



Socio-economics

What the Pelagic RAC did (not) accomplish

NWWRAC meeting, 28-10-2010, Dublin

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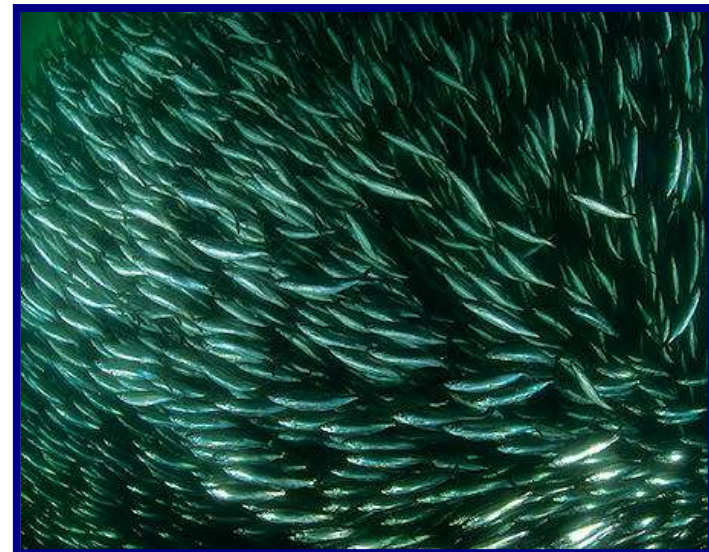
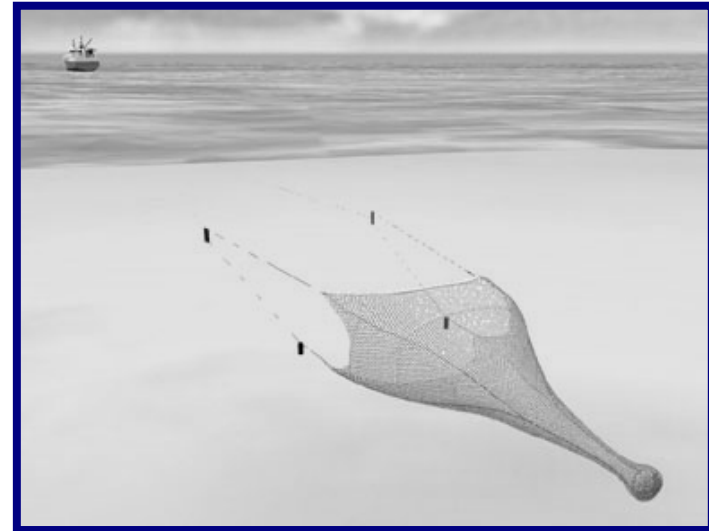


- Introduction to the pelagic fleet
- Results from Focus Group
- LTM plan for Horse mackerel
- LTM plan for Mackerel
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- Concluding remarks

The pelagic fleet



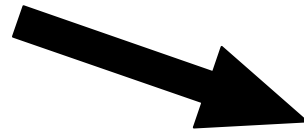
- Individual transferrable quota in most countries;
- Few but large vessels;
- No economic over-capacity in the fleet;
- Single species, and thus relatively clean fishery.



The pelagic fleet



- NEA Mackerel
- North sea herring
- Atlanto-Scandian herring
- Blue whiting
- Western horse mackerel



- Four Western herring stocks
- Western Baltic herring
- North sea and Southern horse mackerel
- North sea sprat



The pelagic fleet



		TAC 2009 (tons)	EU quota share (2009)	Value first-hand	
				Stock	EU- share
				€ (millions)	€ (millions)
Herring	Atlanto-Scandian	1.643.000	106.959	575	37
	Western Baltic	37.722	32.190	6	5
	North Sea	171.000	121.410	60	42
	VIa South	9.314	9.314	3	3
	VIa North	21.760	21.760	7	7
	Irish Sea	4.800	4.800	2	2
	Celtic Sea	5.918	5.918	2	2
NEA mackerel		605.000	385.803	665	424
Horse mackerel	Western stock	170.000	170.000	43	43
	North sea	39.309	39.309	6	6
	Southern stock	57.750	57.750	9	9
Blue whiting		606.237	162.913	120	33
North sea sprat		170.000	170.000	26	26

