

A scheme for the leasing of quota during 2011 by the owners of 10 metre and under vessels (u10m) administered in England and Wales fishing against the u10m “pool”

Introduction

1. This paper sets out the arrangements applying to the quota leasing scheme for the owners of 10 metre and under vessels fishing against the “pool” in England and Wales (that is not fishing against producer organisation (PO) sectoral quota allocations), from 1 January to 31 December 2011.

In view of the increased pressure on “pool” allocations for a number of key stocks and consequent reductions in catch limits, the Department for Environment, Food and Rural Affairs (Defra), Marine Management Organisation (MMO) and the Welsh Assembly Government (WAG) decided as an emergency measure to introduce in 2007 a short-term scheme to provide a third option in the form of quota leasing for fishermen within the “pool”. This facility to lease quota is to be extended for this limited period as a transitional measure. Other options for managing the fishing opportunities of the under 10 metre non-sector fleet in the future are also under consideration as part of Defra’s Sustainable Access to Inshore Fisheries (SAIF) project, with the aim to consult on these early in 2011.

2. The owners of appropriately licensed 10 metre and under vessels can fish against the “pool” quota allocations for this group (managed by fisheries administrations in consultation with industry) or acquire quota to enable them to join a PO and fish against the allocations they manage.

The scheme

3. Scope

- Vessels licensed to fish against the “pool” allocations issued to the 10 metre and under fleet in the non-sector and which are administered from port offices in England and Wales are eligible to participate in the scheme.
- Under the scheme the leasing of quota will be restricted to those stocks set out in annex B.
- A limit has been placed on the amount of quota a vessel can lease for the following stocks, North Sea (NS) whiting and NS skates and rays to 10 tonnes a year. NS sole to 5 tonnes a year.
- If leasing has been conducted prior to the quota allocations being confirmed the attached letter format at annex C should be used by the PO being approached.
- Leasing can be used either to supplement monthly catch limits or to keep a fishery open to individual vessels where the “pool” quota has otherwise been exhausted
- The scheme will provide only for the leasing of quota in-year, not the acquisition of fixed quota allocation (FQA) units.
- Quota can be obtained either by individuals or by a group acting collectively. In the latter case, the quota would need to be broken down between individual vessels on the basis of proportions notified to the MMO by the fishermen

concerned. It will be managed on an individual vessel licence basis. This is needed to avoid confusion over the amount of quota available to each.

- Those leasing in quota should consider the risks involved if they do not fish the quota by 31 December. MMO or WAG will consider each application to lease quota on an individual case basis and reserve the right to refuse the application should it appear inappropriate, taking into consideration factors such as the overall UK uptake position for the stock and the potential for swaps.

Those acquiring quota under the scheme must also be aware that if a UK-wide closure is imposed by fisheries administrations because the UK quota has been exhausted for the stock they have purchased, then they will be unable to fish against the quota that they have leased.

Requirements of the 2011 scheme

4. Under the scheme, you will be able to lease in-year quota from POs. Quota may be leased in units of a minimum of 100 kg, or multiples of 100 kg. Once acquired, you will not be permitted to transfer this quota elsewhere unless it is returned to the PO from whom it was leased. The only purpose for acquiring quota under this scheme is to fish against it.

Agreement will require the following provisions to be adhered to in full:

- that you complete and submit full EU logbooks and landing declarations in accordance with Articles 14 and 23 of Council Regulation (EC) No 1224/2009 (the "Control Regulation", copies of which can be found at the following web address: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:343:0001:0050:EN:PDF>

Your local MMO coastal office can also offer advice on the completion of the logbook and landing declaration. **Failure to submit copies of these to your local MMO coastal office within 48 hours of landing may leave you liable to prosecution.**

It is an offence to exceed the quota leased in combination with the relevant monthly catch limit. To do so may leave you liable to prosecution.

