



**DEPARTMENT OF FORESTRY, FISHERIES AND THE ENVIRONMENT**

**POLICY ON THE ALLOCATION AND MANAGEMENT OF COMMERCIAL FISHING RIGHTS IN THE  
SQUID FISHERY: 2021**

**THIS POLICY MUST BE READ WITH THE GENERAL POLICY ON THE ALLOCATION OF  
COMMERCIAL FISHING RIGHTS: 2021 AND THE POLICY FOR THE TRANSFER OF COMMERCIAL  
FISHING RIGHTS.**

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Policy on the Allocation and Management of Commercial Fishing Rights in the Squid Fishery: 2021

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## **PART A: INTRODUCTION**

### **1. Introduction**

- 1.1. This policy for the allocation and management of commercial fishing rights in the squid fishery (“the fishery”) is issued by the Minister of Forestry, Fisheries, and the Environment (“the Minister”) and shall be referred to as the “**Squid Fishery Policy: 2021**”. This Squid policy shall be read together with the General Policy: 2021 on the Allocation of Commercial Fishing Rights (the General Policy: 2021) and the Policy for the Transfer of Commercial Fishing Rights (Transfer Policy).
- 1.2. The Minister has delegated the Section 18 powers to allocate commercial fishing rights in terms of Section 79 of the Marine Living Resources Act 18 of 1998 (“the MLRA”) to a Senior Official of the Department of Forestry, Fisheries, and the Environment (the Department).
- 1.3. This Policy sets out objectives, criteria and considerations that will guide the allocation and management of Commercial Fishing Rights specific to the Squid Commercial Fishing sector, and serves to guide the Delegated Authority in taking decisions on applications in this fishery.

### **2. Profile of the fishery**

#### **2.1. Description of the fishery**

The Cape Hope squid (*Loligo reynaudii*), locally known as “chokka” squid, is a commonly occurring loligonid that occurs around the Southern African coast from Namibia to the Wild Coast off the Eastern Cape. Chokka is the target of a boat-based, dedicated local commercial jig fishery that operates mainly between the Cape of Good Hope and Port Alfred. The chokka squid fishery is capital intensive and investments in vessels and fish processing establishments are very important. The fishery is fairly stable and provides employment for approximately 3 000 people locally. The fishery is believed to generate in excess of R480 million in a good year and is South Africa’s fourth largest fishery in monetary terms. Chokka are frozen at sea in small blocks. They are landed mainly between Plettenberg Bay and Port Alfred and exported whole to European countries, most notably Italy.

## 2.2. History of the fishery

- 2.2.1. Chokka squid has been used as bait by linefishers for many years. The species is also landed as by-catch in the demersal trawl fisheries. In the 1960s and 1970s, the squid resource was heavily exploited by foreign fleets. During this period, squid was caught predominantly by trawlers from the Far East. Foreign fishing activity was phased out during the late 1970s and early 1980s. This followed South Africa's declaration of an Exclusive Economic Zone ("EEZ"). Squid and other cephalopods, (i.e., other species of squid and Octopus), however, continued to be caught by South African trawlers. The squid by-catch in the demersal trawl fishery fluctuates between 200 tonnes and 800 tonnes annually.
- 2.2.2. A dedicated commercial jig fishery for squid was initiated in 1984. The jigs are operated by handlines, making this a particularly labour-intensive fishery. Catches in the jig fishery fluctuate monthly and annually. In the 1990s catches ranged between 1 900 tonnes and 7 400 tonnes per annum, and in the 2000s between 2 600 tonnes and 13 900 tonnes. In 2004 the squid jig fishery registered its highest catch of just below 14 000 tonnes. Departmental data indicates an increase in jig catches over the period 2001 to 2004, followed by catches stabilizing at approximately 9 000 tonnes between 2005 and 2008, and then increasing again to just over 10 000 tonnes in 2009 and 2010. After 2010, annual catches in both the jig and trawl fisheries declined, reaching an almost record low level in 2013, since the inception of the commercial jig fishery. It is encouraging to note that this declining trend subsequently reversed, increasing to over 13 000 tonnes in 2018. Between 1986 and 1988, a licensing system was introduced with a view to limiting the number of vessels participating in the fishery.
- 2.2.3. The chokka squid fishery is effort-controlled and was historically capped at a maximum of 2 422 crew with the number of vessels commensurate with the number of persons permitted to fish. The approved Squid Total Allowable Effort (TAE) for the 2021/2022 fishing season is 2 422 crew and 295 000 person-days. A mandatory five week closed season (October—November each year) has been implemented since 1988, with the intention of minimising disturbance to spawning squid and improving recruitment the following year. Furthermore, an additional closed season (in the range of three to five months duration) has been implemented since 2014 to guard against the TAE in person-days being exceeded.

