



**planning, monitoring  
& evaluation**

Department:  
Planning, Monitoring and Evaluation  
REPUBLIC OF SOUTH AFRICA



**agriculture,  
forestry & fisheries**

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**SOCIO-ECONOMIC IMPACT ASSESSMENT SYSTEM  
(SEIAS)  
INITIAL IMPACT ASSESSMENT TEMPLATE (PHASE 1)  
2018**

**The Initial Impact Assessment of the General Policy on the Allocation and Management of Commercial Fishing Rights: 2013; Policy on the Allocation and Management of Fishing Rights in the Hake Deep-sea Trawl Fishery: 2005; Policy on the Allocation and Management of Fishing Rights in the Hake Longline Fishery: 2005; Policy on the Allocation and Management of Fishing Rights in the Small Pelagic Fishery: 2005; Policy on the Allocation and Management of Fishing Rights in the Tuna Pole-Line Fishery: 2013; Policy on the Allocation and Management of Fishing Rights in the Shark Demersal Fishery: 2013; Policy on the Allocation and Management of Fishing Rights in the Hake Handline Fishery: 2013; Policy on the Allocation and Management of Fishing Rights in the South Coast Rock Lobster Fishery: 2005; Policy on the Allocation and Management of Fishing Rights in the KwaZulu-Natal Prawn Trawl Fishery: 2013; Policy on the Allocation and Management of Fishing Rights in the Squid Fishery: 2013; Policy on the Allocation and Management of Fishing Rights in the Traditional Linefish Fishery: 2013; Policy on the Allocation and Management of Fishing Rights in the Oyster Fishery: 2013; Policy on the Allocation and Management of Fishing Rights in the White Mussel Fishery: 2013; Policy on the Allocation and Management of Rights to operate Fish Processing Establishments: 2015, Policy on the Transfer of Commercial Fishing Rights: 2009**

This Initial Impact Assessment aims to ensure that the policy is on the right track by requiring evaluation of alternative approaches. It should help drafters avoid finalising an inappropriate solution because they moved too quickly to select a strategy without adequately analysing the roots of the problem and considering alternative measures. It should facilitate a brainstorm about issues involved in the problem and full range of alternatives to deal with them.

## **1. The problem/ Theory of Change**

Rights in 12 commercial fishing sectors will be expiring in 2020 and revert to the State for re-allocation.

Should fishing rights not be re-allocated there will be no direct or indirect employment in fisheries and no economic returns unless exemptions are granted.

The number of South African persons (as defined in Section 1 of the Marine Living Resources Act, 1998 (Act No. 18 of 1998 (“the MLRA”)) showing interest in commercial fisheries is growing and this has been evident in the increased number of applications received during previous fishing rights allocation processes within the constraints of finite marine living resources.

The challenge of increased demand for finite marine living resources is further compounded by an increase in the number of non-compliant fishers involved in illegal, unreported and unregulated fishing (Baird 2006, Siwale 2016).

Section 2(j) on objectives and principles of the MLRA prescribe that the Minister and any organ of state shall in exercising any power under the MLRA, have regard to the need to:

- achieve optimum utilisation and ecologically sustainable development of marine living resources;
- utilise marine living resources to achieve economic growth, human resources development, capacity building within fisheries and mariculture branches, employing creation and sound ecological balance consistent with the development objectives of the national government; and
- restructure the fishing industry to address historical imbalances and to achieve equity within all branches of the fishing industry.

Under the MLRA, fishing rights are to be allocated or leased according to criteria determined by the Minister, to persons from historically disadvantaged sectors of society and to small and medium size enterprises, and, amongst others, should contribute towards their development and capacity building (Chapter 5 of the MLRA). The Department has since the Long-Term Rights Allocation Process after the promulgation of the MLRA made efforts successfully in terms of restructuring the fishing industry by granting rights in terms of section 18 of the MLRA to historically disadvantaged persons (The General Published Reasons (GPRs) on rights allocation). There is, however, still more room for improvement in terms of economic growth, human resources development and capacity building within the fishing

industry as the bulk of the historically disadvantaged persons are still not in full control of the management of their quota, operational costs, revenue and economic returns thereof.