Total
€
600
Million

Total
€
600
Million

The PRAC Focus Group



- Feb 2008 → decided to start
- April 2008 → presentations economists
- Feb 2009 → informal meeting at Seafish
- April 2009 → Focus Group meeting 1
- June 2009 → Focus Group meeting 2
- Rather long and difficult process with even getting started. Defining the right questions was particularly difficult

The PRAC Focus Group



Main questions to focus on:

- What socio-economic issues can be addressed by Pelagic RAC in isolation?
- How can Pelagic RAC integrate socio-economic aspects into its advice based on biological science?

The PRAC Focus Group



Additional (sub) questions:

- What data is needed and where is it available (DCR)?
- What parameters should be measured?
- What practical input can the Pelagic RAC have on data supply?

The PRAC Focus Group



- At the same time, PRAC was consulted by the EC to provide input on design of Impact Assessment for Celtic Sea herring LTM plan. Therefore, PRAC chose this as a case study.
 - catches and the value of those catches;
 - fishing effort, in terms of vessel numbers, activity and kWh deployed,
 - and the costs (both fixed and variable) of deploying such effort;
 - employment associated with this activity
 - net revenue from the resource
 - if possible, additional incidental impacts on populations of other marine organisms.
- PRAC unfortunately did not get clear what they meant, if they were from a standard format or who had identified them. Some were not suitable for pelagic fisheries in our opinion.

The PRAC Focus Group



- Conclusions from the Focus Group:
 - The Economics Unit of the EC should be (more) involved when preparing for IA for LTM plans.
 - We have to recognize that economic data is not readily available, we could urge the members, but otherwise there is not much else we can do.
 - We could produce socio-economic picture of the pelagic fleet for ourselves. Even if only descriptive, this might provide some clarity to the RAC members during discussions.

LTM plan for horse mackerel

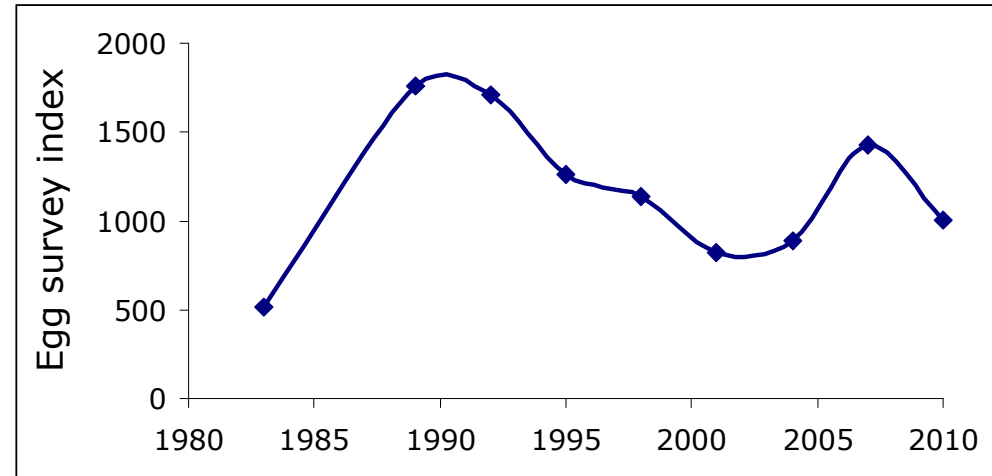


- Motivation for industry to initiate plan:
 - Feeling that stock was being underexploited
 - SALY's from ICES and roll-over of TACs because there was no scientific basis for an alternative