2.2.4. The management objective for the chokka squid fishery is to cap effort at a level which secures the greatest catch, on average, in the longer term without exposing the resource to the threat of reduction to levels at which future recruitment success might be impaired or catch rates drop below economically viable levels. Effort in the chokka squid fishery is expressed in terms of person days. This is total number of days fished by all crew members in the fishery during a given fishing season.

### 2.3. Current resource users

During the 2013 rights allocation process rights were allocated to 93 applicants and an additional 8 rights were allocated through the appeal process amounting to a total of 101 Right Holders in the Squid commercial sector. Fishing occurs mostly in the inshore waters off the Eastern Cape, between Plettenberg Bay and Port Alfred. Squid is landed by the hake-directed demersal trawl fishery as by-catch. The resource is also used by recreational fishers, as well as in the commercial traditional linefish, hake-handline and tuna-pole sectors, which allow a maximum of 20 squid per person per day, for personal consumption, and may not be sold. The Small-Scale Fisheries (SSF) sector has also been allocated a portion of the Squid resource TAE. This is an effort managed fishery therefore, no upper catch limit is set for commercial fishing.

### 2.4. The biological status of the squid fishery

2.4.1. Chokka squid are fast growing, and their total lifespan is less than two years. Sexual maturity is attained approximately within one year of hatching or less. The maximum observed mantle lengths are 48 centimetres for males and 28 centimetres for females. Squid reproduce throughout the year with a peak in summer, and areas where reproductive activity occurs are influenced largely by environmental conditions. Spawning occurs on the seabed, mostly in inshore areas of less than 60 m depth, and occasionally in deeper waters. The chief prey items for squid include fish and crustaceans, but they also sometimes feed on other cephalopods, and cannibalism is fairly frequent. The abundance of squid fluctuates widely, mainly due to biological factors such as spawning distribution and survival rates of hatchlings and juveniles, and environmental factors such as temperature, currents, turbidity, and macro-scale events such as *El Niños*.

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2.4.2. Chokka squid is a crucial component of the inshore ecosystem of South Africa as the 4<sup>th</sup> largest fishery in the country. Some adaptive measures to climate change should potentially be incorporated into the management of the fishery (Augustyn et al 2015). The species response to climate change will require specific research locally before we can fully grasp potential impacts of global climate change.

### 3. The 2013 fishing rights allocation process

- 3.1. During the 2005 Long Term Rights Allocation Management Process (LTRAMP), it was noted that the calculation of an effort limitation for the chokka squid fishery had to be expressed in terms of the number of person-days permitted in the fishery. However, the conversion of person-days to a more practical equivalent number of persons (“fishers”), proved problematic. At that time, there were over 2 000 persons actively engaged in the squid fishery and it was noted that if re-allocated Rights amounted to about the same number of crew, then the days spent at sea would also be limited to less than the average (150 days at that time), so as not to exceed the then recommended effort level of 300 000 person-days. However, such a limitation was not formally recommended at the time as it was envisaged that the allocation process would result in fewer rights being granted than was the case. Upon finalisation of LTRAMP, however, it was clear that the reduction in rights was not realised, and the final number of crew allocated amounted to 2 422 fishers.
- 3.2. Prior to the 2013 Fishing Rights Allocation Process (FRAP) in the Squid sector, it was both necessary and important for the process to take place on a self-consistent basis so that the allocations were in line with the appropriate level of fishing effort for the resource as indicated by the then updated assessment results (i.e. a target level of 250 000 person-days). This was particularly important given the intention of the Department to extend Rights allocations to include Small Scale Fishers. A process was required to ensure the Rights allocation was effected in a way that respected the fishing limitations.
- 3.3. In 2013 it was explained that if, for example, all those who are allocated Rights fished for a realistic maximum number of days a year (e.g., 210 days per Right Holder), and Rights continued to be granted to 2 422 fishers, then the effort expended would amount to approximately 509 000 person-days. This would greatly exceed the recommended target effort level of 250 000 person-days, which would have severe adverse long-term consequences for the fishery. Consequently, it was recommended, in the

absence of updated data on the number of persons granted fishing Rights (pending the appeals process), that the then current target effort level of 250 000 person-days translated to 1 190 commercial fishers, based on a realistic maximum number of 210 sea days per Right Holder.

