

# De-Minimis Assessment

For Self-Certified Measures in Defra

<b>Title of Measure</b>	Shrimp Permit Conditions	
<b>Lead Department/Agency</b>	EIFCA	
<b>Expected Date of Implementation</b>	11/12/2025	
<b>Date of Assessment</b>	07/11/2025	
<b>Lead Departmental Contact</b>	James Teasdale	
<b>Type of Measure (primary/secondary etc)</b>	Flexible Permit Conditions	
<b>Cost of Preferred Option</b>		
<b>Total Net Present Social Value</b>	<b>Business Net Present Value</b>	<b>Equivalent Annual Net Direct Cost to Business (EANDCB)</b>
n/a	£2.1m	£0.003m
<b>Policy overview, rationale for intervention and intended effects</b>		
<p>Background:</p> <p>The shrimp fisheries of Eastern IFCA's district are managed under the Shrimp Permit Byelaw 2018. In particular, the fishery within the Wash and North Norfolk Coast SAC are managed under 'Category 1' permits, which are associated with a cap of the total number of annual trips made within the fishery, and an experience requirement for an individual to hold or be named on a permit. These measures are in place for the protection of the SAC, to limit the gear interaction with the features of the site to a sustainable level, and to ensure that those prosecuting the fishery are familiar with Wash fishery practices so as to mitigate risk of bad practices leading to seabed damage. The permit conditions attached to these permits are flexible, and legally must be reviewed every four years.</p> <p>Problem:</p> <p>During the 2025 review, two issues had emerged; a gap in positional information provided by the VMS systems aboard vessels larger than 12m, as these systems only ping every 2 hours which is not adequate to ensure oversight given the size of the closed areas in the district, as a vessel could easily fish an area between pings and thereby not be detected; and permit holders being unable to find skippers for their vessels due to a shortage of skippers who fulfil the experience requirement.</p> <p>This is a regulatory failure, as protective conditions are creating unintended problems, and existing legislation is not resulting in adequate data levels to effectively deliver Eastern IFCA's duties to monitor and protect the marine environment.</p>		

#### Summary of Proposed Policy:

Changes to the permit conditions are therefore being considered to both improve the positional data provided by VMS units, and to alter the experience requirement so as to enable fishing activity.

#### **Policy Options (including alternatives to regulation)**

##### **Policy 1: VMS Ping Rate**

###### Option 0: Do Nothing

Maintaining the status quo could potentially save the vessels currently operating in the fishery a small amount of money, with the cost of VMS ping rate increases estimated at £14 a month. However, this would limit the ability of Eastern IFCA to ensure that closed areas are adequately protected, by limiting the capacity for detection of non-compliance. Further, other EIFCA fisheries are now requiring VMS ping rate increases, so it is unlikely that many vessels would realistically save the cost of the VMS ping rate increase if this policy is not adopted.

###### Option 1: Require a 3min ping rate (preferred)

Raising the required ping rate on VMS devices would bring VMS devices in line with IVMS devices and allow effective monitoring of activity around closed areas to detect and prevent non-compliance. If vessels are unable to increase the ping rate without an expensive refit of the VMS unit, a tracker can be provided.

##### **Policy 2: Experience Requirement**

###### Option 0: No changes

Making no changes to the experience requirement would avoid any risks associated with opening up the fishery. However, during the consultation process it has been raised to Eastern IFCA that the current restrictions have led to an effective depletion of the pool of available skippers, such that multiple vessels are sitting idle solely due to lack of skippers. The policies attached to the Shrimp Permit Byelaw were intended to protect the fishery from increases in effort, rather than to reduce effort, and the experience requirement was intended to ensure fishers had the knowledge to safely fish in the Wash and North Norfolk Coast while providing an access route to new entrants. If it has become a barrier to existing businesses, this would indicate the policy is not fit for purpose.

###### Option 1: Removal or reduction in the experience requirement

Reducing the experience requirement would allow skippers with less experience, or even no direct experience of the Wash and North Norfolk Coast, to both skipper for existing vessels and apply for permits of their own. This would however carry a risk of increasing effort; if the experience requirement is for example replaced with a training day, vessels from across the country would be able to enter the shrimp fishery, which on productive years there would be significant incentive to do. Further, such vessels would be likely to have far less knowledge of the Wash and North Norfolk Coast, and not be dependent on the area year-to-year, so would have far less incentive to fish responsibly.

When coupled with the reactivation of the currently idle vessels, as well as the consultation process highlighting that some vessel owners from the North Norfolk Coast fulfil the experience requirement and so may now join the fishery, this approach would open the fishery to a three-directional increase in effort, with no indication of what the upper limit for these fisheries would be. The risk of a spike in fishing activity severely damaging the long-term prospects of the fishery is high.

Option 2: Removal or reduction in the experience requirement coupled with a review of the application process to give greater control over spikes in effort from new vessels (preferred)

The risks associated with Option 1 may be mitigated by the review of the permit application process, with an open door policy associated with accepting applications, but a review window built into the process such that, should a large spike in interest in the fishery occur, Eastern IFCA may review and reject applications such that the fleet size stays within acceptable bounds. This would allow diversification into the fishery by new entrants while maintaining control of access such that established businesses are not put at risk.

### **Description of Novel and Contentious Elements (if any)**

No novel or contentious elements present in either policy consideration.

### **Assessment of Impacts on Business**

Broadly this assessment will focus on revenue rather than profit, as many fishing vessels operate on very thin margins and a focus on profit can undermine the economic significance of changes. However, in terms of net profit, the 'Economics of the UK Fishing Fleet' published by Seafish indicates that in 2023 and 2024, the profit margins of North Sea beam trawlers under 300kW was -2%, so a net loss. However, these vessels are not likely to reflect the specific shrimp fisheries of the WNNC. As such, the higher value listed for Under 10m demersal trawl/seine will be used, at 20% in 2024, despite significant numbers of the fleet being over 10m, the behaviours captured by the Under 10m category are more likely to reflect the district's shrimp fleet.