The National Development Plan (NDP): Vision 2030 recognises that rural communities require greater social, economic and political opportunities to overcome poverty. It proposes amongst a three pronged strategy for rural development that for areas with greater economic potential, in particular, denser rural areas, the development and promotion of non-agricultural strategies such as the promotion of agro processing, tourism where appropriate, fisheries for coastal areas and small enterprise development.

1.1. What is the **social or economic problem** that you are trying to solve?

- Increase in demand for access to long-term renewable marine living resources which are limited and may not recover if overfished.
- The future of South African fishing industry is threatened by illegal activities that impact throughout the value chain. These illegal activities include but are not limited to cases of corruption, fronting, organised crime or syndicates, illegal, unreported and unregulated (IUU) fishing.
- The commercial fishing sector is not economically transformed, though it may appear to be fully transformed in terms of demographic representation in the fishing industry and the apportionment of the commercial Total Allowable Catch (TAC) or Total Allowable or Applied Effort (TAE) or a combination thereof. Historically disadvantaged persons are not actively involved in the management of marketing, operational costs, revenue and profits from the sale of fish and fish products to the global market. The Department is yet to finalize the appointment of members to serve in the Fisheries Transformation Council (FTC) which will amongst other things assist in the development and capacity building of persons from historically disadvantaged sectors of society and small and medium size enterprises in terms of the provisions of Part Five: FTC of the MLRA.

1.2. What are the main causes of the problem? That is why the problem arise and why does it persist?

Identified Problem	Main Causes of the Problem	Why the problem arises and why does it persist?
<p>Increased demand for access to long-term renewable marine living resources which are limited and may not recover if overfished.</p>	<ul style="list-style-type: none"> <li>• Increase in global demand.</li> <li>• Increase in economic returns.</li> </ul>	<ul style="list-style-type: none"> <li>• Well established South African fishing industry value chain, which is worth around R8 billion a year, directly employs 28 000 people and contributes less than 1% to the Gross Domestic Product (GDP) (Paper on South African Fisheries and the SADC-EU Economic Partnership Agreement, 2017).</li> <li>• Over reliance on fishing sector by coastal communities as economic activity.</li> <li>• High and constantly increasing demand in fish consumption globally.</li> <li>• The national marine living resources are finite, therefore, the country needs to supplement its resources with imported fish products in order to sustain global demand,</li> </ul>

Identified Problem	Main Causes of the Problem	Why the problem arises and why does it persist?
		thereby increasing economic returns.
<p>The future of South African fishing industry is threatened by illegal activities that impact throughout the value chain. These illegal activities include but are not limited to cases of corruption, fronting, organised crime or syndicates, illegal, unreported and unregulated (IUU) fishing.</p>	<ul style="list-style-type: none"> <li>• Appreciable economic returns or benefits from finite marine living resources.</li> <li>• Poor or lack of consequence management practices in dealing with persons that are involved in illegal fishing activities.</li> </ul>	<ul style="list-style-type: none"> <li>• Scarcity or finite marine living resources to sustain high local and global demand.</li> <li>• Growth and wealth of certain groups involved in illegal fishing activities and lack of punitive penalties thereof attracts more people to be involved in illegal fishing activities and promoting a “culture of non-compliance” with which there is little or no moral obligation to comply (Branch and Clark, 2006).</li> <li>• Non-compliant fishermen apparently mistrusting of fisheries regimes (Sundstrom 2013)</li> <li>• Partially effective law enforcement by responsible authorities to curb illegal fishing.</li> </ul>
<p>The commercial fishing sector is not economically transformed, though it may</p>	<ul style="list-style-type: none"> <li>• Lack of corroborative active participation of all relevant persons from</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of willingness to meaningfully share</li> </ul>

