

The Allocation of Scottish Additional Quota from 2024 – Consultation Document

October 2023

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Section 1 - Introduction

Scotland's sea fish quotas are a national asset, and this consultation seeks your views on how the Scottish Government should allocate a portion of this national asset – what is termed Additional Quota (“AQ”).

Scotland has AQ following the implementation of the Trade & Co-Operation agreement (TCA) between the UK and the EU after the UK left the EU on 1 January 2021.

The Scottish Government's Future of Fisheries Management (FFM) body of work,¹ sets out an intention to allocate AQ differently from what is recognised as Existing Quota (Scotland's share of quota in the period prior to the UK leaving the EU).

Following a consultation issued in December 2020, the Scottish Government issued an outcome report² in March 2021 setting out how Scotland would allocate its share of Additional Quota in 2021. This methodology has continued to be applied for 2022 and 2023.

On 14 April 2023, the UK Government published the outcome of a consultation³ which fixed the apportionment of AQ to the fisheries administrations for the remainder of the current TCA (until end 2026).

This consultation seeks views on how the resulting fishing opportunities should be allocated by the Scottish Government and will run from **19 October 2023 until 11 January 2024**.

Section 2, of this document provides background information on the distribution of sea fish quota in the UK and Scotland.

Section 3 presents options for how Scotland could allocate AQ from 2024, and in later years, and seeks your views on them.

In Section 4, we present a 'Call for Evidence' where we seek views on alternative, future, methodologies for allocating quota. Based on feedback, the Scottish Government will develop one or more of these methodologies, but these will likely require additional development and possibly further consultation and will not be ready for allocating in 2024.

Data tables are included in the separate Annex document.

Important points to note in relation to the allocation of AQ

Please note the following in relation to the allocation of AQ:

- AQ allocated as a result of this consultation may be allocated via a number of ways. As has been the case in the period 2021-2023, where, in the main,

¹ [Future fisheries management: policy intent paper - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/future-fisheries-management-policy-intent-paper/pages/1-introduction.aspx)

² [Fishing - additional quota allocation - 2021: consultation analysis - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/fishing-additional-quota-allocation-2021-consultation-analysis/pages/1-introduction.aspx)

³ [Fisheries: managing quota allocation from 2023 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/fisheries-managing-quota-allocation-from-2023)

quota was allocated based on the Historic Track Record of vessels and some Special Allocations to the non-sector.

- The proportion of quota allocated via the different mechanisms may vary from year-to-year.
- Some methodologies for the distribution of AQ arising from this consultation and subsequent work may not commence until after 2024.
- Gains from transfers of quota to the UK from other Coastal States which arise from negotiations may be allocated differently to the AQ gained as a result of the change in the UK share of quotas arising from the TCA.
- The outcome of this consultation will be reviewed and potentially changed following the conclusion of the current TCA agreement period with the EU (2026).
- We anticipate that our approach to the allocation of any AQ will change in future years, this is due to a number of factors such as the development and implementation of our Future Catching Policy. Therefore, the distribution methodology for AQ may be reviewed and amended before 2026.
- Related to the allocation of sea fish quotas is the operation of sectoral and non-sector groups in Scotland. The Scottish Government will be reviewing these groups as part of the Future Fisheries Strategy.

Section 2 - Background On Quota Distribution

We understand that the system for distributing sea fish quota can be complex and in this section we provide background information to help inform your response, along with a short review of how AQ has been distributed in the period 2021-2023.

Most of the UK's fish quotas are fixed following the conclusion of annual negotiations with other coastal states. The UK's share of quota opportunities is then set by the Secretary State and published in a Determination document⁴. Following this, the UK's quota is apportioned between the UK Fisheries Administrations in line with the UK Quota Management Rules⁵ and the Scottish Government then allocates quota to Scottish administered vessels in line with the Scottish Quota Management Rules⁶.

Though fisheries management is devolved, particularly in relation to sea fisheries quota, there is a significant UK element. Working within the UK system provides flexibility and allows fishing businesses to move fish quota to where it is needed. The pan-UK element of quota management is important to bear in mind when considering amendments to the quota management system.

To Note: The Scottish Government aims to ensure fishing communities retain their fishing rights, which are a national asset. The Scottish Government does not charge/require payment for access to fishing opportunities, all quotas are distributed free of charge. Any exchange of money takes place separate to Government.

The Fixed Quota Allocation (FQA) System

The UK Government apportions the majority of sea fish quota that the UK receives, based on FQA shares, as set out in the UK Quota Management Rules. The apportionment methodology is based on the FQA units linked with each licence.

FQA units were distributed to UK fishing licence holders in 1999, based on recorded landings between a 1994-1996 reference period (except for licences for 10 metre and under non-sector vessels). Each FQA unit provides for a share of the UK's annual quota for the corresponding fish stock.