LTM plan for horse mackerel

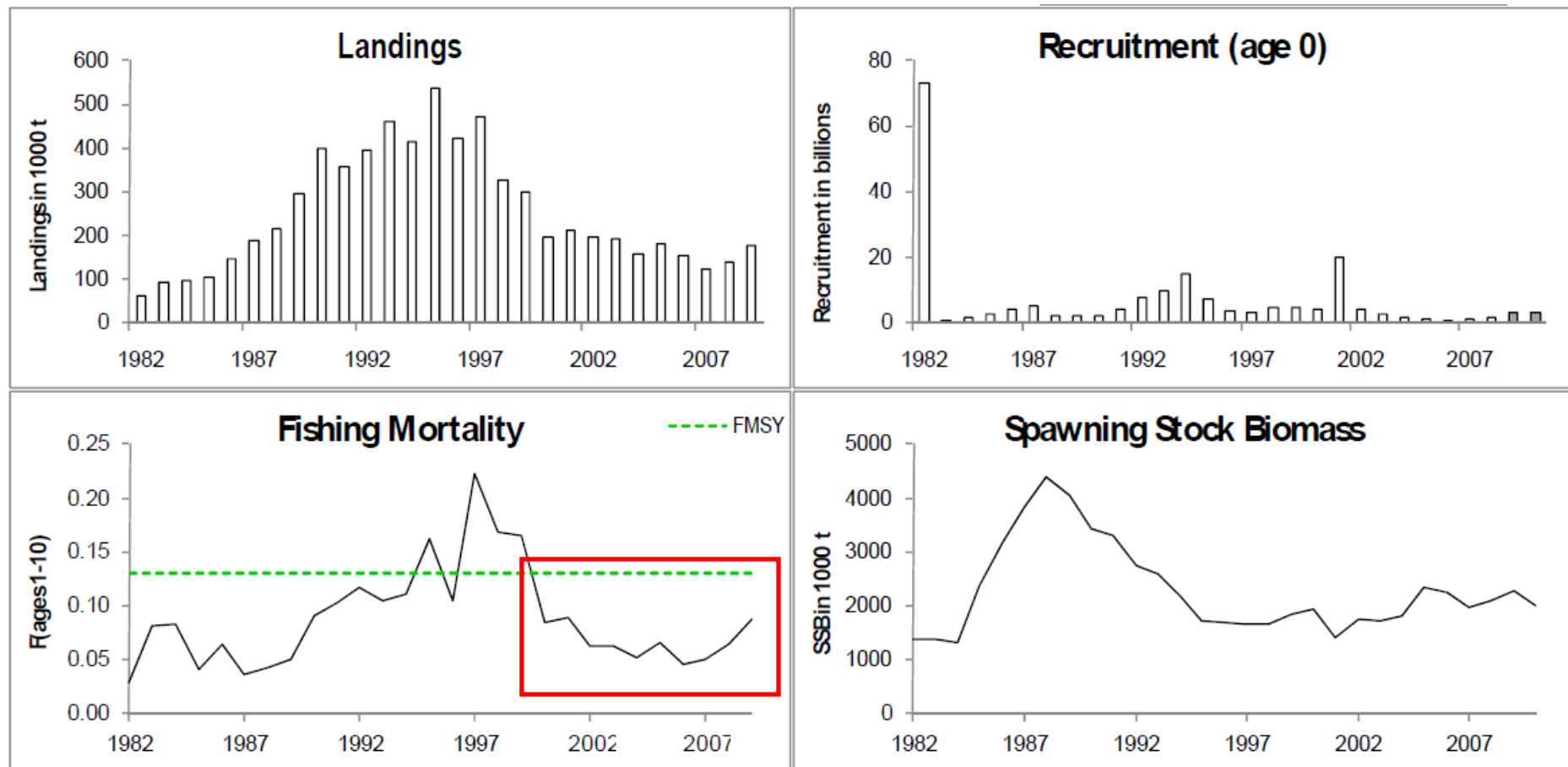


- HCR:
- 50% constant (75.000 tons)
- 50% changed based on slope of last three egg surveys



$$TAC_{y+1 \text{ to } y+3} = 1.07 \left[\frac{TAC_{ref}}{2} + \frac{TAC_{y-2 \text{ to } y}^{SI}}{2} \right]$$