<b>Identified Problem</b>	<b>Main Causes of the Problem</b>	<b>Why the problem arises and why does it persist?</b>
<p>appear to be fully transformed in terms of demographic representation in the fishing industry and the apportionment of the commercial Total Allowable Catch (TAC) or Total Allowable or Applied Effort (TAE) or a combination thereof. Historically disadvantaged persons are not actively involved in the management of marketing, operational costs, revenue and profits from the sale of fish and fish products to the global market. The Department is yet to finalize the appointment of members to serve in the Fisheries Transformation Council (FTC) which will amongst other things assist in the development and capacity building of persons from historically disadvantaged sectors of society and small and medium size enterprises in terms of the provisions of</p>	<p>the demographic groups in the value chain of fisheries.</p> <ul style="list-style-type: none"> <li>• Lack of structured capacity building and awareness programmes regarding economic transformation of the fishing industry and implementation thereof.</li> <li>• FTC was set up and later abolished.</li> </ul>	<p>resources and economic returns.</p> <ul style="list-style-type: none"> <li>• Failure by DAFF to maintain the FTC.</li> </ul>

Identified Problem	Main Causes of the Problem	Why the problem arises and why does it persist?
Part Five: FTC of the MLRA.		

1.3. Whose behaviours give rise to the problem, and why does that behaviour arise? Remember that several groups including some in government may contribute to the identified problem. Their behaviour may arise, amongst others, because the current rules are inappropriate; because they gain economically from the behaviour; or because they are convinced that they are doing the right thing. Identifying behaviours that cause the problem should point to the behaviours that must be changed in order to achieve the desired solution.

Identified Problem	Behaviour giving rise to the identified problem	Groups whose behaviour give rise to the identified problem?	Why does the behaviour arise?
Increase demand for access to long term renewable marine living resources which are limited and may not recover if overfished.	<ul style="list-style-type: none"> <li>• High expectation from the general public arising from misperceptions about the limited marine living resources and economic returns associated thereof.</li> </ul>	<ul style="list-style-type: none"> <li>• Legal Fishers.</li> <li>• Illegal fishers.</li> <li>• Fish Processing Establishments/Factories.</li> <li>• Government.</li> <li>• Importers and exporters.</li> </ul>	<ul style="list-style-type: none"> <li>• Inaccurate communication.</li> <li>• Unrealistic expectations based on observed success of some Fisheries Right Holders.</li> </ul>

Identified Problem	Behaviour giving rise to the identified problem	Groups whose behaviour give rise to the identified problem?	Why does the behaviour arise?
<p>The South African fishing industry is faced with illegal activities happening throughout the value chain. These illegal activities include but are not limited to cases of corruption, fronting, organised crime or syndicates, illegal, unreported and unregulated (IUU) fishing.</p>	<ul style="list-style-type: none"> <li>• Belief that people can make money through illegal activities without being caught and punished.</li> </ul>	<ul style="list-style-type: none"> <li>• Legal Fishers.</li> <li>• Illegal fishers.</li> <li>• Fish Processing Establishments/Factories.</li> <li>• Government.</li> <li>• Importers and exporters.</li> <li>• Vessel owners / Skippers.</li> </ul>	<ul style="list-style-type: none"> <li>• If caught doing illegal activities one can bribe their way out, win court cases, or pay admission of guilt fine.</li> <li>• Demand for fish and fish products. a “culture of non-compliance” with which there is little or no moral obligation to comply (Branch and Clark, 2006).</li> </ul>
<p>The commercial fishing sector is not economically transformed, though it may appear to be fully transformed in terms of</p>	<ul style="list-style-type: none"> <li>• Greed.</li> <li>• Fronting with historical disadvantaged individuals.</li> <li>• Ability to identify loopholes in</li> </ul>	<ul style="list-style-type: none"> <li>• Fish processors.</li> <li>• Fish marketers.</li> <li>• Fish brokers or agencies.</li> <li>• Company owners.</li> </ul>	<ul style="list-style-type: none"> <li>• Profit.</li> <li>• Policies or political failure to address difficult issues pertaining to economic performance</li> </ul>