Historical Allocation of Fishing Opportunities Outside the FQA System - Quota Management Powers

There have been occasions when the Scottish Government allocated a share of quota differently, particularly to allow additional opportunities for small scale fishers (e.g., the Scottish under 10 metre handline mackerel fishery), however the vast majority of Scottish quota has been allocated based on FQA holdings.

Allocating Additional Quota Differently (2021 to Date)

⁴ [Fishing opportunities for British fishing boats - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

⁵ [UK and England quota management rules - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

⁶ [Scottish Quota Management Rules 2022 - gov.scot \(www.gov.scot\)](https://www.gov.scot)

Since its withdrawal from the EU, the UK now receives a higher share of the Total Allowable Catch (TAC) for some fish stocks, and in a few instances, quotas for which it previously had no share or access.

However, it is commonly accepted that the AQ arising from the UK's withdrawal from the EU is not what had been expected by many in the fishing industry.

For the majority of stocks of high importance to Scotland we did not see the significant increase in share that was anticipated (though with some exceptions, such as mackerel).

Maintaining The FQA System for Scottish Existing Quota (EQ)

The FQA system has helped provide economic stability and certainty since its introduction. The Scottish Government does not currently propose any change to the allocation of Scotland's EQ share - EQ will continue to be allocated primarily via FQA holdings as per the current UK and Scottish Quota Management Rules.

The Scottish Government committed to maintaining the FQA system as the means of allocating Scottish EQ as part of our Future Fisheries Strategy body of work.

We define EQ as: the share of the TAC received by the UK under the Common Fisheries Policy's relative stability key, plus quota regularly gained due to invocation of Hague Preference⁷.

Additional Quota

"Additional Quota" (AQ) is defined as any quota greater than the UK's EQ share.

The Scottish Government recognises two sources of AQ:

(i) Quota which represents the increased amount of the UK's permanent share of quota following EU exit. That is: the change in the share of quota assigned to the UK as an independent Coastal State.

(ii) Gains from transfers of quota to the UK from other Coastal States (for example, transfers of quota from other Coastal States for access to UK waters). These transfers will arise through yearly negotiations, are not permanent, and may fluctuate from year to year.

The Scottish Government may allocate the AQ arising from these two sources differently.

⁷ A mechanism designed to adjust national fish quota allocations to take account of the needs of certain fisheries-dependent areas in northern parts of the UK and in the Republic of Ireland.

Scottish Additional Quota

The Scottish Government, like other Fisheries Administrations, recognises that AQ is distinct from the share of quota which the UK received while a Member State of the EU.

In the FFM Discussion Document, we set out a proposal that at least 50% of Scotland's AQ should be distributed via mechanism other than FQA units⁸. The subsequent FFM Policy Intent Paper stated that options for allocating AQ differently should be developed with stakeholders. This included a focus on the active Scottish fishing fleet.

Following the 2020 consultation, which saw a strong rejection by most respondents of allocating AQ via FQA units. Scotland has allocated 100% of its AQ using an allocation mechanism other than FQA units so as to target quota to active Scottish vessels and non-sector vessels only.

Guiding Principles and Statutory Obligations

Fish stocks are a public resource and a national asset. The economic and social benefits that flow from fishing should be shared widely across the nation (in line with the national benefit objective set out in the Fisheries Act 2020 and as discussed in the Joint Fisheries Statement (JFS)).

Section 2.2 of the JFS sets out how the objectives of the Fisheries Act 2020 should be applied. Section 2.3 of the JFS, sets out the Objectives of the Fisheries Act 2020 that are engaged in the distribution of fishing opportunities.

Of most direct relevance for how sea fish quota should be distributed are the provisions within section 25 of the Fisheries Act 2020 and the JFS (in particular sections 4.2.1.27 - 4.2.1.30). In line with the Fisheries Act 2020, AQ will be distributed based on criteria that:

- Are transparent and objective; and
- Include criteria relating to environmental, social and economic factors.

Additionally, national fisheries authorities must also seek to incentivise the use of selective fishing gear, and the use of techniques that have a reduced impact on the environment.

Review of 2021-23

For 2021-2023, we allocated AQ via two mechanisms:

- The greater share of AQ was allocated based on historic track record (HTR) of vessels in the period 2015-2019
- The remainder was allocated to non-sector vessels (predominantly 10 metre and under non-sector vessels).

⁸ [Future fisheries management - discussion paper: analysis - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/future-fisheries-management-discussion-paper-analysis-2020/pages/10/)

In allocating this quota our key aims were that it should:

- Be consistent with the Scottish Government's Fisheries Management Strategy and Blue Economy Action Plan.
- Support the active fishing fleet and help reduce their business costs.
- Help businesses with diversification of fishing operations through access to fishing opportunities.

Through allocating via HTR, the Marine Directorate was able to target allocation at those active fishing businesses which had a record of catching the relevant fish. This helped support vessels within the active fleet without a FQA share that corresponds with their previous fish landings, as it reduced the need for those vessels to lease quota in order to continue to fish in line with previous practice. In discussions with catching sector representatives, there has been broad support for this allocation model and its success in reducing costs to parts of the active fleet.