LTM plan for horse mackerel



LTM plan for mackerel



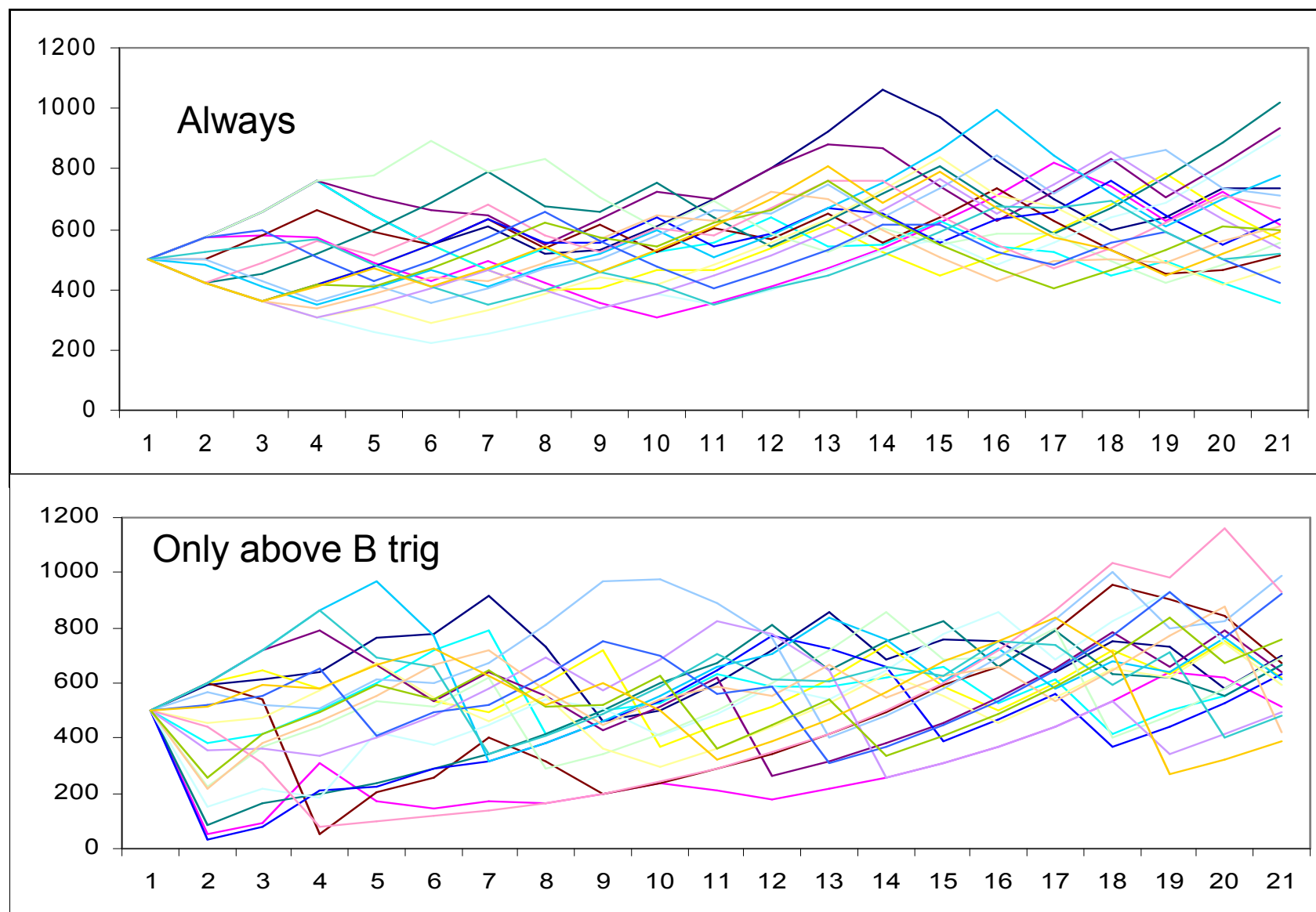
- LTM plan in place since 1999
- LTM plan re-evaluated in 2008
- John Simmonds (FRS Marine Lab) was running MSEs and attended a number of PRAC meetings
- At the end of the process, a recommendation was made to the Commission