Identified Problem	Behaviour giving rise to the identified problem	Groups whose behaviour give rise to the identified problem?	Why does the behaviour arise?
<p>demographic representation in the fishing industry and the apportionment of the commercial Total Allowable Catch (TAC) or Total Allowable Effort (TAE) or a combination thereof. Historically disadvantaged persons are not actively involved in the management of marketing, operational costs, revenue and profits from the sale of fish and fish products to the global market. The Department is yet to finalize the</p>	<p>the allocation criteria through past experience in rights allocation processes and taking advantage thereof. Denying historical disadvantaged individuals of access to social justice – such as financial resources, economic opportunity, quality education, and political participation which impact on social cohesion (Chipkin and</p>		<p>and social welfare or past social injustices (Gavin, 2014).</p> <ul style="list-style-type: none"> <li>• Failure by DAFF to properly implement the provisions of Part 5 of the MLRA on transformation council which gives directives on management of transformation of the fishing industry.</li> </ul>

Identified Problem	Behaviour giving rise to the identified problem	Groups whose behaviour give rise to the identified problem?	Why does the behaviour arise?
<p>appointment of members to serve in the Fisheries Transformation Council (FTC) which will amongst other things assist in the development and capacity building of persons from historically disadvantaged sectors of society and small and medium size enterprises in terms of the provisions of Part Five: FTC of the MLRA.</p>	<p>Meny-Gibert, 2013; Chipkin; Meiring <i>et al.</i> 2018).</p>		

1.4. Identify the major social and economic groups affected by the problem, and how are they affected. Who benefits and who loses from the current situation?

Identified Problem	Groups (Social/Economic)	How are they affected by the identified problem?	Are they benefitting or losing from the current situation?
Increase demand for access to long-term renewable marine living resources which are limited and may not recover if overfished.	<ul style="list-style-type: none"> <li>• Fishers.</li> </ul>	<ul style="list-style-type: none"> <li>• Increased poverty, frustration and marginalisation.</li> </ul>	<ul style="list-style-type: none"> <li>• Losing.</li> </ul>
The South African fishing industry is faced with illegal activities happening throughout the value chain. These illegal activities include but are not limited to cases of corruption, fronting, organised crime or syndicates, illegal, unreported and unregulated (IUU) fishing.	<ul style="list-style-type: none"> <li>• Fishers.</li> <li>• Fishing Companies.</li> <li>• General public.</li> <li>• Government.</li> </ul>	<ul style="list-style-type: none"> <li>• Increased poverty, unemployment, loss of potential income and inequality.</li> </ul>	<ul style="list-style-type: none"> <li>• Short term benefits and long term loss</li> </ul>
The commercial fishing sector is not economically transformed, though it may appear to be fully transformed in terms of demographic representation in the fishing industry and the apportionment of the commercial Total Allowable Catch (TAC) or Total	<ul style="list-style-type: none"> <li>• Fishers.</li> <li>• Government.</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of real economic opportunities and real economic growth.</li> </ul>	<ul style="list-style-type: none"> <li>• Losing.</li> </ul>

<p>Allowable or Applied Effort (TAE) or a combination thereof. Historically disadvantaged persons are not actively involved in the management of marketing, operational costs, revenue and profits from the sale of fish and fish products to the global market. The Department is yet to finalize the appointment of members to serve in the Fisheries Transformation Council (FTC) which will amongst other things assist in the development and capacity building of persons from historically disadvantaged sectors of society and small and medium size enterprises in terms of the provisions of Part Five: FTC of the MLRA.</p>			
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1.5. Which of the five top priorities of the State- that is, Social Cohesion, Security, Economic Growth, Economic Inclusion (Job Creation and Equality) and a Sustainable Environment is/ are negatively affected by the identified problem?

<b>National Priority</b>	<b>How is the priority negatively affected by the identified problem?</b>
1. Social Cohesion.	<ul style="list-style-type: none"> <li>• Social cohesion is weakened by extreme competition between groups for access to limited marine resources.</li> </ul>