A shortcoming of the HTR methodology is that it does not offer quota to new entrants to the industry, i.e., vessel owners with no, or only limited, possibility to acquire FQA units and with no fishing activity during the reference period for the creation of a HTR.

A possible solution to this would be to move from a fixed reference period, for calculating a vessel's HTR, to a rolling reference period. This would mean that new entrants to the active fleet would slowly generate a full HTR after a period of five years (on the assumption that the reference period would continue to cover five years).

Allocating to the non-sector

Since 2021 Special Allocations for a number of stocks have been made from Scotland's share of AQ to the 10 meter and under group. A smaller number were made to the over 10 metre group.

The AQ Special Allocations (2021-22) made to the 10 meter and under group and total landings can be found in Tables 5 & 6 of the data annex.

A comparison between the allocation and the landings made shows that for a number of stocks the level of the Special Allocation is adequate and provides scope for some further growth in utilisation. For example, North Sea saithe and skate/ray.

For the following stocks the low use of the Special Allocation is worth consideration for a decrease or removal: North Sea ling & anglerfish and Western ling & skate/ray.

It is evident that the Special Allocations for Mackerel and North Sea cod may require to be increased.

Section 3 - Allocation Options

In this section we explore options for the allocation of AQ fishing opportunities to Scottish commercial fishing vessels. These options could be introduced from January 2024 or with relatively little future amendment (such as Option 5) and would like your views on each of them.

It is important to note that the decision taken for the allocation of AQ may include more than one of the options outlined.

In providing your answers it would be helpful if you could consider how each option meets the requirements under the Fisheries Act 2020 and the JFS in relation to the allocation of fishing opportunities – particularly that in distributing fishing opportunities we must use criteria that relate to **social, economic and environmental** factors. Please see Section 2.7 for further details of the Fisheries Act and the JFS.

Option 1 - Historic Track Record (HTR) (of Landings)

The HTR method allocates fishing quota based on what a vessel landed previously for each fish stock. Under this option, the share of AQ each vessel receives would be based on the vessel's share of all landings (across active vessels in that year⁹) for that stock during the identified reference period - we propose to use 2015-19.

Distribution of AQ, based on the HTR of vessels over a recent reference period, would increase allocations to vessels which have landed those quota species in the recent past. This would take account of in-year quota adaptations, where vessels have acquired additional fishing opportunities (such as through swaps of quota) and landed that fish.

Such a distribution mechanism has the potential to reduce costs amongst active fishing businesses as they would receive AQ directly from the Scottish Government, potentially reducing the requirement to lease quota from other businesses. It would also take into consideration the capacity and capability of vessels to fish for the relevant species.

However, a downside to the use of a track record-based approach is that it could fail to benefit those vessels which were unable to access certain quota stocks in the past and were therefore unable to build a track record, due to barriers such as the cost of leasing quota.

Alongside Special Allocations¹⁰ to the non-sector, the Marine Directorate applied this historic track record-based option for the allocation of AQ to vessels for 2021-23. The reference period for assessing track record was 2015-2019.

⁹ The HTR generated by an inactive vessel at the start of the calendar is excluded from the allocation calculation.

¹⁰ NS cod, NS anglerfish, NS skate/rays, NS mackerel, Western mackerel, NS saithe, NS lemon sole/witch, WS anglerfish, NS ling and Western ling.

Definition of an “active Scottish vessel”:

An active vessel, is a vessel which holds an associated, active fishing licence, administered by Scotland as of 1 January in the calendar year for which the quota is being distributed.

Retention of Historic Track Record after sale of vessel

During the period 2021-23, where a HTR created by a vessel/operating company was linked to a vessel (signified by the vessel’s RSS), but the owners had since replaced the original vessel, the Marine Directorate permitted the owners to link the HTR to their replacement vessel.

This provision was made to help avoid fishing businesses losing access to HTR as a result of replacing their original vessel. The exclusion of this provision would have the potential to undermine one of the purposes of allocation by HTR, namely a reduction in costs associated with leasing quotas.

Questions for consultation

1. Should AQ be awarded on the basis of landings by individual vessels? Please provide reasoning for your answer.
 - a. Yes
 - b. No
 - c. Don’t know

2. Should the reference period for assessing an active vessel’s HTR be fixed (2015-19), another period, or should it move to a rolling five-year period? Please provide reasoning for your answer.
 - a. Fixed (2015-19)
 - b. Another period
 - c. Rolling five-year period
 - d. Don’t know

3. Should the provision to enable vessel owners to retain an HTR between the original and subsequent replacement vessel be continued? Please provide reasoning for your answer.
 - a. Yes
 - b. No
 - c. Don’t know

Option 2 - Special Allocations for the Non-Sector Groups

Non-sector vessels are vessels which operate outside a Fish Producer Organisation or a Scottish Quota Management Group (so-called Sectoral Groups).

