

The North Sea Regional Advisory Council

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NSRAC

2007 TACs and Associated Measures: A Position Paper prepared by the North Sea Regional Advisory Council

Status

This position paper was developed by the North Sea RAC Demersal Working Group at a meeting in Brussels on Tuesday 28th November 2006.

It is a consensus document with the following important proviso. On the subject of TAC and effort levels for North Sea cod in 2007, a majority supported the view, based on ACFM biomass and catch forecasts, as well as fishing industry and anglers' perceptions, that the improving status of the stock allows for a rollover of the TAC and effort levels from 2006. This would represent a balanced yet cautious approach to the development of the stock.

A minority viewpoint was held by the environmental NGOs (WWF, Birdlife International and Seas at Risk) who noted that as the ICES advice for North Sea cod had been, for the fifth year in a row, a zero catch they could not support a proposal for a rollover TAC and effort levels from 2006. Indeed, WWF has noted that the only credible, lawful and scientific valid approach at this time is for the Council to follow ICES advice and agree a zero targeted cod fishery in the cod recovery zone for 2006.

Context for this year's decisions - timetable

1. The North Sea RAC notes that once again this year it is expected to offer an opinion on the fishing opportunities and associated measures for the following year on a timescale of a few weeks. At the time of preparing this opinion even an unofficial written summary of the Commission's proposals was not available to the RAC. This situation is inherently unsatisfactory as it does not allow time for the RAC to give the proposals proper consideration – or to seek expert external advice - and complete its internal procedures.

2. The RAC therefore broadly welcomes the proposed agreement between the Commission and ICES to move to a new timetable for scientific advice in 2008. The RAC also welcomes the proposal to pilot the provision of June scientific advice for North Sea demersal stocks in 2007.

3. The RAC believes it is important that the opportunity offered by this change in timetable for scientific advice is used well to allow the maximum time for stakeholders

to be fully involved in the decision making process. A timetable based on a Commission policy statement in April and ICES advice in June should allow sufficient time, both for the Commission to undertake discussions with RACs so that its proposals reflect stakeholder input, and for those proposals to be published early enough to be subject to full technical scrutiny and consideration by RACs in advance of decisions. It should also allow time for the Commission to undertake a proper impact assessment of its proposals.

4. In order to ensure that the potential benefits of a more reasonable timetable in terms of better informed and considered decisions are realised, the North Sea RAC urges the Commission to publish during the first three months of 2007 a detailed plan setting out how it proposes to use the time available to better manage the negotiations, and to discuss this plan with the relevant RACs.

5. One of the implications of the proposed change in the timetable is that the advice will focus more on long term management objectives rather than short term stock predictions. While this is sensible, if it is to be done effectively from 2008 there needs to be an intensive focus during 2007 on considering long term management strategies for key stocks. RAC involvement in this process is essential because if stakeholders have been a party to drawing up the strategies and feel committed to them it is more likely that they will be implemented successfully.

Nature of the scientific advice and the role of RACs

6. As the current timetable for the EU's annual decisions on fishing opportunities makes it difficult for either the Commission or RACs to undertake much detailed socio-economic analysis of the implications of different management options and their impacts on different fleets, the Commission's proposals are based overwhelmingly on the ICES advice. This creates a problem in that decisions risk being unbalanced or difficult to implement in practice if they are based only on biological stock status considerations, without taking account of the socio-economic implications for fishing fleets, or the implications for management of how fishermen are likely to respond to new regulations restricting aspects of their activities. For example, proposals to close areas or fisheries may in theory appear to offer greater protection to a particular stock, but if they take no account of what those vessels are likely to do to compensate for income lost from the closure, for example through diverting their fishing effort on to other areas or other stocks, they risk being counter-productive. In this context it is helpful that the Commission acknowledges in its Communication on Maximum Sustainable Yield (COM (2006) 360 final of 4 July 2006) that in moving towards adoption of long terms plans for all major fish stocks, social and economic impact evaluation will need to be undertaken on a fishery-specific basis in active consultation with RACs.