LTM plan for mackerel



Rule Parameters				Outcomes			Other Information							
Method	Perc	Targ	Trig	Cmean	IAV	7+	F	SSB	Nchange	Nup	Ndown	Cup	Cdown	Risk
TargC	12.5	550	2500	559	3.5	0.45	0.172	3385	4.3	2.6	1.7	38.4	-47.1	4.9
TargC	15	550	2400	562	3.5	0.45	0.173	3369	3.9	2.3	1.6	43.1	-52.5	4.5
TargC	10	560	2600	564	3.7	0.45	0.178	3318	5.3	3.2	2.1	34.4	-41.1	4.5
TargC	10	570	2600	569	3.8	0.44	0.184	3285	5.5	3.3	2.2	33.9	-41.1	4.5
TargC	12.5	570	2600	572	4.3	0.44	0.181	3286	5.2	3.1	2.1	40.7	-49.1	4.7
TargC	15	570	2600	574	4.7	0.45	0.177	3336	4.9	2.9	2	46.6	-57	4.1
TargC	12.5	590	2700	583	5	0.44	0.189	3239	6	3.5	2.5	42.6	-50.9	4.8
TargC	10	620	3100	588	6	0.43	0.192	3205	8.1	4.7	3.4	39.4	-45.3	4.8
TargC	12.5	610	2900	593	6.1	0.43	0.192	3206	7	4.1	3	45.1	-53.8	4.4
TargC	10	670	3500	599	7.3	0.43	0.197	3166	9.6	5.5	4.1	42.4	-47.9	5
TargC	12.5	640	3100	601	7.4	0.42	0.206	3133	8.2	4.7	3.5	48.2	-56.2	4.4
TargC	10	690	3500	610	7.5	0.42	0.201	3122	9.8	5.6	4.1	43.7	-49.3	4.6
TargC	12.5	700	3500	614	9	0.42	0.205	3087	9.7	5.5	4.2	52.3	-60.1	4.8
TargC	15	700	3400	623	9.9	0.41	0.213	3029	9.5	5.4	4.1	59.4	-70.3	4.1
TargHR	10	0.2	2800	623	9.1	0.42	0.206	3089	11	6.4	4.6	50.4	-56.1	4.4
TargHR	12.5	0.2	2900	624	11.2	0.42	0.207	3081	11	6.2	4.8	61.2	-69.2	4.8
TargHR	15	0.2	2400	634	12.7	0.41	0.22	2970	11	6	5	71.2	-79.3	5
TargHR	17.5	0.2	2500	635	14.5	0.41	0.213	3017	11	6.1	4.9	80.1	-92	3.9
TargHR	17.5	0.21	2900	641	15	0.4	0.219	2988	11	6.1	4.9	82.8	-97.6	4.7
TargHR	20	0.21	2800	642	16.5	0.4	0.221	2966	11	6.1	4.9	91.1	-107.3	4.5
TargHR	25	0.21	2100	646	18.7	0.38	0.234	2829	11	6	5	104.1	-122.5	4.9
TargHR	25	0.21	2700	647	19.5	0.4	0.221	2971	11	6.1	4.9	107	-128.2	4.2