There are two non-sector groups:

- (i) Scottish registered vessels in the **10 metre and under pool**; and
- (ii) Scottish registered vessels in the **over 10 metre pool**.

The vast majority of Scottish vessels are in the non-sector groups (with the majority being under 10 metres). Vessels in these categories primarily fish for shellfish, much of which are non-quota stocks, however, the Scottish Government allocates these groups with Nephrops and this is a key stock for many such vessels.

It is established practice that the Scottish Government (and the other UK Fisheries Administrations) allocate a proportion of fish quota outside of the FQA system for use by non-sector vessels. In Scotland, there are two historic Special Allocations (a form of underpinning – where the quota available to this sector is set so that the non-sector has a fixed minimum of quota each year) which are made from EQ. These stocks are: North Sea cod and North Sea mackerel).

Since 2021, Special Allocations have been made from AQ, as annotated in the Scottish Quota Management Rules¹¹. The Special Allocations made to the non-sector groups, for the period 2021-23, can be seen in Table 5.

Given historical quota allocation limitations, vessels in the non-sector groups have been more restricted than sectoral vessels in fishing for quota stocks. Respondents to the previous AQ consultation felt that allocating AQ to these groups could result in a more equitable spread of the socio-economic benefits arising from Scotland's quota and encourage the use of fishing gear with a lower environmental impact.

The majority of 10 metre and under vessels utilise lines when targeting fish stocks, particularly cod/saithe/mackerel, though there is a small number of vessels which operate trawls (in the period 2021-22, less than 10% of all landings of species, for which Additional Quota was awarded to the non-sector groups, were made by vessels carrying bottom-impact, mobile gears). The use of lines is often associated with higher selectivity, reduced bycatch of fish species and a lower impact on the marine environment than other forms of fishing. As set out above, many of these vessels primarily target non-quota shellfish species (such as crab and lobster) and allocating these vessels species covered by quota will also allow for diversification and remove fishing pressure from these non-quota species.

It is the 10 metre and under non-sector grouping (as opposed to the 10 metre and over non-sector grouping) where Special Allocations would be focused – as has been the case in the past.

¹¹ [Current version of the Scottish Quota Management Rules](#)

As provided in Table 6, in fisheries where a Special Allocation was made in the period 2021-22, the majority of catch was made by vessels using gear types with a low impact on the seabed.

A criticism of distributing quota to the non-sector is that where this fishing opportunity has been provided to this fleet in the past, it has often not been fully utilised.

There can be significant capacity issues (such as vessels not being capable of fishing for certain stocks or a lack of onshore infrastructure to handle the resultant catch) or geographic issues (such as available stocks not being present in the waters where vessels operate) that limit the catching capacity of non-sector vessels.

This is demonstrated by the fact that some of the AQ allocated to the non-sector since 2021 has not been utilised. **These factors need to be considered if allocation to the non-sector is selected as a means of distributing AQ following this consultation.** There have been limited proposals from vessels in this sector as to how AQ could be better utilised by this group of vessels.

Questions for consultation

4. Should Special Allocations of AQ be awarded to the non-sector? Please provide reasoning for your answer.
 - a. Yes
 - b. No
 - c. Don't know

5. Should these Special Allocations be focused on the 10 metre and under non-sector vessels?
 - a. Yes
 - b. No
 - c. Don't know

6. What stocks should we award to the non-sector? Please provide reasoning for your answer.

7. Should any of the previous Special Allocations (see Table 2) be increased/decreased? Please provide reasoning for your answer.
 - a. Yes
 - b. No
 - c. Don't know

8. Should the Special Allocation be a fixed tonnage (no year-to-year change in the tonnage available to these groups) or a fixed percentage (delivers an output commensurate to Scotland's share)? Please provide reasoning for your answer.
 - a. Fixed Tonnage
 - b. Fixed Percentage
 - c. Other
 - d. Don't know

9. Should the Scottish Government have the capacity to vary the tonnages available to the non-sector from year to year, so as to increase tonnages for stocks where there is clear demand and vice-versa? Please provide reasoning for your answer.
- a. Yes
 - b. No
 - c. Don't know

Option 3 - Allocation of Fishing Opportunities Equally Between All Vessels or a Section of Vessels

This distribution methodology considers sharing AQ between the fleet, or a specific segment of the fleet, in an equal manner.

We wish to explore views on two mechanisms under this option both of which were suggested in responses to the previous consultation:

1 – Distribute all AQ equally between all active vessels.

2 – Distribute pelagic AQ equally between active pelagic vessels (specifically, the large pelagic vessels that target these species).

Under the first, all-encompassing option each active fishing vessel in the Scottish fleet would be eligible for a share of Scotland's AQ. This would allow each vessel the potential to develop their fishing opportunities and expand the socio-economic benefit arising.