That you provide an email address and telephone number (or alternative means of communication agreed with the MMO in advance). You must acquire quota from a PO before you commence fishing against that quota. Quota will be transferred by means of the existing domestic swap form. MMO will acknowledge that the quota has been leased in: you must not begin fishing against the leased quota until you receive acknowledgement (In the form of the leasing letter at annex A).

5. Quota which is leased in must be allocated to a vessel or vessels which will be named on the permit to hold quota. The permit letter will form part of the licence of vessels taking part in the scheme and will reflect any additional quotas leased in. MMO HQ will process applications within 10 working days of receipt.

6. In 2011, you will be able to fish against the catch limit set for the pool before landings are booked against quota that you have leased in. For example, if the

monthly catch limit for a stock is one tonne and you have leased in two additional tonnes, then the first one tonne of catch will be recorded against the vessel's ("pool") uptake before catches are counted against the leased uptake. It will be your responsibility to ensure that your vessel does not exceed the total quota available to you.

7. Unless you state otherwise, the quota which you have leased will be set against the quota available to you in the current month. However, it will be possible for you to carry forward unused quota to the following month. The MMO will do this automatically unless you notify the MMO that you do not wish this to happen.

8. Aggregated details of landings recorded against quota which has been leased will be set out separately on the weekly quota management spreadsheets which are available on the MMO internet site. This information in no way detracts from your responsibility to ensure that the total quota obtained is not exceeded.

Operation of scheme

Step 1

You should express an interest in leasing quota by either contacting MMO HQ (who are able to provide contact details) or a PO direct.

Step 2

You will agree to lease quota for a specific quota stock directly from a PO or from a broker. The PO will complete a domestic quota swap (DQS) form as Group one as the donor. The PO will also need to insert your vessel's details in the comments box. This is submitted to the MMO domestic quota swap box (quotaswap.dqs@marinemanagement.org.uk) where it will then be processed and signed on your behalf. In the case of a group of fishermen leasing in quota on a collective basis, the MMO should be informed of the amount/proportion of the leased quota attributable to each vessel taking part in order that it can be monitored and the licence amended as appropriate. Email addresses (or other form of communication agreed with the MMO in advance) will be needed for each licence holder taking part.

Step 3

MMO HQ check licence and vessel details and consider if the proposed leasing arrangement is appropriate taking into consideration factors such as available quota from the producer organisation, overall UK uptake of the quota and so on.

Step 4

MMO check the form, and subject to agreement send:

- an approved swap form back to the donor and recipients via email
- a permit letter confirming leased quota details (annex A).

Step 5

The port of administration and local district marine officer (DMO) will hold copies of the documents.

Step 6

Only on receipt of the Leasing letter (annex A) will you then be free to begin fishing against the quota you have acquired. You will also be required to sign the 'Agreement to lease' to confirm that you understand and accept the terms and conditions and return it to MMO HQ.

Step 7

You will submit logsheets and landing declarations to MMO coastal offices within 48 hours of landing and monitor your vessel's own uptake.

Marine Management Organisation (MMO)
January 2011

Annex A

Dear Sir/Madam

Leasing of quota in 2011

Vessel name
Registry of Shipping and Seamen number/Port letters and numbers
Licence number
Quota stock/s
Quantity leased

This letter should be read in conjunction with condition number three of fishing licence number **[licence number]** issued in respect of the **[vessel name]** and with the guidance on the scheme issued by the Marine Management Organisation (MMO).

This letter confirms that the licence holder of the **[vessel name]** has leased in quota to augment the monthly catch limit for the stock and by the quantity specified above.

The licence holder will be permitted to fish the leased in quota, in addition to the monthly catch limit, from the date of this letter until such time as the additional leased-in quota is exhausted, or 31 December 2011, whichever is the sooner.

