REPORT

NWWRAC and SWWRAC Joint Focus Group Northern Hake Management Madrid, 22nd May 2008

NWWRAC members:

Jesús Lourido (Chairman)
Hugo González
Jacques Pichon (absent)
André Gueguen
Gerard O'Flynn
lan Gatt
Michael Walsh (absent)
Paul Trebilcock
José Luis Otero
Francisco Etchevers

SWWRAC members:

Víctor Badiola
Jean-Pierre Plommel
Eduardo Míguez
Jesús Etchevers
Juan Carlos Corrás
Mercedes R. Moreda
David Milly
Stéphanie Tachoires
Yves Foezon (absent)
Alexis García (eNGO)

Manuela Azevedo (scientist) Juan Pablo Pertierra (European Commission)

Alexandre Rodríguez (NWWRAC Secretariat) Benoit Guerin (SWWRAC Secretariat)

Observers:

Marina Santurtun (scientist)
José Manuel Fernández Beltrán
Concepción Sánchez Trujillano (MARM)
Borja Velasco (MARM)
Juan Antonio Pintos (Xunta de Galicia)

WELCOME

Concepción Sánchez Trujillano, the Deputy Director-General of Community Affairs of the Ministry of the Environment and Rural and Marine Areas (MARM), welcomed those attending this meeting to Madrid. She also passed on the apologies of the Director-General of Fishery Resources, Fernando Curcio, who could not attend because of conflicting events in his agenda.

Jean-Pierre Plommel highlighted the industry's concern over rising oil prices and the structural crisis that the sector has found itself in as a result of this and other factors.

- Background

Hugo González briefly summarised the main conclusions of the report on the last meeting of this focus group in Bilbao, recapitulating the arguments put forward by the scientists (through presentations with biological data on growth rates, spawning stock biomass and fishing mortality) and summarising the strategic lines of action agreed on by NWWRAC members at this meeting.

He also expressed his concern over the guidelines set down in the Commission's non-paper aimed at reaching the maximum sustainable yield of this species, making special reference to its possible impact on the limitation or reduction of the fishing effort and its repercussions on associated species such as monkfish and megrim.

- Adoption of the last Meeting's Report (Bilbao, 21st February)

The report on the last meeting was adopted without amendments or changes.

- Adoption of the Meeting Agenda

The Chairman, Jesús Lourido, outlined and explained the contents of the agenda, point by point, before inviting the participants to formulate any amendments or changes they considered appropriate.

Gerard O'Flynn asked that enough time be allocated in the agenda to discuss the current oil crisis problem. Gerard's proposal was unanimously supported by all members and by the Chairman himself.

Enrique De Cárdenas, from MARM, asked to give a brief presentation of his comments and an assessment of the Commission's Non-Paper after the intervention of the Commission representative.

Lastly, on a request from Ian Gatt, it was agreed to reduce the time set aside for lunch to 1 hour and to debate the fuel issue from 3-4 p.m., leaving the presentation on the update of the EFIMAS project at the end of the meeting.

The agenda was adopted with the above proposed changes.

BIOLOGICAL ASSESSMENT OF THE CURRENT STATUS OF NORTHERN HAKE STOCK

Manuela Azevedo, Chairwoman of the ICES Working Group on Hake, Monkfish and Megrim (WGHMM), gave an informal presentation on the assessment of these stocks over recent years and evaluated the preliminary results for 2008. She reminded participants that the WGHMM report is currently being reviewed by a committee of independent experts prior to publication of the final ICES biological report, which will include the scientific advice of reference for 2009.

Manuela Azevedo remarked that the number of landings had fallen in 2008 (44,400 tonnes) in comparison to the previous year (52,700 tonnes). She also clarified that the same methodology used to calculate landings in recent years had been used, which was based on information from Spanish commercial fleets and scientific research campaigns, although efforts were being made this year to obtain more detailed information on discards from some fleets.

The conclusions on the results obtained were the same as for previous years: there was a solid and constant increase in spawning stock biomass (SSB) between 2003 and 2004, and fishing mortality (F) has fallen since 1995, reaching precautionary levels for fishing mortality (Fpa).

As a result, major changes to the advice given were not expected and it was argued that more or less the same conclusions will be obtained when the simulation exercise is carried out at the STECF to implement a long-term management plan for hake.

