



House of Commons
Environment, Food and Rural
Affairs Committee

**The future for UK
fishing: Government
Response to the
Committee's Report**

First Report of Session 2005–06



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Report, together with formal minutes

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Environment, Food and Rural Affairs Committee

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The current staff of the Committee are Matthew Hamlyn (Clerk), Jenny McCullough (Second Clerk), Jonathan Little and Dr Antonia James (Committee Specialists), Marek Kubala (Inquiry Manager), Andy Boyd and Alison Mara (Committee Assistants) and Lizzie Broadbent (Secretary).

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1 Report

1. The Environment, Food and Rural Affairs Committee reported to the House on *The future for UK fishing* in its Sixth Report of Session 2004-2005, published on 24 March 2005 as HC 122. The Government's response to the report was received on 28 July 2005.

2. We were grateful for the way in which Defra has addressed the issues raised in our report, but were somewhat disappointed at the lack of specific timings in respect of the various actions referred to in the response. Many of these timing issues have now been addressed in the Government's action plan for managing the fishing industry and developing fisheries policy in England, *Charting a New Course*. In particular, the Annex gives a projected timeline for implementation of different elements of the Action Plan. As *Charting a New Course* was only published on the day we agreed this report, we have therefore had little time to examine the extent to which it takes forward the issues raised in our report and the Government's response. But, while we welcome the greater detail on timing, and indeed would like to see this kind of approach adopted in responses to our report, it appears to us that there is still little information on the timescale for addressing issues such as the use of on-board observers (our recommendation 13), cost recovery (our recommendation 16) and effort-based systems (our recommendations 17-19). We will pursue these issues in writing with Ministers.

2 Appendix: Government Reply

Introduction

The four UK fisheries departments published their joint response to the Prime Minister's Strategy Unit report, "Net Benefits: A Sustainable and Profitable Future for UK Fishing" (March 2004) on 28 June 2005. This response was entitled "Securing the Benefits: the Joint UK Response to the Prime Minister's Strategy Unit "Net Benefits" Report on the Future of the Fishing Industry in the UK". What follows here does not attempt to summarise or supersede that document, but responds to the EFRA fisheries sub-committee's recommendations and provides an overview of "Securing the Benefits".

Some of the EFRA sub-committee conclusions and recommendations have been grouped together where they discuss related issues.

Response to the individual Conclusions and Recommendations of the EFRA Fisheries Sub-Committee

The Strategy Unit's report

Recommendation 1

1. Overall we are supportive of the general thrust and aims of the Strategy Unit report, although we do have reservations about specific recommendations. It is a well-considered, thoughtful and informed report that attempts to address the issues facing the fishing industry in a constructive and practical manner. We are greatly encouraged by its starting point—that the UK fishing industry is not in inevitable decline and has a potentially bright future. We agree with the report's conclusion that urgent action is needed if this potential is to be realised. (Paragraph 17)

The Prime Minister's Strategy Unit report "Net Benefits" was welcomed by government when it was published in March 2004. It provided much to consider and discuss with stakeholders, and represented an invaluable opportunity to review government policies relating to the fishing industry in the UK. This process has been known as the Sustainable Fisheries Programme, and has involved intensive collaboration among stakeholders and officials from the four Fisheries Administrations. The publication of "Securing the Benefits" marks a staging post rather than a conclusion of this work. Some actions have already been completed, while others proceed to a number of different timescales.

Sustainable Fisheries Programme

Recommendation 2

2. After initial delays in initiating the Sustainable Fisheries Programme, we are pleased to see that the consultation process is now fully underway, with extensive involvement by interested and affected parties. We welcome this as indicative of a new co-operative and involved mood in the industry and look forward to the outcome of the programme,

and the resulting joint Government response, expected in the spring of 2005. (Paragraph 23)

The engagement with stakeholders as a part of the response to “Net Benefits” has taken a variety of forms. A series of issue papers were made widely available in summer 2004 on which organisations and individuals were invited to comment. A great many responses were received from fishermen’s organisations, conservation organisations, sea anglers and others. These responses have been analysed and recommendations by recommendation and taken into account in developing the Government’s thinking on the future direction of fisheries policy.

Since September 2004 a number of groups have been meeting to take forward Sustainable Fisheries Programme work on the 33 “Net Benefits” recommendations. A Stakeholder Advisory Group with wide representation has met four times, including the latest meeting at which “Securing the Benefits” was presented. Three stakeholder working groups have been addressing individual areas within the report – Fishing Industry Reform, the Marine Environment and Government Objectives. Defra also formed a working group to examine Inshore Fisheries Reform – an area that is being covered separately by each of the four fisheries departments.