- 3.4. In subsequent amendments to the 2013 assessment, the average number of days spent at sea per squid fishing vessel was calculated at 150 days. It was noted that if an additional closed season of four (4) weeks was introduced, this would likely reduce the number of sea days to about 140. Based on this assumption, an effort level of 250 000 person-days would translate to 1 786 commercial fishers. Furthermore, if Rights were to be allocated on 75:25 ratios to commercial: small scale fishers, accommodating new entrants at the small scale fisheries level would necessitate a reduction in the number of commercial fishers to 1 339. However, on conclusion of the 2013 Rights allocation process, 2 443 commercial fishers were allocated squid fishing Rights and Small-Scale fishers were yet to be accommodated under the Small-Scale Fisheries allocation process.
- 3.5. After having considered all the representations by the public, the Director-General, as the delegated authority in terms of the Marine Living Resources Act, 1998 decided in terms of section 14(2), to apportion fifteen percent (15%) of the Squid Total Allowable Effort to the Small-Scale Fisheries sector and 85% of the Squid Total Allowable Effort to the commercial sector.
- 3.6. The apportionment took effect from the start of the 2021/22 squid fishing season and will be reviewed at the beginning of every fishing season with the view of increasing the apportionment of the Small-Scale Fisheries sector from a minimum of 15% to a maximum not exceeding 25%, without exceeding the recommended target effort level.

#### **4. Objectives**

This policy recognises the need to ensure the optimal, long-term and justifiable use of marine living resources in order to ensure sustainable development of the fishing sector to achieve inclusive economic growth, to achieve the objectives and principles as listed in Section 2 of the MRLA through the Marine Living Resources Fund (MLRF) and to create sustainable employment consistent with the development objectives of National Government. In terms of the Marine Living Resources Act, 1998,

the responsible authorities are obliged to achieve optimum utilisation and ecological sustainable development of marine living resources; conserve marine living resources for both present and future generations; apply precautionary approaches in respect of the management and development of marine resources; utilise marine living resources to achieve economic growth, human resource development, capacity building within fisheries and mariculture sectors, employment creation and a sound ecological balance consistent with the development objectives of the national government; protect the ecosystem as a whole, including species which are not targeted for exploitation; preserve marine biodiversity, and to minimise marine pollution.

The objectives of the Squid Fishery Policy: 2021 are to:

- (a) Set out the criteria for the assessment (exclusionary and balancing criteria) of applications for the allocation of commercial fishing rights in the squid fishery.
- (b) Promote meaningful transformation and growth in the Squid fishery in terms of factory ownership, export, value adding and diversification of squid products, vessel ownership and management, development of skills for skippers, crew and shore personnel.
- (c) Increase of the overall transformation profile of the fishery through consideration of specific demographic groups with a focus on Designated Groups, women and persons with disability in allocation of commercial fishing rights to successful applicants.
- (d) Adherence to Basic Conditions of Employment Act 75 of 1995, Labour Relations Act 66 of 1995 and the Merchant Shipping Act 57 of 1951.
- (e) Ensure sustainable utilisation of the squid resource through:
  - I. allocation of fishing rights who are reliant on squid as their main source of income and employment;
  - II. persons who are prioritised based on National demographics;
  - III. determination of TAE or input control;
  - IV. Permitting;
  - V. Law enforcement and Observer at sea and land-based monitoring; and
  - VI. other provisions provided for by the MLRA, Regulations, the General Policy: 2021, this Policy etc.

## PART B: COMMERCIAL FISHING RIGHTS ALLOCATION PROCESS

### 5. Application for commercial fishing rights

The process of submitting applications for the allocation of commercial fishing rights in the squid fishery is as outlined in the General Policy: 2021.