7. This is not to criticise ICES' work. ICES provides the best available assessment of the biological status of our key stocks. But there is a difference between *stock assessment* and *management advice*. ICES is well equipped to provide stock assessments, but in many cases it also provides management advice. This it is less well equipped to do, because its advice is based purely on its stock assessment and does not include the elements of economic impact analysis or practical management considerations referred to above. This problem is particularly

apparent in relation to stocks where ICES has insufficient information to offer a stock assessment and simply advises that the stock status is uncertain. In such cases ICES management advice has little scientific basis and is usually based on average recent landings, which can both appear random and fail to take account of other categories of information which may be available, e.g. from the fishing industry. One example in this year's advice is the North Sea whiting stock for which ICES' management advice is for a 37% cut in the TAC based on an assessment which classifies the stock status as "unknown" but for which there is significant, scientifically substantiated evidence available from the fishing industry of the stock being at a relatively high level compared to recent years in large parts of the North Sea. A further example of this problem is seen in the Kattegat plaice stock.

8. The conclusions the RAC draws from this analysis are that:

- (i) it would be helpful if the ICES ACFM report made a clearer distinction between where it is providing a stock assessment or identifying safe biological limits and where it is additionally providing management advice,
- (ii) a valid question centres on whether ICES should be asked to incorporate a socio-economic dimension and practical management considerations into its advice or whether this is better provided by other bodies such as STECF or the RACs, appropriately strengthened and adequately funded,
- (iii) where there is insufficient data for a stock assessment to be made, ICES should be more open to considering other sources of information from fisheries science partnerships – the lack of a five year time series of data does not necessarily mean that data reflecting shorter periods is invalid,
- (iv) the NSRAC should develop its joint working with ICES to help improve aspects of individual stock assessments, and
- (v) the Commission should build into its timetable for 2007 and subsequent years provision to improve the socio-economic analysis of management options and to seek management advice from the RACs on certain stocks where ICES is unable to provide a stock assessment (in addition to seeking the RACs opinions on the full package of December decisions).

Fishing effort limitations

9. One of the key decisions to be taken this December is the number of days at sea for the different gear categories covered by Annex II to the TAC & quota regulation. This is an issue where it is particularly important that some economic analysis of the impact of proposed measures is undertaken. Limiting days at sea, as well as having an impact on the stocks also has a direct impact on the viability of fishing businesses. Fishing vessels all have fixed costs (such as the costs of gear, electronic equipment, insurance, maintenance and finance) which have to be covered over a year in addition to the variable costs such as fuel which have to be covered each trip. For each fishing vessel and fishing business there is a level of activity below which it is not possible to cover these costs, and the vessel or business becomes uneconomic. In the absence of a break even analysis it is difficult to be

precise about the number of days at sea below which vessels cannot be viable, anecdotal evidence suggests that there is very little scope to reduce allocations much below their current levels. The Commission's approach of year on year cuts in days of 15% or more therefore raises grave concerns, as it threatens the viability of businesses without offering any long term perspective for the sector that would enable it to plan for the future.

10. The North Sea RAC wants to see the objectives of the Cod Recovery Plan achieved and notes from this year's advice from ICES and STECF that levels of fishing effort on cod have come down and that there has been a better recruitment in the North Sea than in recent years. While the RAC accepts that there is a long way to go before full cod recovery is achieved, these do seem to be more positive signs than in other recent years and this provides a more positive background against which to review the effectiveness of the current cod recovery measures next year. The North Sea RAC therefore urges the Commission and the Council not to contemplate further reductions in days at sea this December which would risk pushing vessels out of business in advance of the planned review next year. The RAC also underlines the importance of the Commission and Member States participating fully in the joint NSRAC/NWWRAC symposium on cod recovery planned for March 2007 with the aim of achieving a generally agreed view on the best way of improving the prospects for cod recovery.

Selectivity and discards

11. The RAC notes from STECF's work in 2005, that one of the impacts of cod recovery measures so far has been to result in a decrease in the average mesh size used in the North Sea. This comes about because of the large number of vessels that have left the 100mm+ gear category and the incentive which the allocation of higher numbers of days to smaller mesh gears provides to move into these sectors. STECF's work also highlights continuing discarding of cod. In so far as it is felt necessary to seek a further reduction in fishing effort this December, the North Sea RAC suggests that the Commission and the Council should focus on improving selectivity and measures to reduce discards rather than further reductions in days at sea. In this context the RAC notes that STECF has evaluated options for more selective gear in the 70-99mm gear category. The RAC urges the Commission and the Council to offer positive incentives in terms of additional days at sea for the use of such gears.