The working groups have provided valuable material and insight for the development of policy. They have also been a means of building a sound relationship with the stakeholder community.

Now that “Securing the Benefits” has been published, stakeholder engagement will remain important and central to the further development and implementation work. The Marine Environment working group will continue to meet to provide a sounding board for policy making. In addition, we are making arrangements to establish new specific stakeholder groups to advise on new policy workstreams – such as the Quota Management Change Programme. Defra will invite the high-level Stakeholder Advisory Group to continue in order to inform future policy. We will also continue to use our informal links with a variety of stakeholders to take soundings and listen to views.

Creating a competitive and profitable UK fleet (3-7)

Recommendations 3-7

3. On the basis of current evidence, we are sceptical about the Strategy Unit’s recommendation that the whitefish fleet should be reduced by 13%. As the Scottish Minister for Environment and Rural Development has conceded, doubts have been raised about the accuracy of the modelling used by the Strategy Unit. Any specific proposals formulated on the basis of that modelling must therefore be treated with caution. (Paragraph 32)

4. It is apparent that the Scottish Executive is unlikely to implement further decommissioning in the near future, particularly as the industry is still re-adjusting to the severe reductions of 2003. (Paragraph 33)

5. We accept that there may have to be further decommissioning of the whitefish fleet in the future in order for the sector to remain profitable and sustainable. Nevertheless,

we recommend that the Government should make no further reductions until a thorough assessment has been carried out to establish the current capacity of the UK whitefish fleet and to accurately determine its unit profitability. It is essential that industry representatives are fully involved in the formulation of such an assessment to ensure it is informed and accurate. The Government should seek to persuade the devolved administrations to adopt a similar approach. (Paragraph 34)

6. We do not support the Strategy Unit's proposal for an additional 30% voluntary tie-up of the whitefish fleet. We recommend that the Government does not implement this proposal and that it seek to persuade the devolved administrations to adopt a similar approach. As with the decommissioning recommendation, the 30% figure was calculated using the Strategy Unit's modelling of the whitefish fleet, about which doubts have been expressed. (Paragraph 36)

7. Moreover, we consider the idea that fishermen would voluntarily tie-up their boats, without any compensation, for a prolonged period of time to be unreasonable and wishful thinking. This proposal is not a practical means of dealing with over-capacity in the sector. If further cuts are indeed considered necessary, government funding should be provided. (Paragraph 37)

Fleet profitability is key. The Government endorses the approach that there should be a thorough assessment of the capacity of the white fish fleet and its profitability. It will then be possible to make informed choices about how to bring the various fleets into line with fishing opportunity.

The Strategy Unit made a valuable contribution to analysis of the fleet by creation of an economic model, accepting that it could be refined. The Government, with the devolved administrations, decided to do further work to develop the model, to enable assessments to be made at regional level, and for key sectors of the fleet. The assumptions made in the model and the approach to be taken in the work are being reviewed in consultation with representatives of the industry and much of the development is being undertaken for Ministers by the Sea Fish Industry Authority. This refined model will be a valuable tool to assess the size and type of fleet that can be profitable in the future, and the need for any further selective decommissioning.

The Strategy Unit suggested that 'the fishing industry would benefit from tying up a further 30% of the whitefish fleet for four years'. This part of the recommendation was addressed to the fishing industry rather than government since it was not proposed that public funds should be available to carry out the scheme. Accordingly, the industry has been invited to consider whether tie-ups should take place and Defra has not received any indication that industry representatives support a 30% voluntary tie-up.

Quota Management Reform

Recommendations 8-10, 17-19

8. At this stage, it would be wrong to reach a final view on whether an Individual Transferable Quota (ITQ) system should be adopted in the UK. There is still a lack of detail about what model of ITQ system is proposed and how such a system might operate. We understand that discussions are underway within the Sustainable Fisheries

Programme, with extensive involvement of industry representatives, to develop a potential ITQ model to be applied in the case of the UK. We believe such a model would be acceptable to the industry only if there were to be some retention of the current Fixed Quota Allocation structure. Until such a model is proposed, the industry will no doubt continue to adopt a cautious attitude. (Paragraph 60)

