

CFP Reform Proposal - The Fishing Credits System Summary

The FCS in a nutshell: The FCS introduces a new type of mixed catch quota. Each species caught in a specified fishing region is worth a particular number of 'credits'. Fishers can choose what they catch and in what quantity for each species, as long as it does not exceed their total credits allowance. Therefore, there would be no need to discard or worry about going over-quota for a species. Almost all technical regulations are eliminated to increase fisher flexibility. Everything caught is recorded and landed - including most bycatch species. To ensure fishers can maximise the return from their credits allowance, a proportion of credits can be traded between active fishers. Compliance and best practice are rewarded with extra credits.

1. About MCS and ClientEarth

The Marine Conservation Society is a leading UK Non-Government Organisation, working for the protection of our seas, shores and wildlife. MCS has a long-standing interest in fisheries conservation and is unique in its relationships with the public and the seafood industry.

ClientEarth is an environmental law organisation committed to securing a healthy planet. We work in the UK and Europe, bringing together law, science and policy to create pragmatic solutions to key environmental challenges. Our goal is the successful implementation of effective environmental law throughout Europe.

2. The heart of the Fishing Credits System (FCS)

We believe very strongly and passionately in a sustainable future for EU fisheries, but the current CFP is failing. It is time for a completely new approach. That is why we are proposing a different way of managing fisheries under the CFP, which we call the 'Fishing Credits System' (FCS).

The FCS has three simple core goals:

Simplicity: of regulations, so they can be easily applied.

Sustainability: to ensure that EU fisheries have a long-term future.

Incentivisation: using results based management and rewarding best practice.

The core of our proposal is to implement an EU fisheries policy that achieves ecological sustainability, whilst at the same time creating a true culture of compliance- by involving the industry in fisheries management, creating incentives for best practice and rewarding compliance.

3. Some of the core characteristics of the FCS

Regional approach: The new FCS is built on a regionalised ecosystems based approach (using the marine regions and sub regions already defined in the Marine Strategy Framework Directive, for example, the greater North Sea and the Celtic Sea). Using this approach will also avoid unnecessary overlap and confusion between different EU laws. Fishers are given a licence to fish in a particular marine region in relation to each of their vessels (so fishers would need different licences if they fish in different regions and if they have more than one vessel).

Credits allocations system for sustainable mixed catch quotas: The FCS assigns credits annually to all species likely to be impacted within a particular marine region (including bycatch species) where different species and stocks are given differing credits weightings. The specific credits allocations will vary according to

sustainability (ecosystems) criteria, such as the species' ecological vulnerability and stock level. Each fisher is given a credits allowance per licence, and everything caught (including bycatch) is counted towards that maximum credits allowance. Therefore, the entire catch will need to be landed (with very limited exceptions). Fishers can choose what they catch, and in what quantity for each species, as long as it does not exceed their total credits allowance, so discarding and over-quota issues are eliminated.

Flexibility and independence instead of micromanagement: The FCS abolishes current micro-management and detailed technical rules. Instead, it gives the industry more responsibility, flexibility and accountability through 'results based management'. This means only an outcome is specified (i.e. catch quota) and it is left to the industry to decide how they achieve that (i.e. what gear is used, what mesh size and twine thickness). This gives fishers the flexibility to choose what is best for them. That is why the FCS has a much simpler legal framework. From a fisher's point of view this means that the main rules to follow are mainly about recording catches. The combination of periodic licences (over 2-10 years) and annual credits allocations gives fishers more independence, responsibility and certainty. To provide enough flexibility, part of each fisher's annual credits allocation will be transferable.

Incentivisation: The FCS incentivises and rewards best practice in order to encourage fishers to target species deemed sustainable, in a selective manner. For example, fishers are rewarded with extra catch allowances for using and/or developing best practice (such as improved selective gear technology) and there is preferential access for those with a good compliance record and implementing good fishing practices. Fishers are given **more responsibility and a higher level of participation**. For example, management is at a regional level, involving fishers as key stakeholders, and fisher self sampling is encouraged to contribute to data for stock analysis.

Real-time management: The FCS relies on adaptable management and uses real-time reporting of catches, to enable real-time management and rapid protection of vulnerable species and stocks (such as juvenile or spawning aggregations) through real-time closures.

Closed and protected areas: The FCS needs to be supported by a combination of closed areas for fisheries stock conservation and a network of marine protected areas (MPAs) for biodiversity protection, to ensure ecologically sustainable fisheries.

A phased transition and the need for trials: Transferring from the current system to the FCS needs to be a gradual process. This could be successfully achieved through a series of transition stages from the current single species approach, toward a multispecies approach and finally the ecosystem approach. In addition, we are working towards a series of scientific and commercial trials to be conducted on a voluntary basis with the fishing industry, to test the FCS:

- from **a practical point of view:** e.g. testing the best way to record catches, scoping out any potential difficulties in applying a simple credits system;
- from **a scientific point of view:** The most complex part of the FCS is the scientific calculation of credits based on sustainable ecosystem criteria. Tests on the appropriate criteria and assessment methodology would help to enable the phased transition mentioned above.

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