

Title: Fixed Engines (byelaw 6) IA No: NIFCA 007 Lead department or agency: Northumberland Inshore Fisheries and Conservation Authority (NIFCA) Other departments or agencies: MMO, Natural England, Defra, Environment Agency	Impact Assessment (IA)	
	Date: 19/08/15	
	Stage: Consultation	
	Source of intervention: Domestic	
	Type of measure: Secondary legislation (byelaw)	
Contact for enquiries: Jon Green Deputy Chief IFCO NIFCA Jon.Green@nifca.gov.uk 01670797676		
Summary: Intervention and Options		RPC Opinion: N/A

Cost of Preferred (or more likely) Option					
Total Net Present Value	Business Net Present Value	Net cost to business per year (EANCB on 2009 prices)	In scope of One-In, Two-Out?	Measure qualifies as	
£m	£	NA	No	NA	
What is the problem under consideration?					
IFCAs are required to review their legacy byelaws by April 2015, consolidating/correlating regulations with adjoining IFCAs to give consistency across the country, as well as reflect changes to district boundaries and organisational makeup.					
The subject of this impact assessment (IA) is a byelaw which will replace the NIFCA's legacy byelaw (regulation) 4 Fixed Engines					
Why is government intervention necessary?					
Government intervention is required to redress market failure in the marine environment by implementing appropriate management measures (e.g. this byelaw) to conserve features to ensure negative externalities are reduced or suitably mitigated. Implementing this byelaw will ensure continued provision of public goods in the marine environment. This IA is written in accordance with the Governments Marine Policy Statement and takes into account decisions effecting the marine environment.					
Specifically, this byelaw will support the long term sustainability of salmonids stocks and provide a level of protection to birds.					

What are the policy objectives and the intended effects? <ol style="list-style-type: none"> To ensure sustainability of salmonid stocks and provide a level of protection to birds during the breeding season by restricting the placement of non-authorized fixed engines in specified zones and at certain times of year. To make relevant regulations easier to navigate for resource users to increase rates of
--

compliance.

What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)

The following policy options have been considered through this IA:

0. Do nothing - leave the legacy byelaws as they stand
1. Use of non-regulatory/voluntary measures
2. Revise the existing legacy byelaw regulations
3. Revoke the current legacy byelaw regulations

All options are compared to option 0. Option 2 is preferred and was determined as the most appropriate method of managing the fixed engine fishery, as it will update this byelaw and bring them in line with byelaws in the adjoining IFCA district and requirements of the Environment Agency.

Will the policy be reviewed? Yes

If applicable, set review date: No later than 3 years after the byelaw is made

Does implementation go beyond minimum EU requirements?			No		
Are any of these organisations in scope? If Micros not exempted set out reason in Evidence Base.	Micro Yes	< 20 Yes	Small Yes	Medium Yes	Large Yes
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)			Traded: N/A	Non-traded: N/A	

I have read the impact assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible SELECT SIGNATORY: _____ Date: _____

Summary: Analysis & Evidence Policy Option

Description:

FULL ECONOMIC ASSESSMENT

Price Base Year 2015	PV Base Year 2015	Time Period Years 10	Net Benefit (Present Value (PV) (£m))		
			Low: N/k	High: N/k	Best Estimate: 0

COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excluding transition) (Constant Price)	Total Cost (Present Value)
Low		Optional	Optional
High		Optional	Optional
Best Estimate	£700	0	£5994.34

Description and scale of key monetised costs by ‘main affected groups’

- Transitional cost of £700 relates to implementing the new byelaw by the IFCA
- No other monetised cost identified

Other key non-monetised costs by ‘main affected groups’

- By maintaining the intent of the byelaw but revising it to bring it into line with other IFCA's by removing the clause requiring attendance with the salmonid beach net (traditionally T-nets within Northumberland) at all times could result in an increase of unwanted bycatch (Currently there are 24 licenced T net Salmonid fishermen authorised by the Environment Agency so impacts are likely to be low)
- Continuation of the Salmonid fishery will continue to take fish that are returning to Scottish rivers and will therefore continue to have some impact on Scottish fish stocks

BENEFITS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	Optional	Optional	Optional
High	Optional	Optional	Optional
Best Estimate	0	0	0

Description and scale of key monetised benefits by ‘main affected groups’

- There are no key monetised benefits identified.