9. We agree with the Strategy Unit that the UK should have a “positive policy towards community quota schemes for the most vulnerable communities, if this can be done within EU law”. We therefore recommend that the Government undertake further work to assess the legality of potential community quota schemes and that it launch a feasibility study to explore the different options for the ring-fencing of quota. In carrying out this work, the Government should ensure that producer organisations have a central role to play in the administration and management of community quota schemes. It should also consider how this role should be financed and whether Regional Development Agencies ought to be involved. (Paragraph 70)

10. We are concerned that some of the most vulnerable communities within the UK may not have the financial resources necessary to establish community quota schemes. We expect the Government to consult on this matter and solve these issues before it formulates any proposal. (Paragraph 71)

The issue of quota management is a difficult and complex one. Discussions as part of the Sustainable Fisheries Programme have made some progress towards a shared understanding but have also established that there are still areas where the way forward is unclear. Support has been expressed for the current Fixed Quota Allocation structure as well as some of the possible benefits of an ITQ system. Moreover, it appears that different things are meant by different people in using the term ‘ITQ’.

A change programme examining quota management in the UK is currently underway. This will cover all areas of quota management including the “Net Benefits” community quota proposals. The work will be carried out in full consultation with stakeholders – a consultative group has been formed but opinions and views will be sought in other ways as well. As part of this programme, the points raised by the sub-committee will be considered, including the role of Producer Organisations and the Regional Development Agencies.

The Strategy Unit raised the issue of protection of vulnerable communities via a community quota scheme. In order to take this forward it would be necessary to define not only how such a scheme could be implemented, but also what constitutes a fishing-dependent community and how it would be possible to determine that such a community is at risk. The fisheries departments in the UK will continue to consult on what measures might be necessary to safeguard fishing communities. The discussions on the future European Fisheries Fund have also touched on the definitions and protection of fishing dependent communities.

17. **The existing system of quota-based management within highly mixed fisheries does not, by and large, work. It encourages non-compliant behaviour amongst fishermen and has a detrimental impact on stocks. We therefore support the Strategy Unit’s recommendation that fisheries departments should commission detailed analysis of the**

practicalities of introducing effort-management systems in mixed fisheries and any concomitant measures in respect of net-carrying rules which may be necessary. We recommend that the Government commission such analysis as soon as possible. This should include analysis of the potential disadvantages of effort-based systems, such as excessive targeting of high value/vulnerable species and the tendency for ‘technical creep’, whereby fishermen continually increase the killing power of their vessels. (Paragraph 116)

18. We recommend that the Government undertake a case-by-case evaluation of each mixed fishery of importance to the UK to establish which fisheries are suited to an effort-based management system. Where such a system is applied, we believe the administrative structure of the system should be sufficiently flexible to enable a rapid response to any short-term difficulties that may arise. Adequate compensatory mechanisms should also be developed to assist those fishermen who are negatively affected by the initial transition to such a system. We also recommend that any effort-based system should draw a distinction between steaming time and hauling time, provided that a system can be put into place to monitor such a distinction. The Government should investigate the technology available to enable this distinction to be monitored and enforced. We understand the Danish fishing fleet already uses such technology. (Paragraph 117)

19. Whilst we acknowledge there will be difficulties with applying such a system, these pale in comparison to the appalling and wasteful practices resulting from quota-managed mixed fisheries, such as the mass discard of marketable fish. We believe this phenomenon is largely a consequence of applying a quota-based management system in a fishery where it is almost impossible to restrict which specific species are caught. As such, the system is flawed and serious consideration needs to be given to other alternatives. (Paragraph 118)

The work of the Sustainable Fisheries Programme has thrown up a variety of views on the current quota-based management system. Both positive and negative aspects have been identified in a range of discussion fora. No decisions have yet been taken and no quota management methods have been rejected, but it is widely accepted that there is room for refinement and improvement.

There is widespread recognition that the UK fisheries are complex and diverse and that consequently they need to be considered individually rather than in the round. The areas raised by the committee – targeting of high value or vulnerable species and technical creep – will be addressed as part of ongoing work on the nature of the UK fisheries.

Discarding has been the subject of discussion under the Sustainable Fisheries Programme, and a sub-working group has been considering the issue. The area of technical improvement to gear has been identified as the most likely to yield results. We will explore whether with more selective gear it will be possible to avoid catching much of the fish that would otherwise be discarded. We are setting up two pilot projects – one concerning selective gear in the *nephrops* fishery in the North Sea and the other still under development in the Irish Sea. Stakeholders and advisors considered that quota restrictions were not – except in a few cases – a significant factor leading to discarding.