LTM plan for mackerel



NS herring TAC revision

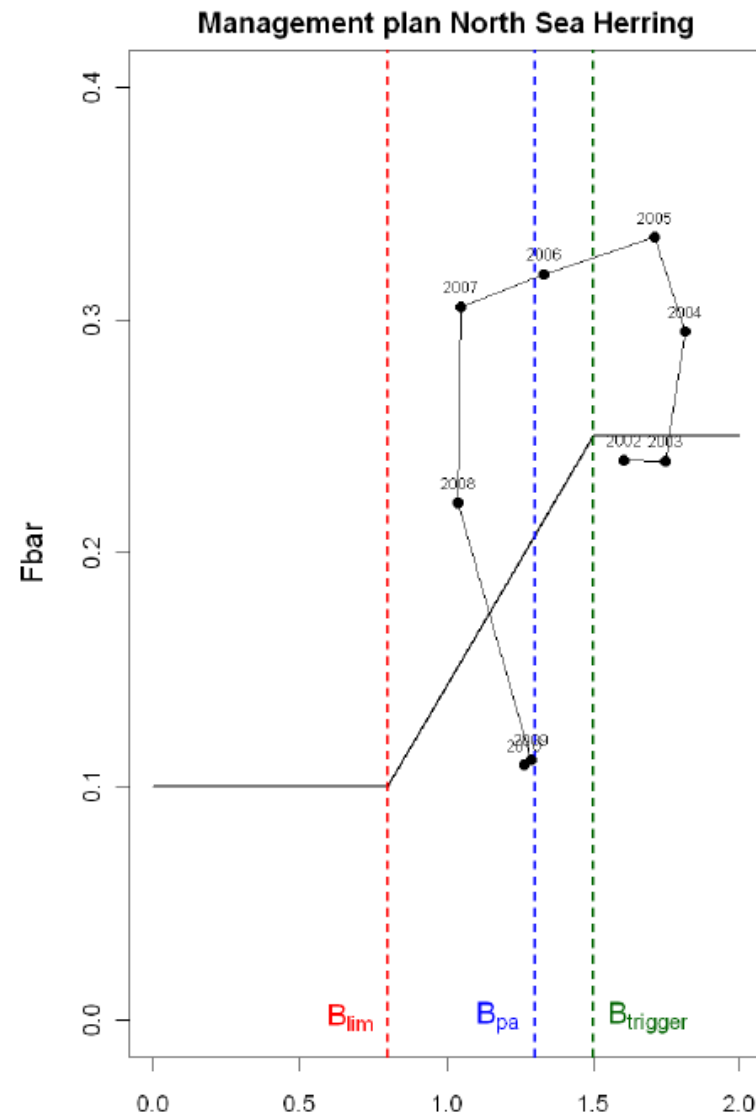


- LTM plan in place since 1995
- Low recruitment since 2002
- TAC reduced from 535 - 164 kt in 5 years
- LTM plan revised in 2008 to adjust to low recruitment regime
- Perception of SSB was changed this year:
 - ICES missed 2006 year class
 - Fish grew faster in 2009 than expected
 - Assumed overshoot of TAC did not happen

NS herring TAC revision



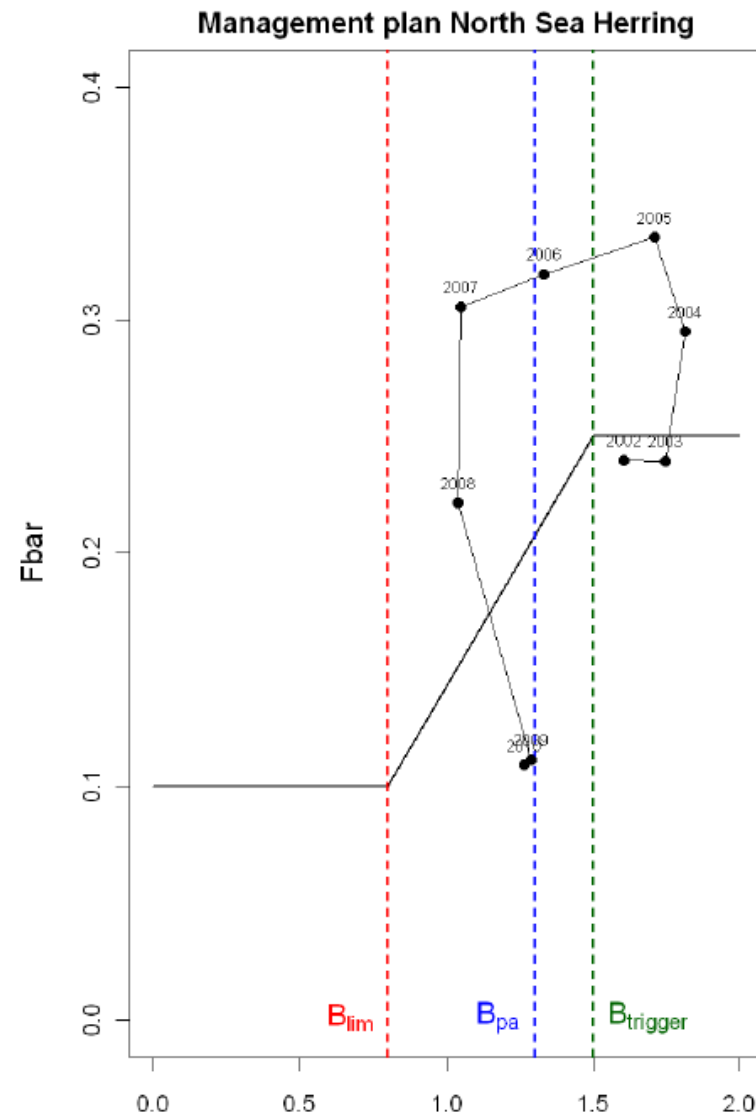
- 2010 TAC 4% lower than 2009
- 15% IAV rule prevents TAC increase back to HCR
- Asked STECF to recalculate 2010 TAC based on new information