Other key non-monetised benefits by ‘main affected groups’

- To maintain, with a view to enhancement of, sustainable salmonid stocks by continuing to restrict open access to non-authorised use of fixed engines. Historically even when white fish

<p>are targeted only 6 local vessels¹ participate in this fishery mainly during the winter months.</p> <ul style="list-style-type: none"> • Potential benefits include maintaining protection of bird species during breeding season. • By maintaining the intent of the byelaw but revising it to bring it into line with other IFCA's by removing the clause requiring attendance with the salmon nets at all times could result in an opportunity to exploit other fish stocks (mainly shellfish) while at the same time continuing to catch salmonids. (Currently there are 24 licenced T net Salmonid fishermen so impacts are likely to be low) 		
<p>Key assumptions/sensitivities/risks</p> <ul style="list-style-type: none"> • That fishing levels for salmonids remain static or are reduced. • There is risk that shellfish (mainly lobster and brown crab) could be more heavily targeted by the authorised fixed engine fishermen. 	<p>Discount rate (%)</p>	<p>3.5%</p>

BUSINESS ASSESSMENT (Option 1)

<p>Direct impact on business (Equivalent Annual) £m:</p>			<p>In scope of OITO?</p>	<p>Measure qualifies as</p>
<p>Costs: N/A</p>	<p>Benefits: N/A</p>	<p>Net: N/A</p>	<p>No</p>	<p>N/A</p>

Evidence base

1. Introduction

What is the problem under consideration?

IFCA's are required to review their legacy byelaws by April 2015 consolidating/correlating regulations with adjoining IFCA's to give consistency across the country, as well as reflect changes to district boundaries and organisational makeup. IFCA's are also required to update byelaws in order to modify them to acknowledge the change over from Sea Fisheries Committees to IFCA's.

The subject of this impact assessment (IA) is one byelaw which will replace the NIFCA's legacy byelaw (regulation) 4 Fixed engines.

2. Background and Rational

Rationale for intervention

The nationally agreed vision of the IFCA's is that they will "lead, champion, and manage a sustainable marine environment and inshore fisheries within their Districts by successfully securing the right balance between social environmental and economic benefits to ensure healthy sea, sustainable fisheries and a viable industry".

Section 153 of the Marine and Coastal Access Act 2009 details the management of inshore fisheries as follows (extract):

The authority for an IFCA district must manage the exploitation of sea fisheries resource in that district. In performing its duty under subsection (1) the authority for an IFCA district must:

¹ NIFCA observations

- a) Seek to ensure that the exploitation of sea fisheries resources is carried out in a sustainable way.
- b) Seek to balance the social and economic benefits of exploiting the sea fisheries resources of the district with the need to protect the marine environment from or promote its recovery from the effects of such exploitation.
- c) Take any other steps which in the authorities opinion are necessary or expedient for the purpose of making a contribution to the achievement of sustainable development, and
- d) Seek to balance the differing needs of persons engaged in the exploitation of sea fisheries resources in the district
- e) (Subsection 10) In this Chapter “sea fisheries resources” means any animals or plants, other than fish falling within subsection (11) that habitually live in the sea, including those that are cultivated in the sea.
- f) (Subsection 11)The fish referred to in subsection (10) are—
 - (a) Salmon, trout, eels, lampreys, smelt and shad;
 - (b)any other fish of a kind which migrates from fresh to salt water, or from salt to fresh water, in order to spawn;

IFCA have duties to ensure that fish stocks are exploited in a sustainable manner, and that any impacts from that exploitation on designated features in the marine environment are reduced or suitably mitigated, by implementing appropriate management measures (e.g. this byelaw). Implementing this byelaw will ensure that fishing activities are conducted in a sustainable manner and that the marine environment is suitably protected.