Improving UK and EU information and compliance

Recommendations 11-16

11. We support the Strategy Unit report's general aim of improving compliance levels amongst fishermen in the fishing industry. Whilst we acknowledge that there are inadequacies with the current quota management system which encourage non-compliance, we believe that honest fishermen are disadvantaged by others who behave illegally, and fish stocks are illegally plundered because of it. The Government has a responsibility to deal with these inadequacies. (Paragraph 74)

12. We recommend that the Government adopt the Strategy Unit's proposals to introduce a 'high-transparency system'. The development of such a system should involve the input of industry representatives and financial assistance should be provided to those affected in the short-term by the transition to the new system. Unlike the Strategy Unit, we consider such a system would operate primarily as a measure to improve compliance levels, rather than a way to satisfy consumer and retail concerns. (Paragraph 81)

13. We welcome the greater use of forensic accounting, risk profiling and on-board observers as enforcement measures, and recommend the Government adopt this Strategy Unit recommendation. It is important that industry representatives are fully involved with the formulation of such measures. We also stress the importance of proportionality and practicality in the placement of observers. (Paragraph 84)

"Net Benefits" identified close links between compliance, profit and sustainability. The related issues of enforcement and fostering a compliance culture in the UK have been the subject of considerable discussion under the Sustainable Fisheries Programme.

The refined economic modelling tool developed from the Strategy Unit's model of the UK fleet will enable us to obtain a better understanding of the fleet's potential profitability. Illegal activity by some fishermen would jeopardise the viability of honest fishermen and threaten fish stocks. Firm measures are, therefore, in place and being strengthened to secure compliance with the rules. These include technical measures to aid enforcement such as installation of tamper-resistant satellite monitoring equipment on all vessels over 15m and trials of electronic log books.

"Net Benefits" recommended that a 'high-transparency system' should be achieved by ensuring that 'all catches and landings are traced through markets and processors' It also stated that enforcement should 'focus more on forensic accounting, on-board observers and risk-profiling'.

Action to improve transparency is underway through the designation of auction centres and the registration of buyers and sellers of fish. Related to this will be improvements in arrangements for sales note on the first sale of fish. These measures are being introduced primarily to meet the UK's enforcement obligations, although they may also serve, as the Strategy Unit suggested, to answer consumer and retail concerns.

Special investigations units have already been set up by Defra's Sea Fisheries Inspectorate (in 2004) to carry out targeted investigations including post-landing. Forensic accounting

methods are used, examining paper and electronic records in the course of investigations. No decision has yet been taken as to the use of onboard observers on “high-risk” vessels as this question is currently under review. It is agreed in principle, however, that there is a role for onboard observers.

14. The current prosecution system is uncertain, lengthy and expensive. This is detrimental to both the industry and regulators. We support the Strategy Unit’s recommendation that a system of administrative points and penalties system should be introduced, and most offences decriminalised. We recommend the Government takes steps to introduce these proposals. (Paragraph 92)

15. There is serious concern in the industry that a system of administrative points and penalties could breach fishermen’s right to a fair trial. The Government should not introduce any system of automatic administrative sanctions which does not give fishermen any right to contest the case against them. (Paragraph 93)

Fishermen have been informed that existing powers will be used in a risk-based and targeted way to impose additional licence conditions on vessels suspected to be engaged in unacceptable behaviour.

Responses to the consultation papers on the “Net Benefits” report made clear that there was considerable disquiet regarding the status of administrative penalties. Later this year the fisheries departments intend to consult further on a system of administrative penalties. The concerns previously raised by industry representatives will be carefully considered and further discussion will be had on how these concerns can best be addressed. Any system for administrative penalties will provide for appeal arrangements.

16. At this stage, we do not support the Strategy Unit recommendation that progressive cost-recovery for management costs should be introduced. The recommendation is given too much prominence within the SU report and cannot be considered a serious policy proposal in the short-term. (Paragraph 104)

It is the Government’s policy to charge for regulatory services. Arrangements for the recovery of costs exist in many areas of government activity. The costs of managing fisheries are substantial and it would be difficult to justify the permanent exemption of the fishing industry from such charging.

There are a number of complex questions to consider in moving towards cost recovery from where we are now. The consequences and timing of the introduction of cost recovery need to be considered in the context of the wider aim of moving to a profitable and sustainable industry. The impact of cost-recovery on competitiveness in an EU context has also been raised as a concern by the industry. We need to take account of the variable costs in managing different parts of the UK fleet and the need for equitable treatment across sub-sectors. We will address the issue of cost recovery in detail alongside the broader programme of change flowing from *Securing the Benefits*.