National Priority	How is the priority negatively affected by the identified problem?
	<ul style="list-style-type: none"> <li>• The weakness in Social Cohesion is exacerbated by the decline and variability in fish stocks, which further limits access potential.</li> <li>• Inequality in communities will likely lead to increased conflict between individuals and groups in the fishing communities.</li> </ul>
<p>2. Security (Safety, Financial, Food, Energy and etc.).</p>	<ul style="list-style-type: none"> <li>• If the gap between the haves and have nots is not minimised, security threats will be posed (increased conflict) to the individuals and groups in the fishing communities.</li> <li>• The marginalised individuals may resort to crime and other unacceptable social practises that threaten security.</li> <li>• The poor and unemployed individuals may resort to crime and other unacceptable social practises that threaten security.</li> <li>• The decline and variability in fish stocks will likely lead to smaller TAC or TAE.</li> <li>• Smaller TAC or TAE will lead to reduced and possibly non-viable fishing rights allocations.</li> <li>• The decline and variability in fish stocks will be intensified by the identified problems 1 and 2 (limited stocks and poaching) and it will become more costly to be involved in fishing activities. Consequently, the number of persons involved in fishing will decrease and food security will be threatened.</li> </ul>
<p>3. Economic Growth.</p>	<ul style="list-style-type: none"> <li>• Lack of involvement by marginalised fishing communities, individuals and groups in the key income generating activities in the fishing industry such as fishing, processing and marketing may negatively affect the economic growth in the fishing</li> </ul>

National Priority	How is the priority negatively affected by the identified problem?
	<p>communities and the contribution of fishing to the GDP. This may be exacerbated by an uncondusive economic environment.</p> <ul style="list-style-type: none"> <li>• Fewer people are contributing to the economy and there is more reliance on social security expenditure.</li> <li>• Some industries have to import raw fish products to offset local unavailability and to ensure that factories remain operational and to curb job losses and marginalisation.</li> <li>• Although the fishing industry does not contribute substantially to the national economic growth (contributes less than 1% to the GDP), it does make a meaningful contribution to the economies of coastal provinces.</li> </ul>
4. Economic Inclusion (Job Creation and Equality).	<ul style="list-style-type: none"> <li>• Loss of job opportunities in the long-term</li> <li>• Continued economic disparities.</li> </ul>
5. Environmental Sustainability.	<ul style="list-style-type: none"> <li>• Marginalised individuals and groups in fishing communities are likely to engage in unsustainable fishing practises.</li> <li>• The decline and variability in fish stocks is likely to promote Illegal, Unregulated and Unreported (IUU) fishing, which is already threatening the sustainability of fish resources.</li> </ul>

## 2. Options

2.1. Describe least three options for addressing the identified problem, including (a) your preferred proposal, and (b) an option that does not involve new or changed regulation (baseline or existing option).

- (a) Some policies, adopted in 2005 and/or amended in 2013 do not adequately address current priorities of government, hence the option to review policies to address the identified problems and possible gaps.(e.g. changes in government priorities);
- (b) Allocating fishing rights without reviewing policies will not address the identified problems and possible gaps and hence it is not a preferred option; and
- (c) Not to reallocate fishing rights at all is not a preferred option because the legislation requires allocation of fishing rights.

2.2 Are the proposed options linked to other existing government laws or regulations and what are the gaps / limitations of those existing ones to address your identified problem?

There are no laws that specifically deal with the allocation of fishing rights, except the Marine Living Resources Act, 1998 (Act No. 18 of 1998) as amended.

Government legislative prescripts	Custodian department / units within your department	Areas of Linkages	Limitations of the existing prescripts
N/A			
N/A			
N/A			
Marine Living Resources Act (Section 18)	DAFF	MLRA Regulations Small Scale Fisheries Policy.	Refer to Section 18(2).

**2.3 What social groups would gain and which would lose most from the each of the three or above options? Consider specifically the implications for the households earning less; micro and small business; black people, youth and women; and rural development.**

Option	Main Beneficiaries	Main Cost bearers
a) Review policies to address the identified problems and possible gaps.(e.g. changes in government priorities)	<ul style="list-style-type: none"> <li>• Households.</li> <li>• Individual Fishers.</li> <li>• Fishing Companies (entities such as micro and small business).</li> <li>• Black people, youth and women; and Small Scale Fishing Cooperatives.</li> </ul>	<ul style="list-style-type: none"> <li>• Fishing companies.</li> </ul>
b) Allocate fishing rights without reviewing policies.	<ul style="list-style-type: none"> <li>• Least deserving right holders.</li> <li>• Fisheries Consultants.</li> </ul>	<ul style="list-style-type: none"> <li>• Households.</li> <li>• Individual Fishers.</li> <li>• Fishing Companies (entities such as micro and small business).</li> <li>• Black people, youth and women; and Small Scale Fishing Cooperatives.</li> </ul>
c) Not to reallocate fishing rights at all.	<ul style="list-style-type: none"> <li>• Poachers.</li> </ul>	<ul style="list-style-type: none"> <li>• Households.</li> <li>• Individual Fishers.</li> <li>• Fishing Companies</li> </ul>