### 6. EVALUATION CRITERIA

Applications will be screened in terms of a set of “exclusionary criteria”, and thereafter assessed in terms of a weighted set of “comparative balancing criteria”. A cut-off score will then be determined to select the successful applicants.

#### 6.1 Exclusionary criteria

Apart from the criteria described in the General Fisheries Policy pertaining to the lodgement of the applications and material defects, the Delegated Authority will exclude applicants that fail to meet the following requirements:

- (a) **Compliance:** Applicants, including their Directors, Senior Management, Shareholders or Members (where such shareholding or members’ interest exceeds 10%) or Skippers that have been convicted of an offence in terms of the MLRA, the Regulations or permit conditions will not be allocated a Squid fishing right. This does not include the payment of an admission of guilt fine. Applicants, including their Directors, Senior Management, Shareholders or Members (where such shareholding or members’ interest exceeds 10%) or Skippers that have had a fishing right cancelled, suspended or revoked in terms of the MLRA, or the Regulations or permit conditions, or assets seized under the Prevention of Organised Crime Act 21 of 1998 or the MLRA, will be excluded.
- (b) **Paper Quotas:** Applicants who apply for rights under FRAP 2021, and who are found to be Paper quota holders as defined in the General Fisheries Policy of 2021 will be excluded.
- (c) **Fronting:** Applicants who apply for rights under FRAP 2021, and who are found to be engaged in Fronting as defined in the General Fisheries Policy of 2021 will be excluded.

It shall however be noted that all excluded applicants will be evaluated and assessed further against other remaining balancing criteria though they will not be allocated a commercial fishing right in this sector. This will be done for the purposes of generating scoresheets for such excluded applicants.

## **6.2 Comparative Balancing Criteria**

Applicants will be evaluated in terms of the following balancing criteria, which will be weighted to assess the strength of each application. The criteria stated below must be read with the corresponding criteria in the General Fisheries Policy for further detail. Weighting and scoring criteria will be developed for Categories A, B and C applicants separately and the relative weight of each criterion will differ between Categories. For all categories, investment in the sector and access to infrastructure will be heavily weighted with job creation and sustainable employment, value adding and enterprise development, transformation, and performance also important. Whilst being mindful of the dynamics of the sector which has been established under the previous long-term rights in respect of investment, performance, economic stability and business growth, the Department will consider the inclusion of new entrants to comply with section 2 Objectives and Principles, as well as section 18(5) of the MLRA of the Department.

### **(a) Balancing criteria: Category A / previous right holder applicants**

#### **(i) Compliance**

- (a) The minor violation period regarding the applicant's conviction of an offence under the MLRA, or the regulations or permit conditions referred to in paragraph 7.1.5 (a)(i) of the General Policy: 2021 shall be from the year 2014 to 2020.
- (b) The minor violation period regarding the applicant's payment of an admission of guilt fine only for a contravention of the MLRA, the regulations, or the permit conditions referred to in paragraph 7.1.5(a)(ii) of the General Policy: 2021 shall be from the year 2014 to 2020.
- (c) The minor violation period regarding the applicant's fishing right or permit suspension or reduction referred to in paragraph 7.1.5(a)(iii) of the General Policy: 2021 shall be from the year 2014 to 2020.

- (d) The substantive violations period regarding the applicant having entered a plea bargain under the Criminal Procedure Act 51 of 1977, for a contravention of the MLRA, or the regulations, or permit conditions referred to in paragraph 7.1.5(a)(iv) of the General Policy: 2021 shall be from the year 2014 to 2020.
  
- (e) The substantive violations period regarding the applicant's fishing vessel, motor vehicle, premises or any of the applicant's assets seized under the MLRA or forfeited under the Prevention of Organised Crime Act 121 of 1998 referred to in paragraph 7.1.5(a)(v) of the General Policy: 2021 shall be from the year 2014 to 2020.