Decentralising and modernising UK fisheries management

Recommendations 20-27

20. We support the Strategy Unit’s recommendation that the inshore sector should be developed. However, we stress that such development should not involve an increase in effort within the sector, because we consider that little potential for growth within the sector exists. We recommend that the Government concentrate on developing the marketing of the inshore sector, both at home and abroad. We are pleased that moves have already been made in this direction with the establishment of the Sea Fish Industry Authority’s Inshore Group and look forward to seeing further such marketing initiatives in the near future. (Paragraph 125)

21. We are surprised, however, that the SU report did not provide greater detail on the development of mariculture opportunities within the inshore sector, particularly as experiments are currently taking place in this area within other countries, such as Norway. Although we acknowledge that such experiments have not always proved viable in the past, and that the prospects for the future are uncertain, we believe that the possibilities that could arise from mariculture ranching should be fully explored. We recommend that the Government finance research into the development of mariculture opportunities within the inshore sector, and look towards commissioning experiments on a pilot scale. (Paragraph 126)

It is clear that the inshore sector should not be developed unsustainably, as an unregulated increase in effort would imply. The Government has introduced a shellfish licensing scheme to limit effort on crabs and lobsters. This follows earlier measures such as limits on licensing for scallops.

The working group established by the Government to consider the Strategy Unit recommendations on Inshore Fisheries as regards England has decided to develop a strategy for the development of the English Shellfish industry. The aim is to ensure that the future direction of the industry is both profitable and sustainable in accordance with the broader aims of the “Net Benefits” report.

This English Shellfish Strategy will include identification of opportunities for development of the industry, including mariculture, both in terms of increasing volume of production and increasing value of the catch through good handling of fish, marketing and processing. In creating the strategy the Working Group will also seek to address issues constraining the sustainable development of shellfisheries and mariculture, including regulatory constraints, and the direction of financial support to optimise industry benefit. The Group will build on a strategy document prepared by the Shellfish Association of Great Britain.

22. We support the Strategy Unit’s recommendation to improve data collection in the inshore sector. At present, information on the sector is poor which limits its development potential. We also welcome the Strategy Unit’s recommendation to create a post for an Inshore/Shellfish Manager in England and Northern Ireland. We recommend that the Government holds discussions with inshore representatives to determine the details of what the responsibilities of the post should be and where it should be based. (Paragraph 129)

The English Inshore Fisheries Working Group of stakeholders and officials has considered how the collection and availability of data on the inshore industry might be improved. Opportunities were identified for the wider sharing of data to inform the inshore industry and managers, and to improve development potential. It was agreed that it is important to ensure that further data gathering does not increase the administrative burden on industry without strong justification. The Group noted that there were current initiatives which would increase the supply of data, and agreed that after these initiatives took effect they would consider whether there was a case for further action.

The working group also considered the roles of Inshore Managers; as the committee recommends we have begun discussion on the areas of their responsibilities. Defra will shortly (1 October 2005) create a Coastal Waters Team with responsibilities which will include inshore management.

23. We strongly support the Strategy Unit recommendations to develop the recreational sea angling sector. We believe that the sector, which has considerable economic value, has been overlooked and under-represented for too long. (Paragraph 136)

24. A single government organisation should be identified to represent the needs of the recreational sector at the national level as soon as possible, perhaps through the creation of a sea angling unit within Defra. We also recommend that the Government consider whether the sector is adequately represented at a local level on the various Sea Fishery Committees in England and Wales. (Paragraph 137)

25. We support the introduction of a licensing scheme for the recreational angling sector. However, before any scheme is introduced, we recommend the Government demonstrate the scheme's benefits for the recreational sea angling sector and for fish stocks to angling representatives. We also recommend that the Environment Agency is considered as the responsible organisation for the administration of such a scheme. We support the re-designation of certain species for recreational use and recognise the benefits that this can bring from both a conservation and economic point of view. (Paragraph 141)

Defra recognises that the sea angling sector has a significant economic impact and has previously been under-represented in fisheries management. The new Coastal Waters Team in the Fisheries Directorate within Defra will provide expertise to the Department on sea angling issues.

The governance of Inshore Fisheries in England is currently under review and this process will enable the representation of sea anglers to be reassessed. In the meantime, Defra has taken the opportunity of the current round of ministerial appointments to Sea Fisheries Committees to increase the level of representation from one on most committees to two on each committee where size permits.