Option	Main Beneficiaries	Main Cost bearers
		(entities such as micro and small business). <ul style="list-style-type: none"> <li>• Black people, youth and women; and Small Scale</li> <li>• Fishing Cooperatives.</li> <li>• Government.</li> </ul>

**2.4 For each option, describe the possible implementation costs, compliance costs and the desired outcomes, listing who would bear the costs or, in case of the outcomes, enjoy the benefits.**

Option	Implementation costs	Compliance costs	Desired Outcomes (Benefits)
a) Review policies to address the identified problems and possible gaps. (e.g. changes in government priorities).	<ul style="list-style-type: none"> <li>• Administration Cost for the Review and implementation of Policies such as human capital required, accommodation, Travel and Subsistence allowances, gazetting, printing, venues, translations of policies and</li> </ul>	<ul style="list-style-type: none"> <li>• Applications, Grant of Right, permit and licence fees see attached Government Gazette Notices, 2018/2019 Strategic and Annual Performance Plans.</li> </ul>	<ul style="list-style-type: none"> <li>• Coherent Policy.</li> <li>• Orderly and equitable allocation of fishing rights.</li> <li>• Improved management and regulation of the fishing sector to enhance sustainability of the sector.</li> </ul>

Option	Implementation costs	Compliance costs	Desired Outcomes (Benefits)
	application forms, IT systems, independent service providers, legal practitioners, etc. (See attached FRAP2020 budget document).		
b) Allocate fishing rights without reviewing policies.	<ul style="list-style-type: none"> <li>No implementation costs.</li> </ul>	<ul style="list-style-type: none"> <li>Applications, Grant of Right, permit and licence fees.</li> </ul>	<ul style="list-style-type: none"> <li>Policy continuation (with current weaknesses).</li> </ul>
c) Not to reallocate fishing rights at all.	<ul style="list-style-type: none"> <li>No implementation costs</li> </ul>	<ul style="list-style-type: none"> <li>Uncertain.</li> </ul>	<ul style="list-style-type: none"> <li>Not in the best interest of the country.</li> </ul>

**2.5 Based on the above table on costs and benefits, describe how different options would contribute to or detract from the national priorities. Remember this is a think-tool, so explore the issues freely.**

Priority	Option 1	Option 2	Option 3
1. Social Cohesion.	Improve social cohesion in fishing communities.	Likely to maintain current social cohesion in fishing communities.  There are different user groups within the communities such as corporates,	Erode social cohesion in fishing communities leading to chaos.

Priority	Option 1	Option 2	Option 3
		fisher folks and marketers. These groups are not ideally social coherent.	
2. Security (Safety, Financial, Food, Energy and etc.).	Improve safety, financial and food security.	Likely to maintain current safety, financial and food security.	No safety, financial and food security.
3. Economic Growth	Improve economic growth.	Stagnant economic growth.	Reduced economic growth.
4. Economic Inclusion (Job Creation and Equality).	Improve job creation and shared economic benefits.	Limited job creation and shared economic benefits.	Decline in job creation and shared economic benefits.
5. Environmental Sustainability.	Long-term sustainability of fish stocks.	Short-term sustainability of fish stocks.	Increase poaching leading to long-term decline and variability of fish stocks.