**(ii) Access to suitable vessel**

(a) A suitable vessel referred to in paragraph 7.1.6 (a) and (b) of the General Policy: 2021 shall in the squid fishery be one that is:

- (1) a commercial fishing vessel that is equipped with gear to catch squid, using the jigging method and has suitable overnight facilities for crew members in terms of SAMSA Merchant Shipping Regulations.
- (2) HACCP compliant and meets the National Regulator for Compulsory Specifications (NRCS) requirements and specifications to store and freeze squid.
- (3) of a minimum SAMSA registered length of eleven (11) metres and a crew capacity of up to 12 crew.
- (4) of a maximum SAMSA registered length of thirty-two (32) metres with a maximum crew capacity of 32 crew.

**(iii) Fishing performance**

In addition to what is prescribed in the General Policy: 2021, an applicant will be awarded a weighted score based on:

- (a) Number of crew utilised out of total crew (TAE) allocated during the validity of the commercial squid right that was allocated in the previous 2013 Fishing Rights Allocation Process.
- (b) Number of person's days utilised out of the total number of person's days (TAE) that were allocated during the validity of the commercial squid right that was allocated in the previous 2013 Fishing Rights Allocation Process.

(b) **Balancing criteria: Category B applicants**

(i) **Compliance**

- (a) The period regarding the applicant's conviction of an offence under the MLRA, or the regulations or permit conditions referred to in paragraph 7.2.5 (a) of the General Policy: 2021 shall be from the year 2014 to 2020.
- (b) The period regarding the applicant having entered a plea bargain under the Criminal Procedure Act 51 of 1977, for a contravention of the MLRA, or the regulations, or permit conditions referred to in paragraph 7.2.5 (b) of the General Policy: 2021 shall be from the year 2014 to 2020.
- (c) The period regarding the applicant's payment of an admission of guilt fine only for a contravention of the MLRA, the regulations, or the permit conditions referred to in paragraph 7.2.5(a)(ii) of the General Policy: 2021 shall be from the year 2014 to 2020.
- (d) The period regarding the applicant's fishing vessel, motor vehicle, premises or any of the applicant's assets seized under the MLRA or forfeited under the Prevention of Organised Crime Act 121 of 1998 referred to in paragraph 7.2.5(a)(v) of the General Policy: 2021 shall be from the year 2014 to 2020.

(ii) **Access to suitable vessel**

- (a) A suitable vessel referred to in paragraph 7.2.6 (a) and (b) of the General Policy: 2021 shall in the squid fishery be one that is:
- (1) a commercial fishing vessel that is equipped with gear to catch squid, using the jigging method, equipped with no more than two anchors and has suitable overnight facilities for crew members in terms of SAMSA merchant shipping regulations.
  - (2) HACCP compliant and meets the National Regulator for Compulsory Specifications (NRCS) requirements and specifications to store and freeze squid.

(3) of a minimum SAMSA registered length of eleven (11) metres and a crew capacity of up to 12 crew.

(4) of a maximum SAMSA registered length of thirty-two (32) metres with a maximum crew capacity of 32 crew.

**(c) Balancing criteria: Category C / new entrant applicants**

**(i) Compliance**

(a) The period regarding the applicant's conviction of an offence under the MLRA, or the regulations or permit conditions referred to in paragraph 7.3.4 (a) of the General Policy: 2021 shall be from the year 2014 to 2020.

(b) The period regarding the applicant having entered a plea bargain under the Criminal Procedure Act 51 of 1977, for a contravention of the MLRA, or the regulations, or permit conditions referred to in paragraph 7.3.4 (b) of the General Policy: 2021 shall be from the year 2014 to 2020.

(c) The period regarding the applicant's payment of an admission of guilt fine only for a contravention of the MLRA, the regulations, or the permit conditions referred to in paragraph 7.3.4 (c) of the General Policy: 2021 shall be from the year 2014 to 2020.

(d) The period regarding the applicant's fishing vessel, motor vehicle, premises or any of the applicant's assets seized under the MLRA or forfeited under the Prevention of Organised Crime Act 121 of 1998 referred to in paragraph 7.3.4 (d) of the General Policy: 2021 shall be from the year 2014 to 2020.

**(ii) Access to suitable vessel**

(a) A suitable vessel referred to in paragraph 7.3.6 (a) and (b) of the General Policy: 2021 shall in the squid fishery be one that is:

- (1) a commercial fishing vessel that is equipped with gear to catch squid, using the jigging method, equipped with no more than two anchors has suitable overnight facilities for crew members in terms of SAMSA merchant shipping regulations.
- (2) HACCP compliant and meets the National Regulator for Compulsory Specifications (NRCS) requirements and specifications to store and freeze squid.
- (3) of a minimum SAMSA registered length of eleven (11) metres and a crew capacity of up to 12 crew.
- (4) a maximum SAMSA registered length of thirty-two (32) metres with a maximum crew capacity of 32 crew.