The question of licensing for sea anglers was initially raised by the Defra Review of Marine Fisheries and Environmental Enforcement (July 2004). The Inshore Fisheries Working Group considered this question and agreed that Defra, the sea angling interests and the Association of Sea Fisheries Committees should consider how licensing arrangements might be developed, once action had been taken to improve the representation of sea

anglers in management decisions. The Group noted the opportunity to build a licensing scheme on the existing Environment Agency scheme for freshwater fisheries. A single scheme covering both freshwater and sea angling could potentially provide for economies in administration, and recognise the fact that many sea anglers are also freshwater anglers. Defra will consider this approach.

Defra will promote arrangements in which all relevant interests, including sea anglers, are involved in developing proposals for management of species of interest to sea anglers. The willingness of fishermen's organisations to cooperate in consultations has been made clear. Suitable species for consideration include bass, on which sea angling organisations have already drawn up detailed proposals. A consultation exercise on an increased minimum landing size and other conservation measures for this species to take account of anglers' needs will be conducted by Defra.

26. We recommend that the Government implement the Strategy Unit's recommendation for greater industry involvement in the development and priority-setting of fisheries science. A more inclusive and co-operative approach to fisheries science would improve relations between the various stakeholders, improve trust in the system and contribute towards higher compliance levels with the management rules. Moreover, we feel a more co-operative approach to the scientific process would significantly improve the quality and accuracy of the data gathered. (Paragraph 146)

27. Although this is not one of the more high profile recommendations within the SU report, we believe it is one of the most important. We look forward to more collaborative ventures between fishermen and fisheries scientists in the future, such as the projects recently seen in Kilkeel. In the shellfish sector we also hope the Government will look carefully at the work of the National Lobster Hatchery and ensure that its future work in developing a sustainable Lobster Fishery of the Cornish Coast can be maintained. (Paragraph 147)

A number of initiatives are taking place to increase fishing industry involvement in data collection and stock assessment. The Fisheries Science Partnership encourages scientists and fishermen to work together. There are also plans for an ad-hoc fisheries research fund to supply scientific support on regional management issues. Defra will also encourage industry involvement in ICES' production of stock advice.

In March 2005 Defra held a two day seminar on its marine fisheries science programme involving a wide range of stakeholders to seek views on the scope and focus of the programme. This produced a range of suggestions both for involving fishermen and other stakeholders more in data collection and for disseminating information about the science programme which the Department is considering how best to follow up. As part of the programme, co-working is encouraged between academic institutions and is stipulated for contracts placed with CEFAS in many cases.

Progressively regionalising EU management under the CFP

Recommendations 28-31

28. We strongly support the Strategy Unit's recommendations that the management functions of the Common Fisheries Policy (CFP) should be progressively regionalised

and the UK's informal co-operation with key EU partners should be increased. We recommend the UK Government take an active lead in promoting these objectives. It is clear that the current CFP management system is over-centralised and requires reform. (Paragraph 153)

29. We strongly support the continued strengthening and development of the Regional Advisory Councils (RACs). We consider them to be the most promising development within the CFP for many years, and we are pleased there is widespread enthusiasm for the initiative amongst the industry and other interested and affected parties. (Paragraph 163)

30. We share the hopes of the Strategy Unit, the UK Government and many other interested and affected parties that the RACs will eventually be granted real and effective management powers. We urge all RAC representatives to work co-operatively to ensure the RAC initiative achieves its full potential. (Paragraph 164)

31. In the meantime, we urge the UK Government to continue taking a lead on this issue within Europe and to champion the value and potential of the RACs to fellow Member States and the Commission. We encourage UK Government ministers to ensure that the proposed RACs are taken seriously in Brussels, as the existing North Sea RAC appears to have been, to date. The Government should ensure that appropriate technical and financial support continues to be provided to stakeholder representatives on the RACs so that the bodies are sufficiently well-resourced to be able to carry out their responsibilities successfully. (Paragraph 165)

We support further regionalisation of the CFP and we see this as an important aspect of the development of the Regional Advisory Councils. For this reason, Defra is actively assisting the RACs to establish an effective role and will continue to champion their interests. In addition, Defra will pilot a Regional Manager in the South West as part of the new fisheries agency – the Marine Fisheries Agency – to be established this year (1 October).