12. There is a risk that with a better new year class of cod starting to enter the fishery, discarding of young cod will increase in 2007. This would clearly be undesirable. The RAC urges the Commission to consider urgently possible discard avoidance measures which could be implemented during 2007, such as a voluntary agreement managed by the fishing industry in cooperation with member state administrations that vessels will leave particular areas when numbers of young cod giving rise to discarding occur, following the example of the measure piloted by the flatfish sector of the EAPO last year. The North Sea RAC offers to discuss whether it could act as a focal point for coordinating such a pilot scheme.

North Sea TACs: North Sea Cod

13. The North Sea RAC does not feel in a position to suggest precise TAC levels for all North Sea stocks. However, the RAC considers it important in setting TACs that the Commission and the Council take into account the type of practical management considerations referred to under paragraphs 6 and 7 above and are prepared to consider data available from collaborative data gathering initiatives involving the fishing industry and scientists.

14. The weaknesses in the process of setting TACs which preclude the NSRAC from having an effective say have been discussed above.

Notwithstanding these concerns, the NSRAC would draw attention to the following:

1. The NSRAC is pleased to note the mounting evidence that the negative development in the cod stock in the North Sea and Skaggeiak has been arrested.
2. It acknowledges, nonetheless, that the objectives of cod recovery have not yet been met.
3. The majority view within the RAC is that for the North Sea, the appropriate and measured response to this new development is a rollover of the TAC from 2006. This balances the need for continuing constraint with a recognition that that a more restrictive TAC would lead to higher levels of discarding.
4. The development of the cod stock in the Skaggeiak is such that it justifies a 15% increase.

ACFM

15. Responding to the imperatives of the precautionary approach, ACFM has recommended that not just the TAC but all catches of cod should be set at zero. However this rigid (and, from a pragmatic management perspective, unhelpful) advice is at variance with the ICES assessment on cod which allows for a much more flexible approach.

NSRAC support for the ACFM advisory table

16. Advice from ACFM this year does not provide explicit TAC advice for 2007 but advice on total removals. For the recent past (2003-2005), these have comprised 50% official landings, 10% discards and 40% unaccounted removals of which under-reported catches are but one component. A short-term catch option table is provided by ACFM and has been reviewed by STECF who reiterated the ACFM caution regarding the derivation of a TAC from the total removals' estimate.

17. The NSRAC recognises that under-reporting has affected the quality of the historic landings data but notes that during the current year, stronger enforcement has reduced the potential for under-reporting of catches.

18. While the change to the ACFM advisory format is problematic for setting the quota for 2007, the revision does not alter the efficacy of the scientific advice itself - intelligent management has to interpret and adapt to the situation. The ACFM catch option table indicates that rolling over the 2006 TAC into 2007 should correspond to a substantial reduction in fishing mortality and a strong increase in the spawning stock biomass. This is, of course, predicated on continued rigorous enforcement of the quota.

19. It is highly significant that the quality of its data allows ICES, despite continuing uncertainties, to have the confidence to make an assessment this year. This is welcome because in its July 2007 Policy Paper the Commission indicated that in the absence of a scientific assessment a 25% reduction of effort would be required. Clearly this no longer justified as a scientific assessment has been carried out and can form the basis for a management decision, despite the continuing uncertainties.

20. The NSRAC can concur with ACFM that:

- i. Fishing pressure has reduced over recent years and despite not having reached the target value, the reduction is significant.
- ii. As a consequence of management decisions taken in 2005 pertaining to the fishery in 2006, it is expected that F has been reduced further this year.
- iii. Recruitment of the 2005 year class is reasonably good. Although it is below the long term average it offers the prospect of a fairly positive stock prognosis.
- iv. Catch rates in various parts of the North Sea support the evidence of recovery.

Dispute: The Scale and Origin of Unaccounted Mortality

21. Where the NSRAC departs from ACFM is on the suggestion that there is an unregulated catch of cod in the order of 20,000 tonnes on top of a significant amount of discards.

It is self evident that there will be a high level of discards in a situation where cod is increasingly abundant but cannot be landed legally due to quota restrictions. It is difficult to estimate the magnitude of these legally imposed discards but ICES guess of 5,000 to 10,000 tonnes is as good as any other. Despite the many uncertainties associated with the cod assessments, the scientists have calculated that a total outtake of cod of 35.000 tonnes in 2007 will result in a spawning stock biomass in 2008 of 70.000 tonnes, which is the value of Blim. This corresponds to an increase of 96% in SSB. The same prognosis shows that a total catch in 2007 of the same order of magnitude as in 2006 (including discard and unregistered mortality) will lead to a spawning stock biomass of approximately 60.000 tonnes – corresponding to an increase of more than 60%. In this case the total mortality will be reduced by almost 50% compared to this year (0,43 in 2007 against 0,85 in 2006).