**2.6 Describe the potential risks that could threaten implementation of each option and indicate what can be done to mitigate the identified risks.**

Option	Potential Risks	Mitigation Measures	Comments
a) Review policies to address the identified problems and possible gaps. (e.g. changes in	<ul style="list-style-type: none"> <li>Those who have been in the fishing industry may not be in support of the direct inclusion</li> </ul>	<ul style="list-style-type: none"> <li>The MLRA prescribe that once a fishing right expire it revert to the State for reallocation.</li> </ul>	<ul style="list-style-type: none"> <li>Some of the variable operational costs include fuel, harbour fees, licencing fees and</li> </ul>

Option	Potential Risks	Mitigation Measures	Comments
<p>government priorities).</p>	<p>of the poor and marginalised individuals or groups in the fishing industry that were previously excluded as that would translate to proportionally allocating smaller quotas than before if the numbers increase or alternatively being excluded.</p> <ul style="list-style-type: none"> <li>• Fishers or right holders exiting the fishing industry due to high operational costs.</li> <li>• Decline in number of employment as a result of employers downsizing or cutting down on the number of</li> </ul>	<ul style="list-style-type: none"> <li>• Bolster the policies to enhance/improve the allocation process to ensure the inclusion of previously marginalised and excluded groups.</li> <li>• Draw on the existing data and information available in the Department from the 2013 and 2015/16 Fishing Rights Allocation Process.</li> <li>• Manage the fishery resources or fish stocks to sustainable levels so as to ensure sustainable economic returns, food security and employment.</li> </ul>	<p>prices of fishing equipment (fishing gear and vessels). Most of these operational costs and services are not under the jurisdiction of the Department.</p>

Option	Potential Risks	Mitigation Measures	Comments
	employees due to low or no economic returns.		
b) Allocate fishing rights without reviewing policies.	<ul style="list-style-type: none"> <li>• Decline in number of employment as a result of employers downsizing or cutting down on the number of employees due to low or no economic returns.</li> </ul>	<ul style="list-style-type: none"> <li>• To ensure a balance between established large right holders and further developing Small scale and SMMEs.</li> </ul>	<ul style="list-style-type: none"> <li>• Discontent amongst stakeholders likely to increase.</li> </ul>
c) Not to reallocate fishing rights at all.	<ul style="list-style-type: none"> <li>• Shutting down of the fisheries sector.</li> <li>• Criminalisation of poverty.</li> </ul>	<ul style="list-style-type: none"> <li>• No realistic mitigation measures.</li> </ul>	<ul style="list-style-type: none"> <li>• Not a desirable option.</li> </ul>

At this point, if you think the analysis points to a more useful or stimulating set of options, revise the SEIAS. You may find that you would like to combine some of the options, or that the process of discussion around the options has generated ideas that are better than your original ideas. Ideally, the three options considered should all be good ideas-that provides the best test for the final strategy adopted.

### 3 Summary

**3.2 Based on your analysis, as reflected in the discussion of the three options above, summarise which option seems more desirable and explain?**

- Option 1 is the most desirable as some policies, adopted in 2005 and/or amended in 2013 do not adequately address current priorities of government, hence the option to review policies to address the identified problems and possible gaps. (e.g. changes in government priorities).

**3.3 What specific measures can you propose to minimise the implementation and the compliance costs of your preferred option, to maximise the benefits?**

- Through insourcing and utilisation of Universities and Research Institutions as well as reviewing of fisheries fees.
- The implementation and compliance costs will be minimised by increasing the validity period to a maximum of fifteen years as per the MLRA.

**3.4 What are the main risks associated with your preferred option, and how can they best be managed?**

- Costs and capacity limitations within the Department. Insourcing and collaboration with other Government Department and SOEs.
- Litigation from potential applicants.
- Not comprehensively reviewed policy.
- Lack of transformation in the fishing sector or resistance to transformative efforts by industry.

**3.5 What additional research should you do to improve your understanding of the costs and benefits of the option adopted?**

- Review of the previous rights allocation processes (LTRAMP, FRAP 2013 and FRAP 2015/16).

- Internal review has commenced, draft policies anticipated to be tabled end of January 2019 and legal vetting be concluded by the end of February 2019. Draft policies to be gazetted for public comments and public comment period to run from May until July 2019.
- Specifications to outsource socio-economic research are being developed (Tender process).
- It is anticipated that useful information will arise from public comments.
- Improved understanding of the socioeconomics of the fishing communities and fishing companies.

**For the purpose of building SEIAS body of knowledge please complete the following:**

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## References:

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