At an EU level, the UK will press for further regionalisation. The aim is that decisions about fisheries management will have a strong regional focus, in future. We will also seek increased informal management co-operation with EU partners.

There has been very considerable support for the work of the RACs from all groups of participants in the Sustainable Fisheries Programme. Much has already been achieved in laying the legislative basis for the RACs and in establishing the North Sea RAC. Defra will provide technical assistance to the RACs where appropriate and facilitate their work in whatever ways are most useful to the RACs. This will be done while maintaining an 'arms-length' approach to preserve the RACs' independence.

Integrating needs of fishing with other uses of marine environment

Recommendations 32-36

32. We support the Strategy Unit's recommendations to introduce strategic environmental assessments (SEAs) and environmental impact assessments (EIAs) in the case of fisheries. For too long, commercial fishing has been isolated from, and been subject to looser environmental controls than, other users of the marine environment,

yet it has a comparatively greater negative impact on its surrounding habitats. We consider SEAs and EIAs to be useful means of addressing this dichotomy. We recommend that the Government act promptly to introduce SEAs of both inshore and offshore fisheries and to ensure that EIAs are carried out prior to the introduction of a new gear to a fishery, the start of a new fishery and, as a matter of priority, to review the effects of an existing fishery such as industrial fishing or beam trawling. (Paragraph 179)

33. We recognise, however, that there are some important practical details to be clarified before the assessments can be applied to fisheries. (Paragraph 180)

Defra supports measures for reducing the environmental impact of fisheries and for introducing a more strategic and planned approach to this, fitting fisheries management into the wider marine management framework. SEAs and EIAs would be a way of meeting these aims. It is necessary, however, for there to be collaboration across the EU if environmental impact assessment techniques are to be effective and applied consistently across the Community.

There are some practical issues to be resolved before impact assessment techniques could be introduced. To address this, the working group which covered this area in the Sustainable Fisheries Programme commissioned an 'SEA proof of concept' document from the Joint Nature Conservation Committee. It is intended that this document will explore how SEA techniques could be applied to fisheries management and will be discussed further with stakeholders before any further decisions are taken.

34. We strongly support the Strategy Unit's recommendation to develop an experimental programme of Marine Protected Areas (MPAs). We believe there are several benefits to be gained from establishing MPAs, including stock regeneration and the opportunity to apply 'control areas' to determine the effects of various activities on the marine environment. (Paragraph 194)

35. However, we consider that the SU report placed too much emphasis on establishing MPAs in areas which "provide benefits to multiple users". The UK is currently under international obligation to establish a network of MPAs and priority should therefore be given to the establishment of MPAs regardless of the number of users they benefit. We recommend the Government work towards implementing an experimental system of MPAs as soon as possible. (Paragraph 195)

36. Careful and thorough analysis needs to be given prior to the establishment of an MPA. Each MPA should have a clearly defined purpose and scientific backing, and it is essential that industry representatives are closely involved in the decision-making process. Some MPAs may have to be introduced in conjunction with controls on fishing effort to ensure that excessive effort is not displaced on to a concentrated sea area immediately outside the MPA. (Paragraph 196)

The UK Government is party to the commitment to establish networks of Marine Protected Areas for biodiversity protection under various international conventions. These include the Convention for the Protection of the Marine Environment of the North-East Atlantic (OSPAR) and Natura 2000 (the European network of protected sites which represent areas of the highest value for natural habitats and species of plants and animals

which are rare, endangered or vulnerable in the European Community). Work on these is underway.

“Net Benefits” recommended that the initial introduction of MPAs should ‘focus on areas which provide benefits to multiple users’ and mentioned commercial fishing, tourism, the environment and recreational fishermen. There is not yet sufficient evidence, however, to show that MPAs can deliver benefits to all of these groups. Accordingly, Defra commissioned two important desk studies on the introduction of protected areas to benefit fish stocks – one on the criteria to be used for the selection of areas and one to analyse the contribution protected areas could make to the recovery of individual stocks. The output from these studies, recently presented, will inform the selection of future protected areas and will clarify to what extent benefits from ‘multi-purpose’ MPAs are possible.

Defra is also continuing to work with stakeholders to determine areas where MPAs might provide maximum benefits. The Marine Environment working group from the Sustainable Fisheries Programme will continue to provide a sounding board on issues such as this. A workshop, which attracted a great deal of interest, was held in March to consider the issue of designing a network of multi-purpose MPAs.