However, there are issues with this approach, which include:

- Not all vessels operate in the fishing areas where there is AQ and so these vessels would not practically be able to catch any such quota allocated to them.
- Not all fishing vessels have the capability of fishing for stocks where there is AQ. For example, it would not be possible for most creel vessels to switch to fish for stocks caught by trawled methods.

This approach may encourage quota trading (as vessels allocated fishing quota for species, they do not intend to target seek to swap this to others in the fishing fleet). This would seem to go against the principle of allocating fish quota to the active fishing fleet.

For some stocks, an equal share of AQ divided across all Scottish vessels would provide each party with an insignificant allocation to develop their fishing opportunities and therefore limit the potential to expand the socio-economic benefit arising. For example, North Sea ling AQ has ranged between 55-61 tonnes since 2021 and would equate to roughly 30 kilos per vessel. So, the resultant quota distributed between vessels would be negligible for individual businesses.

A number of respondents to the original AQ consultation set out a proposal that AQ, for pelagic species only, should be allocated equally between those vessels identified as 'pelagic vessels' (the 21 Scottish vessels that target significant quantities of pelagic stocks each year). They suggested that there is a stronger rationale to treat the pelagic fleet segment differently, in terms of the allocation of AQ, than other fleet segments.

The UK's AQ has equated to 10-15% of the UK's total fishing opportunities (Table 1) and Scotland's figures are more or less identical (Table 2). However pelagic species have accounted for 77-82% of all of the UK's AQ (Table 3). This share is larger in Scotland, 85-88% (Table 4).

We therefore wish to explore whether the quota received for pelagic species should be allocated to the recognised pelagic vessels. Also, to note, that due to the small size, in terms of numbers of vessels, there is a limited market for the leasing/swapping of pelagic quota in any year. This contrasts to the position with some demersal stocks, where there are greater opportunities to swap quota. For example, with quota holders based elsewhere in the UK.

Questions for consultation

10. Should AQ fishing opportunities be distributed on an equal basis between all active commercial fishing vessels? Please provide reasoning for your answer.
 - a. Yes
 - b. No
 - c. Don't know

11. Should pelagic AQ fishing opportunities be distributed equally between the recognised pelagic fleet (as set out above)? Please provide reasoning for your answer.
 - a. Yes
 - b. No
 - c. Don't know

Option 4 - Landings into Scottish Ports

A number of responses to the 2020 consultation advocated allocating AQ to those vessels which land into Scotland – as opposed to ports in other parts of the UK or abroad as this would bring greater benefits to Scotland.

It is acknowledged by the Scottish Government that landings into Scotland extend the social and economic benefit arising from Scottish quota beyond those involved in the catching of fish, as this results in greater activity in Scotland's ports, processing sectors and other onshore industries.

It must be recognised when considering this option that in 2023 the economic link licence condition (for all over 10 metre licences) was amended to ensure a greater socio-economic benefit is returned to Scotland for those species with the greatest landed value into Scotland. The option explored here would be in addition to the amended economic link provisions.

Bearing the amended economic link conditions in mind, we ask you to consider whether landings into Scotland should be used as a basis for distributing:

- I. all stocks (including those stocks covered by the amended economic link conditions).
- or**
- II. only those stocks for which economic link provisions do not apply (stocks other than the 8 key stocks to which economic link conditions apply).

Essentially, under this option the proposal would be that all or a proportion of AQ is awarded to vessels based on their landings of particular stocks in a qualifying period. In contrast to the economic link licence condition where total landings of all species covered are used to consider compliance with the licence condition.

For example, if a vessel recorded landings of North Sea plaice into Scotland, within an identified reference period, then it would be awarded a portion of Scotland's AQ for North Sea plaice, relative to landings

There would also be other factors that need to be considered under this option:

- Should this option be linked to Option 1 (Historic Track Record) or Option 3 (Allocation of Fishing Opportunities Equally Between all Vessels or a Section of Vessels) so that vessels are only awarded AQ under these alternative scenarios if they meet a minimum requirement for landings?
- Should vessels be required to land a set percentage of their total catch for a particular stock into Scotland before qualifying for AQ through this option. For example, over 50% of all landings for the particular stocks in question?
- What would the qualification period be? Would it be based on landings into Scotland for the year immediately preceding the year for which AQ is to be distributed or over a longer period?

- There are a number of species for which Scotland has a limited processing sector and home market, should these species be removed from the provision?