22. A reduction of 10% in the total mortality (as proposed in several management plans for a number of species) will result in a catch of 75.000 tonnes and an increase in SSB of 30%. It is important also to recognise that all these calculations are based on the assumption that the total outtake in 2006 will be of the same magnitude as that of 2005 – despite the fact that the TAC was reduced by 15 %. In other words – this is a conservative estimate.

23. The NSRAC notes that whilst it is difficult politically or practically to change non-fishing factors that lead to cod mortality it is important to factor in changes in “natural mortality,” such as changes in predation patterns – such as other fish, seals and whales etc. as well as environmental considerations.

24. The NSRAC welcomes ICES’ assessment which reinforces the view that this is a stock that is climbing out of crisis. However, it considers that whatever the explanation for the high level of unaccounted mortality, unregistered landings are unlikely to be a significant factor in 2006 and 2007 because of the impact of more effective control measures.

25. The fishing industry finds that all these facts add credibility to the perception that the negative development in the North Sea cod stock has been arrested – indeed there is good evidence that it has turned to a positive development – despite the fact that the target, so far, has not been reached. As there are still good reasons for some caution in the management decisions, the RAC agrees that it would be premature to increase the TAC that can be argued on the basis of the ICES prognosis – and instead accept that the TAC for 2007 should be set at the same level as in 2006. For cod in Skagerrak however, the situation justifies an increase in the TAC of 15 % should be implemented.

Commission Non-Paper on a Multi-annual Management Plan for Plaice and Sole

26. The NSRAC welcomes the Commission’s non-paper as a basis for discussion. It particularly welcomes the 2 stage approach adopted from the NSRAC advice on flatfish management. The precautionary approach sets reference limits for biomass and fishing mortality. In the recovery/management plans adopted so far, targets have been set in terms of biomass during the recovery phase, with fishing mortality rates applying during the second, more stable phase, after recovery has been achieved. The Commission in its non-paper proposes both biomass and fishing mortality targets for both stages. The NSRAC notes this inconsistency with some concern and is of the opinion that a discussion on the viability of this apparent new principle should precede its implementation

27. The NSRAC welcomes the Commission’s commitment to a socio-economic assessment of its proposal and notes the positive start made on this work within the STECF working group. It considers that it is extremely important that this work is continued and developed, in order to ensure that legislators are fully aware of the socio-economic consequences of any final long term management plan they may adopt.

28. The NSRAC is concerned about the implicit suggestion, in the proposal, that long term objectives should be set at the outset (phase 2). If adopted, this approach would pre-empt a broader discussion in the NSRAC and in Council over how to implement the WSSD commitment to move depleted fish stocks to MSY by 2015. The NSRAC has made substantial progress in identifying the general principles which should apply when developing long term objectives. It is about to embark on the stakeholder/experts discussions that will give effect to this approach and it would be disruptive and wrong in principle if this initiative (and decisions in Council) were pre-empted by premature decisions either in Council or in the context of EU/Norway annual negotiations.

29. As the draft management plan proposal stands, it requires significant reductions in fishing activity by those fleets which target plaice and sole. Against the background of negative solvency of most vessels in this fleet, the issue of transitional support, whilst these measures impact on vessel earnings, must be addressed. The integration of management measures and temporary support measures should become a priority, both in terms of sustaining an economically viable fleet but also in terms of the success of implementation of the plan. The RAC considers it essential that the issue of transitional support is addressed.

30. The discussions within the Demersal Working Group on the implementation of long term objectives have suggested that moving a fishery in the right direction is more important than setting targets which may be more or less difficult to attain depending on the circumstances which apply at the time. (In other words, moving in the right direction is more important than a specific destination). For this reason, the NSRAC would rather discuss a range of target values than the specific values proposed. In any event, the wording of the non-paper in Article 2 indicates that “at a rate equal to or lower than 0.3” for plaice and a rate “equal to or lower than 0.2” for sole. This wording, at best, could be described as anomalous and should be clarified.

31. Finally, the NSRAC expresses concern about the increasing level of regulatory complexity resulting from the introduction of new long term management plans for North Sea demersal species in a fishing area that is already under the regulatory regime of a cod recovery plan. With particular reference to the Commission’s simplification project, the NSRAC believes that this issue should be addressed in the forthcoming period.



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