Conclusion

Recommendations 37-38

37. The fishing industry requires further significant reform if its long-term future is to be both sustainable and profitable, and some of the Strategy Unit recommendations will help the industry to achieve this goal. We recommend that the Government move quickly to implement those recommendations. (Paragraph 198)

38. We were concerned to find such a divergence of views amongst—and lack of agreement between—witnesses on the extent of, and the basic causes of, the current state of fish stock conservation. At present, divisions of opinion exist between and amongst scientists, industry representatives and environmentalists on the reasons for the decline in some fish stocks. As a basis for action, it would be helpful to establish the relative impact of over-fishing, climate change, environmental pollution and migration of fish stocks. We therefore urge the Government to commission research to provide more detailed information on the current conservation problem, and on its basic causes, so that a firmer base exists on which to make decisions in the future. (Paragraph 200)

The joint response to the “Net Benefits” report by the four fisheries administrations has now been published. It was thought important to engage meaningfully with the stakeholder community, even though this meant that the response took a little longer to appear than was initially intended. Defra has sought to ensure that all the consultation has been as wide as possible and that work has been carried collaboratively.

“Net Benefits” set out recommendations for the future of the UK fishing industry not as a statement of government policy but as a report *to* government. These recommendations have been carefully considered with a view to formulating detailed proposals and an action plan. The work that has taken place over the last year has enabled useful progress to be

made, although it has also thrown up the need for further engagement and consideration in many areas.

The disparity of view between fishermen and scientists as to the state of fish stocks has been an issue while working on the response to “Net Benefits”. A number of measures are being put in place to address this. Defra’s Fisheries Science Partnership aims to encourage fishermen and scientists to work together to produce data and this scheme is being extended. There is a commitment in *Securing the Benefits* to promote greater industry involvement in ICES’ production of stock advice by encouraging more direct communication between them, including via the Regional Advisory Councils and the North Sea Commission Fisheries Partnership.

Over the course of the Sustainable Fisheries Programme, a great deal of work has been done on the use made of scientific advice and the way that it is produced. This was continued in the seminar for stakeholders on Defra’s marine fisheries science programme referred to above. It appears to be most important to refine and build trust in existing scientific research than to commission more which may suffer from the same difficulties as the old. We do not perceive the need for a new study at the moment, therefore, but will continue to work on the areas raised by the EFRA sub-committee as part of existing programmes.

Summary

Defra welcomes the support offered by the EFRA fisheries sub-committee report “The Future for UK Fishing” for the work of the Sustainable Fisheries Programme on the response to “Net Benefits”. There is agreement on almost all of the areas covered, which is very encouraging for the ongoing implementation work on “Securing the Benefits”. The sub-committee has also gathered a great deal evidence which can inform ongoing work.

Regarding a competitive and profitable UK fleet, we are constructing a refined version of the Strategy Unit’s economic model which will enable us better to understand the basis of fleet profitability and assess with the industry possible options. There will be a programme of change in the field of quota management that will embrace a wide range of issues and deliver a better management of UK quota. To improve compliance we have introduced and are developing a number of measures. A pilot Regional Fisheries Manager in the South West together with pursuing a regionalisation agenda at EU level is aimed at decentralising important parts of fisheries management. Work to establish a network of Marine Protected Areas is underway.

In order to secure a sustainable and profitable future for the UK fishing industry, it will be necessary for government, fishermen and other interested groups to work together. A major part of the Sustainable Fisheries Programme has been the extensive stakeholder engagement and this has already produced a more collaborative style of working. Besides the specific policy proposals that will emerge from the joint response of the four UK fisheries departments to “Net Benefits”, better relations with stakeholders are a very important part of the future of fisheries management. The commitment to engagement over the response to “Net Benefits” has laid the foundation for such a future.

3 Formal Minutes

Wednesday 12 October

Members present:

Mr Michael Jack, in the Chair

Mr David Drew	Mr Dan Rogerson
Patrick Hall	Sir Peter Soulsby
Daniel Kawczynski	David Taylor
David Lepper	Mr Shailesh Vara
Mr Jamie Reed	Mr Roger Williams

The Committee deliberated.

Draft Report (*The future for UK fishing: Government response to the Committee's Report*), proposed by the Chairman, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 and 2 read and agreed to.

Resolved, That the Report be the First Report of the Committee to the House.

Ordered, That the Government response to the Sixth Report from the Committee in the last Session be appended to the Report.

Ordered, That the Chairman do make the Report to the House.

* * *

[Adjourned until Wednesday 19 October at 3.30 pm

