A Subject-Specific Concordat between

The Department for Environment, Food and Rural Affairs

Marine Scotland

The Welsh Government and

The Department of Agriculture, Environment and Rural Affairs (Northern Ireland)

("the Administrations")

On

Management Arrangements for Fishing Opportunities and Fishing Vessel Licensing In the United Kingdom

- This Concordat contains a framework for enabling the four UK Fisheries Administrations to be given a greater degree of control over the management of their own commercial fishing fleets, within a UK-wide quota and effort management and licensing system. It replaces any licensing and quota management arrangements contained in existing Concordats, in particular paragraphs 4 to 8 of the 1999 MAFF/Scottish Executive Fisheries Concordat and paragraph 55 of the Main MAFF/National Assembly for Wales Concordat. The arrangements will be subject to formal annual review between the Administrations as well as in the light of any changes arising from changes to the CFP rules and regulations.
- 2. As part of this Concordat all Administrations agree to the following broad principles:
 - a. All Administrations have a duty to respect any EU quantitative obligations and if they fail to do so will be responsible for any penalties payable in accordance with the provisions of the Control Regulation;
 - b. Allocations of fishing opportunities to Administrations do not constitute a permanent split of UK opportunities;
 - c. Administrations may impose their own licence conditions, subject to these not discriminating unfairly against vessels from the other Administrations;
 - d. Vessels, Fixed Quota Allocation (FQA) units and licences will remain free to move between Administrations, subject to the arrangements described in paragraphs 10 and 11;
 - e. Administrations will only issue licences to vessels registered in and administered from ports in their territory; and
 - f. There will be no new restrictions on PO membership.

Licensing and vessel nationality

- 3. The nationality of a vessel is determined by the port at which it is registered, however the allocation of a PLN by the RSS is not a guarantee that the vessel will be granted a licence to fish by the Administration in which that port is located, or by any Administration. Administrations agree that the issue of fishing vessel licences will be carried out in the manner described below:
 - Administrations will, in general, only issue licences to vessels that make the majority of their landings, measured by volume, into ports in their territory;
 - b. Vessels may, in general, apply to change country of Administration only where there has been a change in fishing pattern such that the majority of landings, measured by volume, over a period of 12 months prior to the application, have been made into the Administration the vessel wishes to change to. On approval of a change of Administration, the vessel will have to re-register to a port in the area of the new Administration;
 - c. Where an Administration ("the original Administration") grants approval for a vessel to move to another Administration ("the receiving Administration"), in accordance with sub-paragraph 3(b) the receiving Administration will, on receipt of a request from the original Administration, add to the licence of the vessel that has moved a condition that requires the vessel to make the majority of its landings

into the UK, measured by volume, outside the territory of the original Administration. This condition will apply for the remainder of the calendar year during which the vessel changes country of Administration and in the three calendar years that follow. Where a vessel subject to such a condition is found to have breached the condition, the receiving Administration will suspend the licence of the vessel until it re-registers to a port in the original Administration and will thereafter transfer Administration of the vessel to the original Administration;

- d. The port of Administration of vessels that do not make the majority of their landings into the UK will be considered on a case-by-case basis; and,
- e. Administrations may agree not to apply the arrangements in this paragraph in relation to the moves of vessels of 10 metres and under.

EU fishing authorisations

4. Where there are quantitative restrictions in EU law on the number of fishing authorisations that the UK may issue, for example to fish for Albacore Tuna, Administrations will agree on a case-by-case basis the way in which such authorisations will be divided between their vessels. There will be no change to the distribution of existing authorisations without the prior agreement of all four Administrations.

National fishing authorisations or other restrictions.

5. Administrations may introduce bespoke licensing conditions and restrictions for their own fleets. Where licences containing such devolved conditions/restrictions are transferred to vessels in another Administration, or vessels with a restricted licence move to another Administration, the receiving Administration may decide (including in response to a request from the transferring Administration) whether to continue to apply the licence restriction imposed by the previous Administration. Whether it does or not, if the licence subsequently returns to the original Administration that Administration may re- impose the original restriction.

<u>Quota</u>

- 6. The Administrations note that this Concordat involves an agreement to allocate amounts of quota to each Administration. Such allocations do not constitute a permanent split of UK fishing opportunities. From January 2013 the basis of allocation to Administrations of quotas allocated to the UK will, unless exceptionally agreed otherwise, be as set out below:
 - a. For vessels whose licences are assigned FQA units, allocations will be calculated each year based on the FQAs attached to licences issued by each Administration at 1 January in the year of the allocation;