Questions for consultation

12. Should landings into Scotland be used as a basis for allocating AQ? Please provide reasoning for your answer.
 - a. Yes
 - b. No
 - c. Don't know
13. Should AQ for those species covered by economic link licence conditions be excluded from this allocation criterion? This is on the basis that eligible vessels landing these stocks are already required to provide a benefit to Scotland through these economic link provisions.
 - a. Yes
 - b. No
 - c. Don't know
14. Are there any stocks which should be excluded from this provision and if so, why do you think this should be the case (for example, if there is only a limited domestic market)? Please provide reasoning for your answer.
 - a. Yes
 - b. No
 - c. Don't know
15. Over what time period should vessels' landings into Scotland be a reference for this allocation method? Please provide reasoning for your answer.
16. Should there be a minimum qualifying percentage of landings for individual stocks into Scotland? That is: what percentage of landings of an individual stock into Scotland would be required to be eligible for a share of AQ? Please provide reasoning for your answer.
 - a. Yes
 - b. No
 - c. Don't know

Option 5 - Access to Additional Quota for Vessels with Independent Accreditation

Under this option the allocation of AQ would be made to vessels with an independent accreditation in recognition of standards achieved for conditions aboard the vessel or the manner in which fishing operations have been conducted.

For example, there is the “Responsible Fishing Vessel Standard” (RFVS¹²), as managed by the “Global Seafood Alliance” (GSA). This is described as:

“The RFVS is a voluntary, vessel-based program certifying high standards of operational practices relating to crew safety and welfare on board fishing vessels. The RFVS is an assurance tool to help fishing vessel owners and operators showcase industry-agreed best practices through independent, third-party auditing. The RFVS is applicable to all types of commercially licensed fishing vessels and is applicable globally.”¹³

This could be utilised as a stand-alone basis for allocating quota or linked to other options set out in this consultation document. So, a vessel would get all or a portion of AQ under alternative options based on having such a standard.

In order to provide sufficient time and opportunity for vessels to apply for the scheme and for evaluation to take place it would not be fair to impose this eligibility requirement from 2024.

For 2025, it is proposed that eligibility for AQ for pelagic species be linked to pelagic vessels being accredited under the RFVS, or an agreed alternative

A similar eligibility mechanism may be applied to AQ for demersal and *Nephrops* species.

Questions for consultation

17. Should allocation of AQ be linked to the welfare of the crew in all fishing operations, or the manner in which fishing operations are carried out (as set out above)? Please provide reasoning for your answer.

- a. Linked to all fishing operations
- b. Linked to the manner in which operations are carried out
- c. Neither
- d. Don't know

18. Should this eligibility criterion be for pelagic vessels only initially? Please provide reasoning for your answer.

- a. Yes
- b. No
- c. Don't know

¹² Previously the Responsible Fishing Scheme and managed by Seafish

¹³ [Program Standards \(bspcertification.org\)](https://www.bspcertification.org)

19. Should this be considered for demersal and Nephrops vessels in the future?
Please provide reasoning for your answer.

- a. Yes
- b. No
- c. Don't know

20. Which standards or accreditations could be used as a basis for the allocation of AQ?

Option 6 – Exceptionally Providing AQ as a Result of Lost Fishing Opportunities

There are competing uses for Scotland's seas with different sectors and industries seeking to make use of the marine space. In addition, there is a need to ensure the right environmental protections are in place to address the twin crises of climate change and biodiversity loss. It is possible that in these circumstances interventions by the Scottish Government could result the removal of established fishing opportunities leaving no ready alternative for some vessels. In exceptional circumstances, where this potentially jeopardises the ongoing viability of a fishing business, AQ offers the potential for the Scottish Government to use fishing quotas to help mitigate impacts on such vessels and support them to diversify their fishing operations.

Under such a scenario, such as restricting activities that could compromise conservation objectives, the Scottish Government could intervene to provide an alternative fishing opportunity from AQ – as far as possible commensurate with the value of the fishing opportunity lost.

Taking this step would require careful consideration to ensure vessels were capable of using the AQ opportunity, the potential financial impact on the business of the intervention and a requirement for clear evidence that alternative fishing opportunities were not available to the impacted vessel. The allocation of any quota would require to be open and transparent.

Questions for consultation

21. Should the option be available for vessels to potentially have access to AQ fishing opportunities where action by the Scottish Government has removed well-established fishing opportunities with no ready alternative (on an exceptional basis)?

- a. Yes
- b. No
- c. Don't know

Option 7 – Applications From Sectoral Groups On Environmental Criteria

Under this option we propose that a portion of AQ is retained and Sectoral Groups are invited to bid for this retained quota on behalf of some or all of the Scottish vessels they administer.

Firstly, some background on Sectoral Groups.

Sectoral Groups are bodies recognised by a UK Fisheries Administration for the management of sea fishing vessels involved in the production of sea fish products. They hold devolved quota management responsibilities, as provided under the UK and national quota management rules of the Fisheries Administration which recognises them. The quota that UK Sectoral Groups receive is overwhelmingly based on the FQA share held on the licences they administer.

It is important to note that Scottish licensed fishing vessels can be in membership of a Sectoral Group recognised and operating under the rules of a Fisheries Administration in another part of the UK.

To access this pool of AQ, it is envisaged that Sectoral Groups would be required to set out in an application form how the vessels that seek to benefit from this fishing opportunity would meet one or both of the requirements below:

1. the use of selective fishing gear (above and beyond legally mandated requirements).
2. the use of fishing techniques that have a reduced impact on the environment (for example that use less energy or cause less damage to habitats).