#### **Policy 1: VMS+ Ping Rate**

The impact of the VMS+ ping rate change will be that increasing the ping rate will cost the vessel owner approximately £14 per month, so £168 annually. It is hard to estimate the number of vessels that would specifically be impacted by this, as while a number of vessels utilise VMS+, ping rate increases are already required under the Wash Cockle and Mussel Byelaw 2021, and are being proposed for the Whelk fishery, so most vessels already operate increased ping rates, and specific impacts from this policy are difficult to identify. However, even if half the recently active fleet were required to pay this fee solely for the shrimp fishery, the net cost to business would still be below £3,000. While costs to industry are avoided where possible, this cost is not considered significant against a fishery that generates gross revenues of hundreds of thousands per vessel, given the necessity of ensuring closed areas are protected to the effective management of the fishery.

#### **Policy 2: Experience Requirement**

During consultation, stakeholders highlighted that several vessels were sitting idle due to the experience requirement, resulting in significant financial losses. This represents the cost of maintaining the status quo (Option 0).

However, altering the experience requirement (Option 1) introduces its own risks. The shrimp fishery operates under effort limitations based on a five-year rolling average of trips, with a maximum annual cap of 1,746 trips and a baseline average of 1,101 trips. Increasing the number of vessels could quickly consume available effort, reducing trip opportunities in future years and potentially triggering closures or stricter management measures during high-effort periods. To assess these risks, projections were developed using three models: one based on the last two years of activity (averaging 1,020 trips and 29.5 vessels), another based on the last three years (774 trips and 28 vessels), and a historic average (1,101 trips and 32 vessels). These models were used to estimate the impact of adding 1–10 vessels over a five-year period.

The modelling revealed wide variation in potential outcomes. Under the three-year model, which reflects recent lower-effort conditions, the fishery could theoretically absorb 11 additional vessels without requiring management interventions. However, given the variability of the fishery, there is still a risk that some busier years would still exceed the trip cap, resulting in profit losses. In contrast, under the two-year model, representing higher recent effort, headroom is much smaller. Adding two vessels would leave only 59 trips before hitting the cap, and adding three vessels could trigger restrictions by the 2027/29 permit year, reducing available trips that year by 10%. Over five years, three additional vessels could result in a gross revenue loss of £353,548, with the impact likely concentrated on vessels most reliant on the fishery.

The financial impact escalates rapidly with further increases in vessel numbers. Four additional vessels could cost £870,437 over five years, five vessels £1.35 million, and six vessels £1.81 million. These losses would not be evenly distributed across the fleet, as vessels with greater dependence on shrimp fishing would bear the brunt of restrictions. Moreover, impacts would likely occur in spikes during profitable years when effort surges, rather than being spread evenly over time. Vessel behaviour adds another layer of uncertainty: while some vessels take only a handful of trips annually, others exceed 70 trips. If two new vessels entered at this high level of activity, the projected impact by 2028 would exceed £724,000, whereas eight vessels fishing at only 10 trips each would create no measurable impact.

In summary, while the fishery appears capable of supporting more vessels under current low-effort conditions, the risk of significant economic disruption under higher-effort scenarios is substantial. The variability in effort levels and vessel behaviour makes predicting outcomes extremely difficult, reinforcing the need for caution when considering changes to the experience requirement.

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Determining how many vessels would enter the fishery as a result of the policy change is not realistically possible in the long term, however it is very unlikely to see any significant changes in the short term, as the current permit year is coming to the end of the peak season and there is not a high 'pull' factor.

As such, given that the most accurate model over the medium-term is believed to be the longer-term 3 year model, if the experience change is coupled with a review of the annual permitting process, as in Option 2, such that applications are required in advance of the permit year to allow a review of intended effort levels and action to be taken to avoid overuse of effort, such as yearly permit limitations, impact on the existing businesses can most likely be avoided.

#### **Wider Impacts (Including Assessment of Impact on SMBs and Households)**

No wider impacts expected from preferred policy options.

#### **Assessment of Impact on Trade and Investment (Including Internal Market Assessment)**

The shrimp fishery is involved in the export market, but the preferred policy option is not expected to have any impact on trade and investment.

#### **Assessment of Environmental Impacts**

There is a risk that allowing skippers who do not already have the experience of fishing in the Wash and North Norfolk Coast will increase the risk of poor practice that may have an environmental impact. However, the gear restrictions already in place mitigate this risk, which will be coupled with training from

Eastern IFCA staff regarding the nature of the MPAs, as well as improved oversight from VMS ping rate increases. As such, no impact is expected.

**Rationale for producing a DMA (as opposed to an OA/IA)**

Even considering gross impact rather than EANDCB, the impact does not reach the £10 million threshold and is limited to permit conditions, so is not suited for a full Impact Assessment.

**Will the policy be reviewed (yes/no): Yes**

**Review date if applicable: 2029**

**Review Provision Detail and Monitoring and Evaluation Plans.**

All permit conditions are subject to a legal requirement to be reviewed every four years, including consultation. Further, monthly and annual review is in place over the shrimp fishery under a working group and a Monitoring and Control Plan.



James Teasdale, Policy and Project  
Officer

Date 18/11/2025

**Internal Directorate Clearance**

Policy sign off

Senior Analyst sign off

**Central Sign Off**

Better Regulation Unit (Policy) Sign  
off

Office of the Chief Economist  
(Central Appraisal Team) Sign off