Fishing activities can potentially cause negative outcomes as a result of ‘market failures’. These failures can be described as:

- Public goods and services – A number of goods and services provided by the marine environment such as biological diversity are ‘public goods’ (no-one can be excluded from benefiting from them, but use of the goods does not diminish the goods being available to others). The characteristics of public goods, being available to all but belonging to no-one, mean that individuals do not necessarily have an incentive to voluntarily ensure the continued existence of these goods which can lead to under-protection/provision.
- Negative externalities – Negative externalities occur when the cost of damage to the marine environment is not fully borne by the users causing the damage. In many cases no monetary value is attached to the goods and services provided by the marine environment and this can lead to more damage occurring than would occur if the users had to pay the price of damage. Even for those marine harvestable goods that are traded (such as wild fish), market prices often do not reflect the full economic cost of the exploitation or of any damage caused to the environment by that exploitation.
- Common goods - A number of goods and services provided by the marine environment such as populations of wild fish are ‘common goods’ (no-one can be excluded from benefiting from those goods however consumption of the goods *does* diminish that available to others). The characteristics of common goods (being available but belonging to no-one, and of a diminishing quantity), mean that individuals do not necessarily have an individual economic incentive to ensure the long term existence of

these goods which can lead, in fisheries terms, to potential overfishing. Furthermore, it is in the interest of each individual to catch as much as possible as quickly as possible so that competitors do not take all the benefits. This can lead to an inefficient amount of effort and unsustainable exploitation.

IFCA byelaws aim to redress these sources of market failure in the marine environment through the following ways:

- Management measures to conserve designated features of European Marine Sites (EMS) and Marine Conservation Zones (MCZ) will ensure negative externalities are reduced or suitably mitigated.
- Management measures will support continued existence of public goods in the marine environment, for example, conserving the range of biodiversity in the sea of the IFCA District. Changes to the byelaws will not adversely impact the marine environment and will ensure that there is no increase in the exploitation of marine species.
- Management measures will also support continued existence of common goods in the marine environment. For example ensuring the long term sustainability of fish stocks in the IFCA District. The changes in the byelaws seek to ensure that there is no increase in the exploitation of fish stocks.

3. Policy objectives and intended effects

The intention of the revised Fixed Engine byelaw is to ensure that that the regulations are easier to navigate for resource users and to increase the levels of compliance while ensuring that the fisheries continue to be sustainable. It will restrict the non-authorized use of fixed engines in certain locations and during certain times of year. It will also bring it in to line with the legal requirement in the use of authorized fixed engine in the adjoining IFCA district.

4. Back ground

In 2012 within the Northeast salmonid net fishery approximately 26,600 kg of salmon and 42,900 kg of sea trout were landed², with an estimated value of £567,000³. These figures include fish landed from the river Humber north and therefore do not relate solely to the NIFCA District and also include fish taken from the drift net fishery.

IFCA's high level objectives are to review all legacy byelaws by April 2015. As a result of the review, some byelaws will be remade, some will be amended, others will be amalgamated and those that are irrelevant or no longer needed will be revoked. The subject of this IA is the byelaw which will replace NIFCA's legacy byelaw (regulation) 4 Fixed Engines

The current situation is that the multiple legacy byelaws were made over a number of years responding to the needs at the time to ensure individual fisheries were managed at sustainable levels. It is now felt that it is more appropriate that the byelaws are consolidated which will ensure that that the regulations are easier to navigate for resource users and to increase the levels of compliance while ensuring that the fisheries continue to be sustainable.

5. The Options

The following policy options have been considered:

² Environment Agency Salmonid and Freshwater fisheries statistics for England and Wales 2012

³ Northumberland IFCA statistics

Option 0: Do nothing - leave the legacy byelaw regulations as they stands

This option would involve allowing the existing NIFCA management regime to continue unchanged. While this would allow continued fishing at the same levels it is not in keeping with national guidelines for a byelaw review of legacy byelaws. This option does not take into account the change from SFC to IFCA. It also does not bring it into line with the fixed engine of the adjoining district and Environment Agency legislation as require by the Marine and Coastal Access Act.

Option 1: Use of non-regulatory/voluntary measures

Due to the size of the district, the number of vessels⁴ with the potential to undertake gill netting within the district and the need for 100% compliance to be effective, it is believed that voluntary agreements wouldn't enable NIFCA to achieve the stated objectives. If there is the potential for financial reward it is felt that they would take the opportunity to fish regardless of any non-regulatory/ voluntary measures in place. When byelaws are in place a high level of observance of regulation occurs, particularly as there are no ambiguities.

Option 2: Revise the existing legacy byelaw regulation

Revising the Fixed engine Byelaw will ensure that management of the fisheries is maintained and brings it into line with other IFCA byelaws. Revision of the byelaw will maintain the level of protection to the North East Salmonid fishery, but give greater flexibility to those licence fishermen in that they will no longer need to remain with their nets at all times

Option 3: Revoke the current legacy byelaw regulations

Revoking the byelaw would be in keeping with the duties imposed on IFCA's by MaCCA⁵ in that they are not responsible for the management of migratory fish. At present this option is not being considered while awaiting national advice. Revoking the byelaw would also allow for the development of a gill net fishery targeting white fish close inshore (7 metres depth or less) during the summer months. This could lead to an increase in bird or cetacean byecatch and therefore potential impact should be considered before this byelaw is revoked.