It is expected that any Sectoral Group awarded quota under this initiative would be required to report on how the quota has been utilised following distribution. Failure to use the fishing opportunity in line with requirements would result in the Sectoral Group being required to compensate the Scottish Government with quota the following year.

Questions for consultation

22. Should a portion of AQ be retained and Sectoral Groups invited to bid for quota on behalf of some or all of the Scottish vessels they administer (as set out above)? Please provide reasoning for your answer.

- a. Yes
- b. No
- c. Don't know

23. What fish species in particular should be set aside and what quantities? Please provide reasoning for your answer.

Section 4 - Call for Evidence for Further, Future Allocation

In this section we explore options that we do not consider could be put in place for 2024 due to operational complexity. There may also be a requirement for additional consultation before these proposals could be introduced, If new/alternate allocation options come 'online' at a later point, the proportion of quota allocated via each allocation option will change.

Incentivised Selectivity

Between 2008-2017, the Scottish Government administered the Conservation Credits Scheme which ran under the Cod Recovery Plan, whereby a flat-rate effort allocation was made to vessels, but they could 'buy' additional effort by agreeing to operate gears with selectivity greater than the legal minimum. This allowed for vessels that fished with this more selective fishing gear to operate at sea for a greater period than those without.

In a similar way, quota could be allocated to vessels that adapted fishing behaviour to allow for a reduced environmental impact.

Future schemes for demersal selectivity could be linked to the outputs from the Future Catching Policy work, for example, to support a move towards greater selectivity which goes above the baseline level, or early adoption of Remote Electronic Monitoring (REM). This could be developed with input from the Fisheries Management and Conservation Group (FMAC).

We envisage that the Marine Directorate would retain the total awards made centrally until the conclusion of the calendar year. Only then would those amounts be credited to the vessel's group and cover the landings made by vessels.

This would help ensure that vessels participating in the scheme do not use the incentivised quota as a tradeable commodity and compliance with the scheme over the full year. Non-compliant vessels, or ones which drop-out of participation in the scheme would not be awarded their quota share on the grounds of non-completion.

Due to the complexity of putting such a system in place, this is not proposed for 2024. As set out above, this would tie-in with the Future Catching Policy body of work and introduced in conjunction with the FMAC group.

24. Please provide any general, or specific, comments/views you may have on utilising AQ to allow for increased selectivity in fishing operations in line with the Future Catching Policy and FMAC.
25. If you have any comments on the benefits/costs arising from such a potential scheme, please provide them.

Community Quota Schemes

In the 2020 consultation, it was suggested that quota could be given to specific communities for them to distribute and manage.

Community Quota Schemes (CQSs) could allow for the utilisation of fishing opportunities in line with local priorities, develop socio-economic benefit and allow for communities to develop opportunities for new entrants to the fleet.

Such a move would allow for local quota management that could seek to increase local governance in fisheries, widen socio-economic benefit from Scotland's quota and allow for diversification – particularly important to Scotland's shellfish and inshore fleets.

The primary reason that this methodology cannot be delivered in 2024 is due to (i) the potentially significant administrative and potential monetary costs associated with doing so (ii) the question of how quota management responsibility would be devolved to local groups needs consideration and (iii) no area has been identified to commence such an initiative.

Currently Scottish vessels access fishing opportunities (quota) either through a Sectoral Group (a UK recognised PO, or a Scottish Quota Management Group) or through the two Scottish non-sector pools.

Sectoral Groups are bodies recognised by a UK FA and have been devolved quota management responsibilities under the UK and the related national Quota Management Rules (QMR).

A new body managing quota on behalf of vessels would require to be recognised by the Scottish Government and may require to be incorporated into the UK QMR/ Scottish QMRs and potentially their establishment recognised by the other UK Fisheries Administrations.

It is important to note that non-sector vessels are limited by catch limits within their fishing licence. The catch limit is common to all vessels in receipt of an AU licence or an AO licence. The Scottish Government is not able to manage individual vessels' quota within the non-sector.

It follows that any non-sector vessel seeking to access AQ through a CQS would need to either join a Sectoral group or be part of a group which has sought recognition from the Scottish Government for quota management responsibilities.

Any decision to deliver Community Quota Schemes would, most likely, require further consultation.

26. Please provide any general, or specific, comments/views you may have on the potential for using a portion of Additional Quota to manage 'Community Quotas'.
27. If you have any comments on the benefits/costs arising from such potential schemes, please provide them.

Diversification of Fishing Opportunities

As can be seen from Option 2, the Scottish Government is setting out an option which would allow for diversification primarily for the non-sector 10 metre and under grouping – particularly diversification away from shellfish stocks.

The Scottish Government wishes to explore whether this proposal could be extended to larger or specific vessels to provide for them to fish for stocks they have not previously targeted.

