

Preparing for ITQs in Swedish Demersal Fisheries

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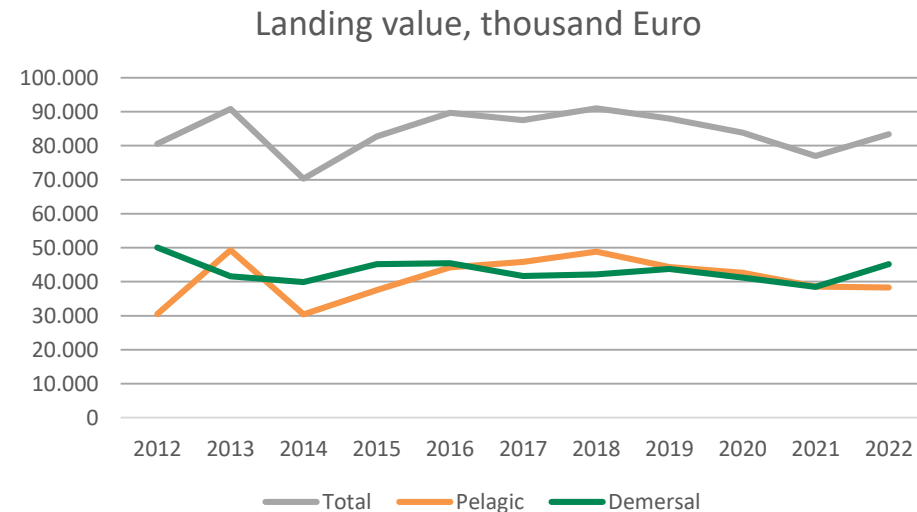
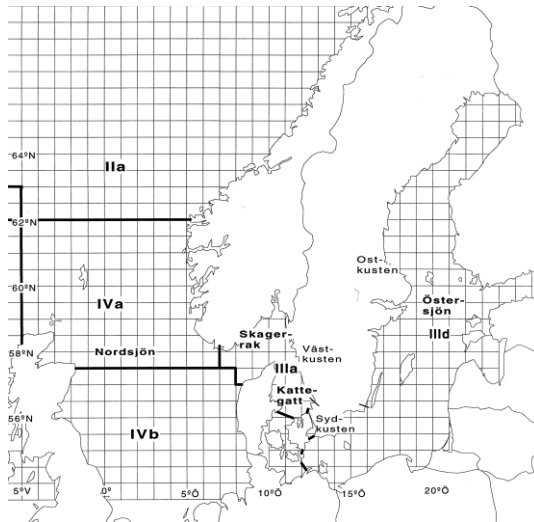
Outline

- Background to Swedish fisheries and fisheries management
 - Issues raised in the Swedish Pelagic ITQ system
- Demersal system with Individual Non-transferable Quotas
- Governmental assignment to propose demersal ITQ system
- Processing and local value chains
- Topics for ITQ design



Background - Swedish fisheries

- Pelagic fisheries
 - Herring, sprat, mackerel
- Demersal fisheries
 - Northern Prawn, Norway Lobster
 - About 15 other quota species (cod, haddock, saith)



Background - Swedish fisheries

- Fleet and employment statistics 2020
 - 1000 vessels
 - 700 full time employees
 - 170 000 tons landed
 - € 80 million landing value
- Regionally important
 - Not least for cultural values
 - Fishing communities losing their last vessel (Waldo and Blomquist, 2020)?
- Small stocks
 - Cod moratorium since 2019 in the Baltic Sea
 - The EU commission has proposed closing targeted fisheries for most Baltic Sea herring stocks in 2024



Background - Management of Swedish Pelagic Fisheries

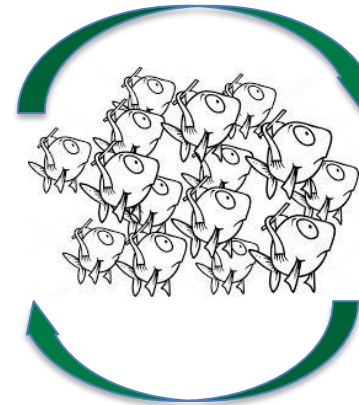
- ITQs since 2009
 - Regional quotas
 - Coastal quotas
 - Quota caps
- Issues discussed
 - Vessels too large for Swedish harbours
 - Fish for reduction (landed in Denmark)
 - ICES advice (MSY) problematic for Swedish Baltic Sea herring fisheries?



Photo: Staffan Waldo

Leasable individual quotas in demersal fisheries

- Possible to lease quotas during the year
 - but not buy/sell quota shares
 - Adopted in 2017
- Aim of the system
 - Facilitate for individual fishers to comply with the EU's landing obligation by adapting their fishing opportunities
 - Ensure that entire fisheries do not have to stop due to shortages of common quotas (choke species)



Leasable quotas

- Vessels included
 - Demersal trawlers
 - Creel fisheries for Norway lobster
 - Vessels above 10 m
- Quota allocation based on catch history
- Quota caps
- Coastal quotas
- Results
 - “Quota vessels”
 - No early effect on economic outcomes (SwAM, 2020)
 - Reduced use of selective gear
 - Almost no binding quotas!