## 7. Granting of Commercial Fishing Rights

Commercial fishing rights in the Squid fishery are granted in terms of Section 18 of the MLRA. Unless otherwise determined by the Minister, only South African persons shall be granted and/or hold Rights in terms of Section 18 of MLRA.

### 7.1. Form of Right Holder in the Squid fishery under the commercial sector

Having regard to the nature of operations and resource accessibility the following South African persons will be considered for a right in the Squid fishery:

- (a) Close Corporations (legal entity).
- (b) Companies (legal entity).

### 7.2. Duration of Rights

Having regard to the Rights Allocation Process, and the need to encourage investment, a Fishing Right in the Squid fishery under the commercial fishing sector will be granted for a period of 15 years, thereafter, it shall automatically terminate and revert back to the State.

**8. Multi-sector involvement**

- 8.1. Right-holders in the Squid fishery under the commercial sector are not precluded from holding rights in any other sectors and is in line with paragraph 7.1.1 (a) and (b) of the General Policy: 2021.

**9. Application and Grant-of-Right fees**

- 9.1. Applicable fees have been published in the Government Gazette No. 39451, Volume No. 605, 25 November 2015, separately in terms of section 25 of the MLRA.
- 9.2. The application fee is payable upon submission of an application and is non-refundable.
- 9.3. The grant-of-right fee is payable by all successful applicants within 60 days of the granting of the right.

**10. Transfer of Commercial Fishing Rights and/or Shares and/or Members' interests in the squid fishery.**

- 10.1. In terms of Section 21 of the MLRA the Minister may approve the transfer of Fishing Rights in whole or in part. However, Rights granted in the fishery in terms of Section 18 or Section 21 of the MLRA shall not be transferred within the first three (3) years of being granted. Rights granted in this fishery shall not be transferred within the last two (2) years before the right expires.
- 10.2. Commercial Right Holders in the Squid fishery shall in transferring their Squid Commercial Fishing Rights or parts thereof (e.g., a portion of their allocated crew and/or apportioned TAE and/or shares and/or members' interests) adhere to the provisions of Section 21 of the MLRA and the Policy for the Transfer of Commercial Fishing Rights or Rights or Parts thereof ("the Transfer Policy").
- 10.3. Any transfer of shares or members' interest resulting in change in control and/or reduction in transformation profile as at the date of allocation of the commercial fishing rights or change in minority shareholding or members' interest should be dealt with in light of the Transfer Policy.

- 10.4. A notification of transfer of shares or members' interest must be served on the Department within 30 days of such sale or transfer or any time-period set in applicable permit conditions in all cases in which shares or a member's interest in a right holder are sold or transferred. In addition, the Department's approval is required for all cases in which the sale or transfer of shares or a member's interest in a right holder result in a change of control of the entity, or in the entity being less transformed than it was at the date on which rights are allocated, with particular regard to any decrease in black ownership of such entity.
- 10.5. Right Holder in this Fishery should refer to the Transfer Policy for more information. In case there are conflicting provisions relating to the transfer of commercial fishing rights or rights or parts thereof between this Policy and the Transfer Policy, the provisions of the Transfer Policy shall take precedence.

## **11. Management Measures Sustainable utilisation of the squid resource**

### **11.1. TAE or input control**

- (a) The Squid TAE to be allocated to existing fishing sectors thereof shall be determined annually or seasonally in terms of the provisions of Section 14 of the MLRA.
- (b) Ten percent (10%) of the determined portion of the Squid commercial TAE may be reserved for appeals during the rights allocation process.
- (c) Closed season for squid shall be determined annually and set for the squid fishery to prevent the determined TAE from being exceeded, and/or
- (d) The determined portion allocated to the Squid fishery in the commercial fishing sector shall be apportioned proportionally to rights holders allocated commercial fishing rights in the squid fishery.