In any given month in 2011, it is an offence to land in excess of a combination of the monthly catch limit set out in the schedule to the fishing licence and the available additional leased in quota. **The master and owner are responsible for monitoring quantities landed to ensure the quantities obtained are not exceeded and that no such offence is committed.**

The master/owner shall maintain and submit an EU logbook for each landing. Please contact your nearest MMO coastal office for more information. **Failure to submit copies of these to your MMO local coastal office within 48 hours of landing may leave you liable to prosecution.**

The logbook shall be completed for every fishing trip during the period the licence holder has leased fish and not just those fishing trips where leased fish is targeted or caught. Logbooks must be completed for the entire period where fish is leased until the end of the month in which leased fish is taken in full.

Any leased in quota not fished by 31 December of the year in which it is leased will, in normal circumstances, be lost. If however it is possible for the UK (not individual vessels) to bank any un-fished leased quota from 2011 to 2012, it may be possible to carry over un-fished quantities. MMO or the Welsh Assembly Government reserves the right to use unfished leased quota at year end for other purposes in the wider industry interest.

Unfished leased quota **may be** returned to the producer organisation (PO) from which it was leased (if the producer organisation so agrees) up to the year end, but not beyond 31 December.

It is the licence holder's responsibility to ensure that their vessel does not exceed the total quota that he/she has obtained.

This letter forms part of the licence for the above named vessel and should be kept on board the vessel with the licence for the duration of the period of the lease arrangement.

The licence holder should sign and return the slip below to MMO HQ to confirm that he/she has read and understood the requirements of the 2011 quota leasing scheme for 10 metre and under fishing vessels and agrees to abide by those requirements in respect of any quota leased during 2011.

Yours sincerely

Fisheries Management and Control Team

Tel: 0191 376 2595

Agreement to lease quota in 2011

I have read, understood and agree to abide by the requirements of the quota leasing scheme for 2011.

Vessel name:

Port letters and numbers:

Licence number:

Signed:

Date:

Please return to:

Fisheries Management and Control Team

Marine Management Organisation

PO Box 1275

Newcastle upon Tyne

NE99 5BN

Email: quotaswap.dqs@marinemanagement.org.uk



marine
management
organisation

Annex B

Quota Stocks that 10 metre and under licence holders will be able to lease under the 2011 quota leasing scheme.

- Anglers VII
- Cod VIIb-k (a)
- Haddock VII b-k
- Herring IVc or VIId
- Herring VIIef
- Ling VI, VII, VIII, IX, X, XII and XIV
- Plaice VIIa
- Plaice VIIde
- Plaice VIIfg
- Pollack VII
- North Sea dabs and flounders
- North Sea plaice
- North Sea skates and rays*
- North Sea sole*
- North Sea cod
- North Sea sprats
- North Sea whiting*
- Sprat VIIde
- Sole VIIa
- Sole VIId
- Sole VIIe
- Sole VIIfg
- Sole VIIhjk
- Whiting VIIa
- Whiting VIIb-k
- Western skates and rays VIa-b and VIIa-c, VIIe-k and VIId

(a) The 10 metre and under quota allocation for cod VIIb-k has been split. Applicants holding 10 metre and under licences are required to state in the comments box on the swap form they submit to the MMO whether they fish the quota they obtain in (1) Area VIId or (2) in Area VIIb-k, excluding VIId. They will only be permitted to fish for leased in quota for the Area they specify.

*(b) The following restrictions will apply:

North Sea sole	5 tonnes a year
North Sea whiting	10 tonnes a year
North Sea skates and rays	10 tonnes a year.

This cap will be reviewed during 2011.

Annex C

Example letter to be sent from producer organisation

"I confirm that the (name) producers organisation has agreed to lease (amount) tonnes of (species) as set out below. I will arrange for this quota to be transferred to the lessee as soon as provisional allocations and a domestic swap form pro-forma have been issued to my producer organisation.

Details

Vessel name:

Port letters and numbers:

Licence number:

Quota stock: species quantity leased: amount: tonnes

Name of recipient of leased quota: (Name)

Email of recipient: Email address