- b. For under 10 metre vessels, allocations will be split between Administrations on the basis of recorded landings by 10mu fishing vessels of each nationality in the period 2008-2012;
- c. Calculations will be based on the allocations granted to the UK after any post-Council swaps and any subsequent UK adjustments are carried out;
- d. The quota allocations resulting from the above calculations will be attributed to each Administration based on the nationality of licences; and,
- e. Each Administration will then be responsible for allocating and managing the resultant allocations and distributing them to groups for which it has nominally been given quota allocations, either in full or subject to any adjustments that it wishes first to make.
- 7. The general principles in the preceding paragraph are subject to the following additional rules, which apply to the "sector" those vessels in the membership of a PO:
 - a. There will be no new restrictions on PO membership. POs may therefore receive quota from more than one Administration and there will be no restriction on vessels licensed by one Administration fishing against quota received by a PO from another;
 - b. POs may account separately for quota uptake purposes to each Administration which issues it with quota allocation. Alternatively, POs receiving allocations from more than one Administration may opt to manage these allocations collectively; where POs elect to manage quota collectively, Administrations will act in concert when necessary to 'close' fisheries to prevent over-fishing; and,
 - c. Quota, once allocated to a PO or other management group, is within its control and it will be free to utilise it in any way authorised by Administrations' quota management rules, including in swaps with another PO of quota awarded by another Administration. However, international trading of quota will remain subject to the agreement of the quota-issuing Administration and the MMO acting for the UK.

FQA units

- 8. The UK FQA register shows holdings of FQA units as they relate to fishing licences (including PO dummy licences) and enables transfers of FQA units between licences within the terms of Administrations' rules.
- 9. The Administrations reiterate that FQAs do not provide any right to a share of UK quota. Administrations acknowledge nonetheless that FQA holdings involve at present a general expectation of receiving a share of UK annual quotas. Administrations also acknowledge that there is a trade in FQA units. This Concordat provides for Administrations to make annual allocations either in full, or by first making adjustments once it has received its allocated amount of quota. In providing for this possibility, each Administration acknowledges that any contemplation of allocation systems with different bases must take into

account (in addition to other relevant factors which may be of equal significance) the interests of persons who have made investments in FQAs.

- 10. Administrations may give notice of their intention to alter the basis on which the quotas allocated to them by the UK Government are distributed. In such circumstances the Administration in question may temporarily prohibit the transfer of some or all of the FQA units from those licences under its jurisdiction until the expiry of the notice period, which will be agreed by the four Administrations. Unless agreed otherwise, this prohibition will only apply to the number and type of FQA units affected by the proposed alteration. The other Administrations will honour such prohibitions. Any FQA units withheld from individual licences as a result of such action will, for the purposes of the annual allocation exercise, be treated as belonging to the relevant Administration and quota deriving from those units will be attributed to that Administration in accordance with paragraph 6.
- 11. Administrations may also exercise discretion in general about whether to approve applications for the transfer of FQA units from their licences to licences issued by other Fisheries Administrations. Such discretion may be exercised in relation to the transfer of units from a licence or a licence entitlement but where vessels are permitted to move administration under paragraph 3, FQA units attached to such vessel licences may also be transferred. Where a condition is in place under paragraph 3(c), the receiving Administration shall not allow the vessel to transfer any FQA units from its licence until the expiry of any such condition.
- 12. These rules are without prejudice to and must be read alongside Administrations' quota management rules.

Management of Producer Organisations

13. Responsibility for ensuring that Producer Organisations comply with the EU recognition criteria will normally rest with the Administration that is responsible for the greatest part of the area specified in the PO's application for recognition in terms of Article 14 of EU Regulation 1379/2013.

Fishing effort

14. The following arrangements will apply to the management of fishing effort:

Cod Recovery Plan (EU Reg. 1342/2008)

a. Annual effort allocations under the current EU Cod Recovery Plan will continue to be distributed between Administrations on the basis of kW day effort contributed to each of the UK effort limits over the reference period 2004-2006 by vessels administered by them at 1 January each year. Distribution of any other effort allocations required by EU law will be subject to agreement between Fisheries Administrations on a case by case basis.

Western Waters

b. The current effort allocations for demersal species, scallops and crabs contained in EU Regulation 1415/2004 will continue to be monitored on a UK basis.

Penalties

c. Any deductions imposed on the UK under Article 106 of EU Regulation 1224/2009 for overfishing effort allocations will be paid by the Administration(s) responsible for the overfish.

Fleet capacity

- 15. Administrations will not issue any new fishing licences except as already permitted in accordance with existing licensing rules. Any future proposals to make use of the headroom in the UK's current kW and GT targets to issue additional licences will be subject to agreement between the four Administrations.
- 16. Administrations will consult each other on any future decommissioning schemes that they intend to run to ensure that their objectives are not undermined.

Enforcement

17. Administrations will enforce in full all conditions and restrictions contained in any vessel's licence, including any national ones inserted by another Administration.

Crown Dependencies

18. For the purposes of the issues covered by this Concordat, Crown Dependency vessels will be treated as part of the English fleet. Defra will lead on the negotiation of management arrangements with the islands which will be set out in a single UK/Island Fisheries Management Agreement for each island which will require the approval of all four Administrations.

<u>Review</u>

19. Administrations will meet annually to review the operation of the arrangements set out in this Concordat.

UK Fisheries Administrations [Date] 2016