Preferred Option

Option 2,

Option 2, was determined as the most appropriate method of managing the fixed engine fishery within the NIFCA district; the new byelaw will continue to assist in regulating the salmonid fishery and gill net fishery for white fish. It will ensure that both fisheries remain sustainable and restrict levels of byecatch. It will also bring it into line with other management⁶ regulating the Northeast salmonid fishery.

Under the preferred option, the changes to byelaw 4 are;

The removal of the requirement to remain with the authorised T-net at all time during the fishing operation.

6. Analysis of costs and benefits

The transitional cost of £700 relates to the cost to NIFCA to implement the new byelaw. There is a potential that the new byelaw may lead to an increase in unwanted byecatch principally impacting birds and marine mammals as a result of the removal of the requirement to remain with the T-net at all times. By maintaining a fixed engine fishery it will continue to take some fish returning to

⁴ 115 static gear permit holders issue by NIFCA in 2013

⁵ Section 153 of the MaCAA

⁶ North eastern IFCA and Environment Agency regulations

Scottish rivers thereby potentially reducing the breeding stock in those rivers. The revised byelaw will continue to protect salmonid stocks by preventing an unregulated fixed engine fishery. This will also mean that birds and marine mammals will not occur as a bycatch in an unregulated fishery. The byelaw will also mean that whitefish stocks will not be able to be exploited in the restricted areas and at certain times of year.

7. Consultation

Amendment of the NIFCA's legacy regulations have been subject to discussion and consultation over a number of years including a 28 day public consultation process throughout the NIFCA district, thus exceeding the minimum guidelines. Five stakeholder meetings have taken place within the NIFCA District in which a number of stakeholders participated from a diverse range of interest groups. Comments from these stakeholders were considered and where appropriate changes to the byelaws were made. These changes were minor in nature, and on the whole the changes to the byelaws are well supported by the industry and other stakeholders. In addition to these meeting, NIFCA have also consulted with the Environment Agency, who are fully supportive of the proposed amendments to the byelaw.

8. Implementation

The NIFCA would expect to implement this revised regulation before the end of 2015. This is existing regulation and resources are already in place to actively enforce its provisions. Although no additional implementation costs are expected the wider application of the revised regulation will reduce the number of formal enforcement actions taken (but this cannot be estimated accurately at this stage). Any subsequent changes in compliance and enforcement actions will be monitored through the Post Implementation Review Plan. This plan will form part of the NIFCA annual plan and will be published on the NIFCA website.

9. Conclusion

Recommended option:

Option 2, was determined as the most appropriate method of managing the fixed engine fishery within the NIFCA district; the new byelaw will continue to assist in regulating the salmonid fishery and gill net fishery for white fish. It will ensure that both fisheries remain sustainable and restrict levels of bycatch. It will also bring it into line with other management⁷ regulating the Northeast salmonid fishery. The new fixed engine byelaw remains similar to the NSFC byelaw and remade to bring it into line with the requirements contained in the Marine and Coastal Access Act 2009.

⁷ North eastern IFCA and Environment Agency regulations

Annex A: Policy and Planning

Which marine plan area is the MPA and management measure in?
Within IFCA district currently there is no Marine Plan

Have you assessed whether the decision on this MPA management measure is in accordance with the Marine Policy Statement and any relevant marine plan?

- No, see above

When assessing these byelaws due regard was given to the UK Marine Policy Statement, the byelaws contribute to the following;

- The achievement of sustainable development of marine areas.
- Promote sustainable economic development.
- Ensure a sustainable marine environment which promotes healthy, functioning marine ecosystems and protects marine habitats, species and our heritage assets.
- Contribute to the societal benefits of the marine area, including the sustainable use of marine resources to address local social and economic issues.
- Achieve integration between different objectives.
- Recognise that the demand for use of our seas and the resulting pressures on them will continue to increase.
- Manage competing demands on the marine area, taking an ecosystem-based approach.
- Enable the co-existence of compatible activities wherever possible.