate 374t of herring quota to the Producer Organisations to support an exploratory fishery by non-quota holding vessels (mid-sized trawlers).
- Review the need for any additional scientific quota in 2022, and allocate if needed.
- Allocate all other additional quotas following the FQA allocation method.
- Agree to examine any further requests for differential allocation in preparation for 2023 allocations.

## 6. Final comments

6.1. Thank you for all the comments, it is evident that this is the start of a process to identify and demonstrate the best use of additional quotas for Northern Ireland.

6.2. Fishing opportunities are a limited resource. There are obvious competing demands for fishing opportunities and a fair and transparent

system has to be maintained to enable those who want access to quota to do so.

## ANNEX

### DAERA's principles for allocation of additional quota in 2022

<p>NI "additional quota" will be allocated separately from "existing quota" and allocated annually by DAERA taking account of sector and non-sector needs and wider policy objectives.</p>
<p>Where possible additional quota should contribute to sustainable fishing and be used to encourage environmentally responsible practices incentivising good behaviour and innovation.</p>
<p>Priority for allocation of by-catch quota should be given to fisheries where there is a landing obligation choke risk.</p>
<p>Allocation must only go to fisheries using highly selective fishing gears or fisheries in which unwanted by-catch is low.</p>
<p>Additional quota should only be allocated to vessels or groups that can realistically catch the additional quota.</p>
<p>Additional quota should bring social and economic benefits to the NI economy and be consistent with the overall national benefit objective in the Fisheries Act 2020</p>