

The Wash Economic Assessment: Eastern IFCA consideration of the outputs

The Authority commissioned MarFishEco to undertake an economic assessment of the Wash fisheries. The intention of the assessment was to better understand the economic viability of the Wash fisheries and to inform the development of policy to manage access in the Wash cockle and mussel fisheries (the Eligibility Policy). The Eligibility Policy will be the subject of a formal consultation which will be launched shortly.

The assessment has been published and can be found here:

https://www.eastern-ifca.gov.uk/wp-content/uploads/2022/06/2022_06_09_Wash_Economic_Assessment.pdf

How will the Authority take the report into account?

We have been in close dialogue with MarFishEco as they undertook their work so that we could take into account their findings to inform the development of the Eligibility Policy. Now that the report is finalised, we have examined the key findings, and the information they gathered in more detail to consider these against the Eligibility Policy.

A summary of the key recommendations from the report are set out below along with our assessment of it and an explanation of how the Eligibility Policy does / can address each.

The information provided throughout the report will provide important context for the Impact Assessment, which will accompany the Eligibility Policy when they are presented to the Authority and used to inform a decision.

In addition, the findings will provide a framework to review the Policy over time, to determine how effective they have been at maintaining industry viability.

Recommendations and how the Authority will address them

From “Management – status and future recommendations” of 2021 Wash Economic Assessment, MarFishEco.

MarFishEco - recommendation 1

We recommend that the number of licences are not increased in the Wash fishery unless quotas are adjusted accordingly to compensate for the increased licence “effort” (i.e., an increase in the number of individuals in the fishery cannot occur without a reduction in the amount of cockles landed per vessel). In general, the Eastern IFCA must try and maintain the same levels of effort in the cockle fishery which appear to be sustainable and providing robust business models for most licence holders. Note, that we recommend the same “effort”. The number of licences / permits issued in the new byelaw must therefore account for the number of inactive licences as well (which we understand is between 2 and 5 depending on the year).

The proposed limit to the number of permits to be issued is 61, which reflects the current number of WFO Entitlements. These 61 permits will be issued under the transitional provisions (section 4) of the Eligibility Policy.

There are some WFO Entitlements which have not been used for some time and the proposed Policy will see these filled with active participants. We recognise that this would effectively result in an increase in ‘effort’ and a reduction in the value of the fishery per vessel, as more vessels remove stock from the same Total Allowable Catch. If all 61 permits were active annually, this would result in an estimated 3% reduction in the total catch per vessel (for those who are always active). The benefit to those without access would be the ability to diversify into another fishery and become less reliant on other Wash fisheries, with wider benefits to all Wash fishermen.

In addition, we may consider a small additional increase after the transitional period (possibly 1 or 2 permits). This would have the effect of further reducing the total catch per vessel further, but similarly provide access to others currently more reliant on other Wash fisheries. The Policy sets out that, if this was to be considered, it would be the subject to a dedicated consultation and impact assessment for the Authority to decide whether it is appropriate. The MarFishEco recommendation will be noted in any such consideration.

MarFishEco - recommendation 2

If the number of licences are to be somewhat dynamic, the fishery stakeholders must be given security and solid timeframes to expect changes to occur over. Changes / the dynamism should not occur over annual timescales.

The Eligibility Policy sets out that the number of permits will not change annually and so will not be dynamic in that sense. This is to ensure that Wash businesses have the security needed to plan for the future and stay viable in the long term.

The Policy does enable the Authority to change the number of permits, and this is necessary to ensure that the fishery remains sustainable and viable over time, noting for example that the original limit on access was more than double the current level.

To ensure that the limit remains appropriate, the Authority will review this at least every six years. Changing the number of permits requires the authority to undertake consultation with the industry and take into account the potential impacts on industry.

MarFishEco - Recommendation 3

We do not believe that licences should be rented out or traded and the Eastern IFCA needs to ensure licences are actively fished (not sat dormant) so that the fishery can be exploited to a maximum sustainable yield.

The issue of 'renting out', whereby a licence holder effectively provides access to someone else and circumventing the Authority's ability to manage access, is a known concern of fishery stakeholders. The Policy has been developed with this in mind and aims to prevent the practice and address the cases where this is occurring under the WFO. In summary, the Policy will not enable a WFO licence holder who is 'renting out' to retain access associated with that licence in the first phase of the transition. These permits will then be issued out to applicants through a points-based system. This points system will prioritise those who genuinely owned vessels named on WFO licences and who financially depend on access to the cockle and mussel fisheries.

In addition, in order to maintain access to the fishery, permit holders must remain 'active fishermen' by fishing in The Wash and North Norfolk Coast.

MarFishEco - Recommendation 4

We believe that the Eastern IFCA should look more closely at multiple licence holders and if such “ownership” is maintained, then these individuals should be held accountable to a certain standard when it comes to the remuneration of crew and nominated individuals.

The Eligibility Policies still enable multiple permit holders, and this is recognised as an important component of the Wash business models. The proposals do however prevent a person from being associated with more than 10 permits via the transition and going forward, a person will not be eligible for ‘new’ permits if they hold 8 or more permits.

The proposed Policy does not address the remuneration of crew or nominated representatives and there is an argument that such consideration goes beyond Eastern IFCA’s remit. However, the situation will be monitored as recommended and may be a consideration during the first review of the Policy.

MarFishEco - Recommendation 5

We recommend that the Eastern IFCA formulate a stringent data collection framework as part of the new byelaw in which all licence and permit holders are required to submit key data and information on a regular basis to the IFCA. We are sure that some sort of program currently exists but believe that the formation of the new byelaw will be a useful opportunity to formalise such data collection standards and write the terms of such into the new policy.

The Byelaw enables data collection to inform the management of fisheries. This typically relates to catch data, however it is recognised that there is a benefit to collecting wider economic data to monitor and review the viability of the fisheries on a more regular basis.

MarFishEco - Recommendation 6

We suggest that the Eastern IFCA decide on the key business models that they see as appropriate to classify individuals with and use them to classify their data collection. These models may also be used to verify that stakeholders in the fishery are acting in accordance with the rules and facilitate the recording of any changes in behaviour relevant to the Wash management. We would hope this would also help reduce the likelihood of non-compliance when it comes to licence renting.

We intend to use the Wash Economic Assessment as a foundation for continued monitoring and evaluation of the Wash fisheries and to inform future reviews of policies.

It is recognised that the report highlights the difficulty in classifying the different business models in The Wash and the potential benefit of doing so.