Species	Quota area	Concentration cap (%)
Saith	North Sea	9 %
Norwegian lobster	Skagerrak/Kattegatt	5 %
Haddock	Skagerrak/Kattegatt	15 %
Shrimp	Skagerrak/Kattegatt	Vessel class A-C: 4 % Vessel class D-E: 8 %
Cod	Skagerrak	8 %
Cod	Kattegatt	13 %
Cod	Western Baltic Sea (ICES areas 22-24)	11 %
Cod	Eastern Baltic Sea (ICES areas 25-32)	8 %
Whiting	Skagerrak/Kattegatt	9 %

Quota utilization in pelagic vs. demersal fisheries

Pelagic ITQ system		
Species	Area	Quota utilization*
Herring	Baltic (all subareas)	100 %
Herring	North Sea	100 %
Herring	Skagerrack	76 %
Sprat	Baltic	82 %
Sprat	North Sea	100%
Sprat	Skagerrack	85 %
Mackerel	North Sea	100%

Demersal system		
Species	Area	Quota utilization*
Shrimp	Skagerrack	96 %
Sole	Skagerrack	56 %
Norw. lobster	Skagerrack	49 %
Haddock	Skagerrack	39 %
Plaice	Kategatt	13 %
Etc.		

* Not official quota utilization statistics, year 2019

ITQs to come?

- Swedish Agency for Marine and Water Management (SwAM)
 - Governmental assignment to propose ITQs (April 2024)
 - Aim of ITQs
 - Adjust fishing capacity to available fish resources
 - Increase economic outcome
 - Increase predictability
 - Provide better conditions for investments in environmentally friendly technology
 - with consideration taken to
 - Coastal fisheries
 - Regional fisheries
 - Local value chains
 - ...and other considerations “suggested by the managing authority”

ITQ restrictions to consider (SwAM, 2023)

- Quota caps
 - Regional quotas
 - Coastal quotas
 - Quotas for new fishers
 - Restrict trade between different gears (trawl, passive gears)
 - Vessel length restrictions for trade
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- ... but risk that “only a few vessels could trade with each other”



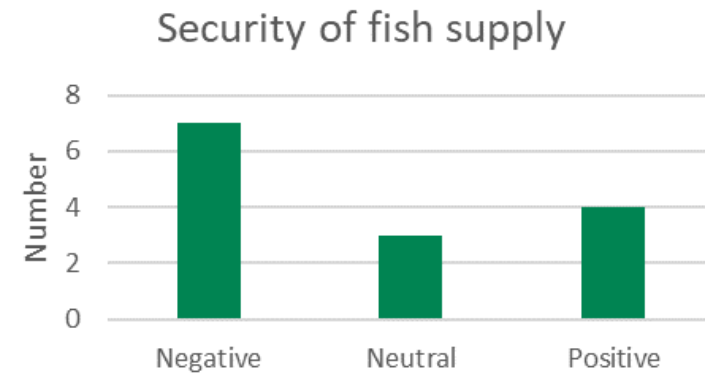
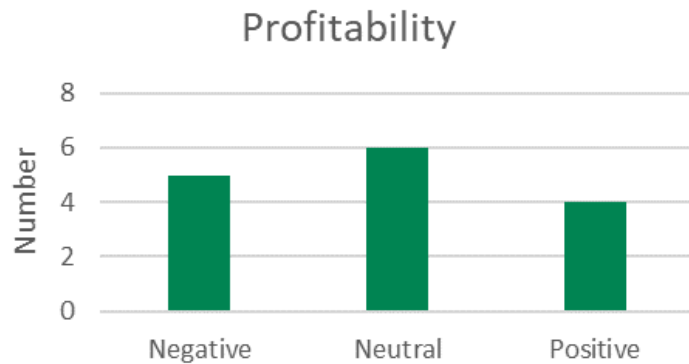
Maybe use extra quota allocations as incentives?

- Stakeholder meeting, SwAM September 2023
 - Suggested extra quota for
 - Training young fishers
 - Selective gears
 - Environmentally friendly engines
 - Local landings
 - ...etc.



Interviews with the processing industry

- how will ITQs affect you?



- Concerns about local/regional landings
 - Looking at the pelagic ITQ system where some processors experience problems with access to raw material
 - Fewer vessels “makes everything more vulnerable”
 - “Small harbours will suffer”

Experiences from other countries welcome!

- Systems for securing landings for “local value chains”?
 - Processors owning quotas?
- How should Baltic Sea cod quotas be allocated?
 - No targeted cod fisheries since 2019
 - Catch history from 2011-14, all vessels sold...
- Is price data for the quota trade important?
 - Examples of countries that collect data and how
 - Why do some countries not?



Thank you

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