We envisage that this could be done via a mechanism where fishers are invited to apply for AQ.

Such a process could take account of:

- New entrants to the fishing industry that do not have access to established fishing opportunities.
- Allowing for the targeting of species with fishing gear associated with a lower environmental impact.
- Allowing for access to fish quota for species where there has been a significant increase in AQ – such as pelagic species.

The development of such an initiative would take time and need to take place in conjunction with key stakeholders. It would, of course, require to be open and transparent.

28. Please provide any general, or specific comments, in relation to allowing for diversification of fishing opportunities through inviting applications for AQ.

29. If you have any comments on the benefits/costs arising from such potential schemes, please provide them.

History of Compliance with Regulatory Requirements Relating to Fishing

The Fisheries Act 2020 sets out that a criterion that can be used to distribute fishing opportunities is one which relates to a vessel's history of compliance with regulatory requirements relating to fishing.

This criterion could be met by restricting or withholding a vessel's access to fishing opportunities if it breaches fishing regulations.

We wish to explore whether this option could be utilised in Scotland in relation to AQ. To the end that if the Marine Directorate determines that a vessel has not adequately complied with legislation or regulations, it could elect not to allocate AQ that this vessel would otherwise receive.

This change is not deliverable by the Marine Directorate for 2024 quotas and it will require further development.

30. Please provide your views on whether this option should, or should not, be developed by the Scottish Government.
31. Specifically, what type of fishery-related breaches should result in a vessel becoming ineligible for an allocation of Additional Quota and over what period?

Alternative suggestions

We wanted to provide an opportunity for respondents to set out alternative methods of distribution that have not been explored in this consultation document.

The Scottish Government on occasion receives requests for sea fish quota from the fishing industry and in the past we have provided additional fishing opportunity – for example, the handline mackerel fishery which we discuss in Section 2.

Most often, such requests do not take account of relevant considerations in particular: inability of fishing vessels to target identified quota stocks and lack of onshore facilities for stocks requested.

However, we would welcome any proposals for how AQ could be allocated differently to achieve the Scottish Government objectives and requirements of the Fisheries Act 2020.

32. Please provide details on any alternative suggestions for the distribution of AQ not explored in this consultation document.
33. If you have any comments on the benefits/costs arising from such potential schemes, please provide them.

Section 5 - Responding to the Consultation

We are inviting responses to this consultation by midnight on **11 January 2024**.

Please respond to this consultation using the Scottish Government's consultation hub, Citizen Space (<http://consult.gov.scot>). Access and respond to this consultation online at <https://consult.gov.scot/marine-scotland/fish-stocks-allocation-of-additional-quota/>. You can save and return to your responses while the consultation is still open. Please ensure that consultation responses are submitted before the closing date of midnight on **11 January 2024**.

If you are unable to respond using our consultation hub, please complete the Respondent Information Form to:

Access to Sea Fisheries
Scottish Government
Area 1B North
Victoria Quay
Edinburgh
EH6 6QQ

Or email: AQconsultation@gov.scot

Handling your response

If you respond using the consultation hub, you will be directed to the About You page before submitting your response. Please indicate how you wish your response to be handled and, in particular, whether you are content for your response to be published. If you ask for your response not to be published, we will regard it as confidential, and we will treat it accordingly.

All respondents should be aware that the Scottish Government is subject to the provisions of the Freedom of Information (Scotland) Act 2002 and would therefore have to consider any request made to it under the Act for information relating to responses made to this consultation exercise.

If you are unable to respond via Citizen Space, please complete and return the Respondent Information Form included in this document. To find out how we handle your personal data, please see our privacy policy: <https://www.gov.scot/privacy/>

Next steps in the process

Where respondents have given permission for their response to be made public, and after we have checked that they contain no potentially defamatory material, responses will be made available to the public at <http://consult.gov.scot>. If you use the consultation hub to respond, you will receive a copy of your response via email.

Following the closing date, all responses will be analysed and considered along with any other available evidence to help us. Responses will be published where we have been given permission to do so. An analysis report will also be made available.

Comments and complaints

If you have any comments about how this consultation exercise has been conducted, please send them to the contact address above or at AQconsultation@gov.scot.

Scottish Government consultation process

Consultation is an essential part of the policymaking process. It gives us the opportunity to consider your opinion and expertise on a proposed area of work.

You can find all our consultations online: <http://consult.gov.scot>. Each consultation details the issues under consideration, as well as a way for you to give us your views, either online, by email or by post.

Responses will be analysed and used as part of the decision making process, along with a range of other available information and evidence. We will publish a report of this analysis for every consultation. Depending on the nature of the consultation exercise the responses received may:

- indicate the need for policy development or review
- inform the development of a particular policy
- help decisions to be made between alternative policy proposals
- be used to finalise legislation before it is implemented

While details of particular circumstances described in a response to a consultation exercise may usefully inform the policy process, consultation exercises cannot address individual concerns and comments, which should be directed to the relevant public body.



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