**11.2. Permitting**

- (a) The successful rights holders in the Squid fishery under the commercial sector will be required to apply for and fish permits in terms of the provisions of Section 13 of the MLRA to exercise commercial Rights granted in terms of the provisions of Section 18 of the MLRA, the General Policy: 2021, this Policy, and the Transfer Policy.
- (b) The vessel owner shall apply for a vessel-based Fish Processing Establishment (FPE) permit in terms of the provisions of Section 13 of the MLRA to exercise their commercial rights granted in terms of the provisions of Section 18 of the MLRA, the General Policy:2021, this Policy, and the Transfer Policy.
- (c) The permit will, in terms of Section 13, be issued together with the permit conditions.

**11.3. Law enforcement**

- (a) The permit holders will be required to adhere to the provisions of the MLRA and its Regulations, the relevant Policies, and the permit conditions in exercising their Rights.

**12. Observer at sea and land-based monitoring**

- 12.1. The Department considers that a shore-based monitoring programme is the most suitable programme to collect data from the fishery. On board observer coverage or electronic monitoring (EM) may become mandatory and successful applicants should be responsible for bearing the related cost. The Department will work with RH's and industry associations to enhance and possibly automate at-sea monitoring, offloading (inspection of any other species landed) and data capturing through the use of technology (cameras).

**13. Contraventions**

- 13.1. Failure to comply with the provisions of the MLRA, the Regulations, the permit conditions, the General Policy: 2021, Squid Policy: 2021 and the Transfer Policy should result in the institution of legal proceedings (civil or criminal), including but not limited to proceedings in terms of section 28 of the MLRA.

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- 13.2. A breach of the provisions of other related acts included in the Permit conditions by the Right Holder, or their employees (whether permanent, full-time or part-time), their contractors, agents or advisers and the skipper of the vessel; may result in the initiation of legal proceedings, (which may include initiation of section 28 proceedings in terms of the MLRA and or criminal proceedings).
- 13.3. A failure to utilise their Squid commercial Fishing Right for two fishing seasons without any reasonable explanation; may result in the initiation of legal proceedings (which may include initiation of Section 28 proceedings in terms of the MLRA and or criminal proceedings).

#### **14. Monitoring and evaluation of the policy**

- 14.1. The Department will monitor and evaluate the final policy by instituting a number of formal performance measuring exercises for the duration of the 15-year period. It is envisaged that the first set of performance measuring exercises will take place after seven (7) years from the date of finalisation of the appeals.
- 14.2. Although the Department will finalise the precise criteria against which right-holders will be measured after the allocation of commercial fishing rights - and after consulting with right-holders - the following broad performance-related criteria may be used:
- (a) Transformation.
  - (b) investment in vessels and gear.
  - (c) bycatch mitigation compliance with applicable laws and regulations.
- 14.3. South Africa has not been immune from the negative impacts of climate change on fisheries resources and communities who depend on fisheries for their livelihoods. The impacts of climate change may be addressed through adoption of adaptation and mitigation measures in the fishing sector. Research and ongoing monitoring by both the Department and stakeholders will play an important role in identifying gaps, weaknesses and flaws in existing fisheries policies and management measures.

- 14.4. South Africa has published the National Plan of Action for the Conservation and Management of Sharks (NPOA-Sharks) and the National Plan of Action for Reducing the Incidental Catch of Seabirds in Longline Fisheries (NPOA-Seabirds). The NPOA-Sharks and NPOA-Seabirds applies amongst others, to the fisheries that catch and land sharks and seabirds as targeted species or non-targeted species (by-catch). In order to achieve the optimum utilisation and ecological sustainable development of marine living resources, South Africa will implement the NPOA-Sharks of Action in all the identified fisheries to ensure that the ecosystem is protected, and fishing strategies are consistent with the principles of biological sustainability and rational long-term economic use.
- 14.5. During the performance measuring exercise, any Right Holder that has been found to have contravened any condition upon which the Right was granted for, may result in the initiation of legal proceedings, (which may include initiation of section 28 proceedings in terms of the MLRA and or criminal proceedings).

#### **15. Repeal**

This Policy on the Allocation and Management of Commercial Fishing Rights in the Squid Fishery: 2021 repeals the Policy for the Allocation and Management of Commercial Fishing Rights in the Squid Fishery: 2013

~ END ~