NS herring TAC revision



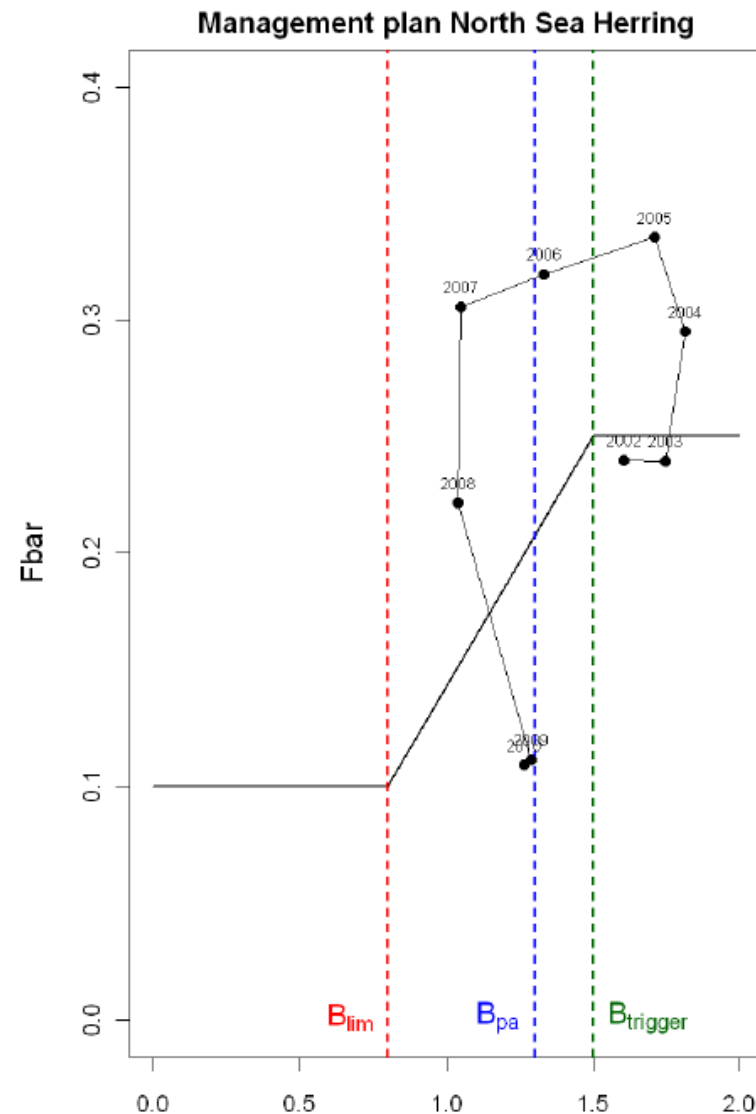
- EC replied not to want to ask STECF
- For some reason STECF makes calculations anyway (July), and concludes that TAC 2010 could be 20% higher



NS herring TAC revision



- PRAC recommends that EC revises the TAC for 2010 accordingly
- EC replies not to want to, with awkward biological arguments



NS herring TAC revision

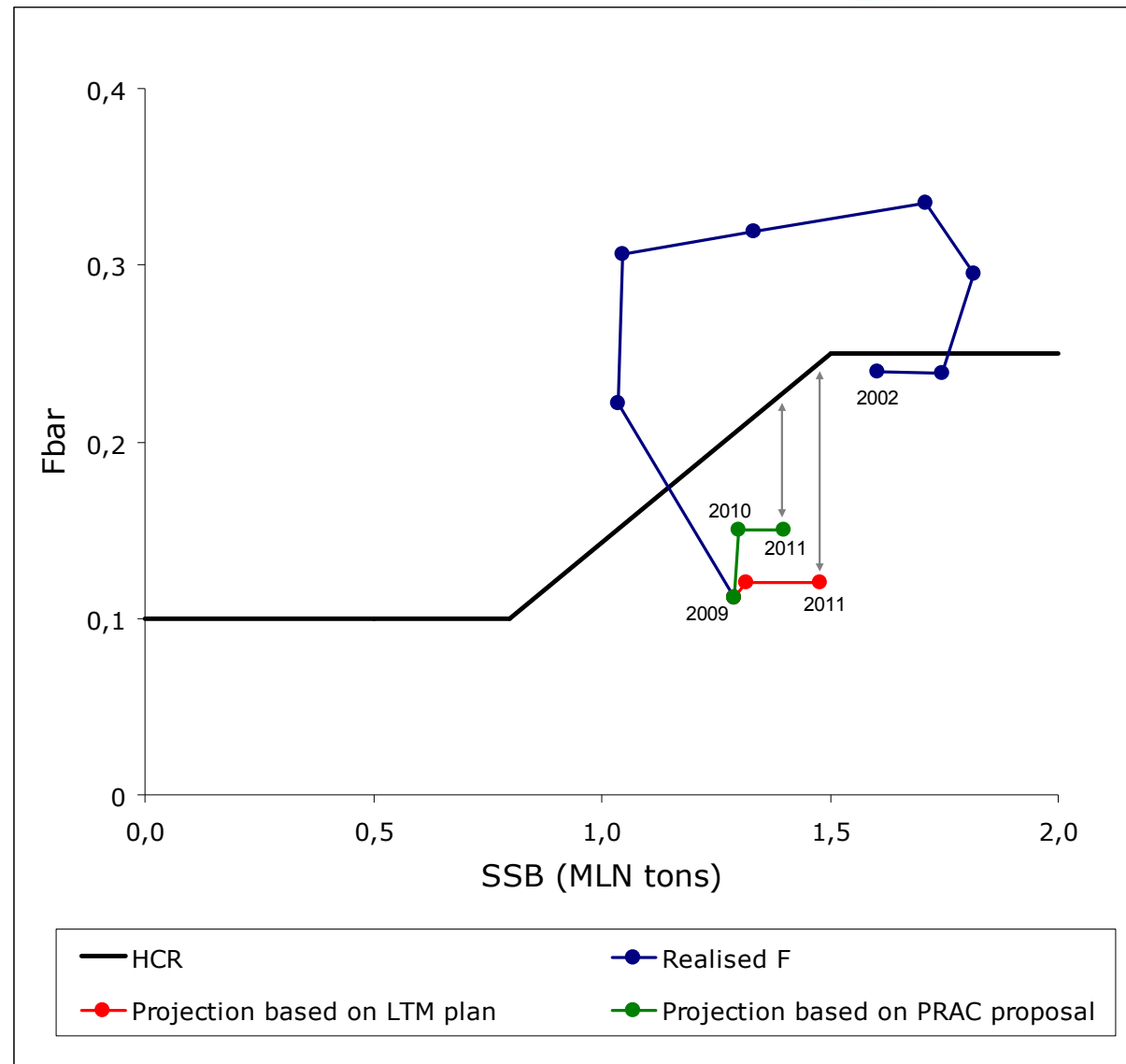


This is a purely socio-economic discussion.

There simply are no biological arguments to claim that the correction could not be made.

The resistance that the PRAC met from the EC on this, first surprised us, then slowly started to worry us, but over the course of this year has become a huge frustration to the industry members of the PRAC.

They just not feel that they are being taken seriously



Concluding remarks



- Pelagic RAC has made considerable attempts to include socio-economics in its recommendations unfortunately with only limited results
- Probably, dealing with socio-economics as an isolated issue is more difficult than trying to recognise ad-hoc opportunities where it may be dealt with integrally (this might mean focussing on details here and there, rather than on the big picture. Surprisingly, with some of the more successful cases (mackerel) support came from an unexpected corner: biological scientists.)

Concluding remarks



- EC seems reluctant to accept socio-economically driven advice
- Even when based on analysis by STECF *and* without compromising biological sustainability objectives
- As long as EC and Council do not clearly show that they are receptive to socio-economic arguments, what is the point for the RACs to be going at great lengths to find them?