Responding to a question from one of the members, Manuela explained that monkfish and megrim stocks have not been assessed this year because no solid or reliable data and up-to-date information were available, so the group decided not to make an annual assessment this year. For this reason, the results or conclusions of the last meeting were deemed applicable and it was predicted that the advice given out by the ICES would be the same as for the previous year.

The Commission representative, Juan Pablo Pertierra, regretted the lack of sufficient updated data on monkfish and megrim stocks, considering that the last reference used as a basis for establishing the TACs for this species, which dates from 2005, was somewhat outdated. He also reminded the Member States of their legal duty to supply the data required by the EC Data Collection Regulation (DCR), currently in force.

Manuela announced that a specific ICES seminar on monkfish and megrim would be held in the autumn of 2008 to analyse the historical trend and evolution of these species. On the subject of megrim, she pointed out that there were problems with age, discard rates and the dubious quality of data obtained in recent years. Nonetheless, the studies and observation campaigns carried out to date would appear to indicate certain stability in the abundance indices of the species. Assessment of monkfish is more complicated because of greater uncertainty and poor quality of data.

REVIEW OF THE EUROPEAN COMMISSION NON-PAPER

- Presentation of the Non-Paper by the Commission Representative

Juan Pablo Pertierra focused his comments on Point 5 of the Non-Paper, proposing the discussion of a series of issues by the stakeholders, explaining that the non-paper is a preliminary document open to debate and discussion among all parties and, hence, susceptible of changes or modifications.

The main issues around which the Commission representative focused the debate were:

- TAC levels and the fishing effort (mainly in the kilowatt/day method and decommissioning policies in the operational plans of the Member States).
- Scenarios indicating a gradual transition towards reduced fishing mortality.
- Technical Conservation Measures (proposals to increase mesh size from 100 to 120 mm for hake fishing, from 70 to 80 mm for nephrops fishery in the Celtic Sea, the use of square mesh panels, etc).
- Discard policy
- Area closures to protect juvenile hake.

- Presentation by Enrique de Cárdenas (MARM)¹

First, the speaker defined what he understood by hake fisheries, including some species (monkfish, megrim, nephrops and hake itself) and excluding others (sole). He also pointed out that minimum sizes and spawning stock biomass levels could vary, depending on the specific weight or relevance given to the species in different fisheries.

According to information on hake taken from the latest assessment reports of the ICES, no tendency towards reaching average size has been observed (as is the case with associated species such as black-bellied angler or nephrops). Manuela confirmed the data provided with that published by the ICES.

The speaker concluded by using the graphs in the presentation that there was a "natural" tendency for hake stock to reduce fishing mortality and that fishing mortality levels could reach MSY (Fmax) levels under the conditions established in the current recovery plan before 2015, which is in line with the main objective set down by the European Union.

- Comments of participants from the floor

The members accepted the proposal of Hugo González to conduct a preliminary general assessment of the document before moving on to a more detailed analysis of the issues raised by the non-paper, with a view to drawing up a response to the document.

1) General comments on the non-paper

The members of this focus group consider that the various chapters of the Commission's Non-Paper give a view too simplistic and vague of many aspects. As a result, the data it provides contains some errors.

The non-paper provides an inaccurate view of hake stocks because it fails to delimit or differentiate between the different fishing gears and the environmental impact of each of these on the concerned fisheries.

The members of the focus group raised the question as to whether it was even necessary to switch to a management plan based on maximum sustainable yield criteria. It was agreed that it might be worthwhile rethinking the idea of introducing a management plan like the one proposed here because it poses a threat to the survival of the industry, given the structural crisis affecting it. The introduction of a management plan could have a perverse effect on the fleets targeting hake by setting further reductions in effort and TACs as it is suggested in the non-paper. An alternative was put forward that would involve adapting the requirements of the present recovery plan to the current situation. In the current climate, it is expected that the numbers of vessels targeting this species will fall considerably in several countries, so perhaps it would be appropriate to establish a transitional period before introducing a more restrictive new plan.

In conclusion, the members warned that this document required a thorough revision and that the observations made by the stakeholders should be taken on board. If the diagnosis of the current situation is not correct, it is difficult to foresee how the measures adopted subsequently can be the right ones.

¹ The full version of the presentation is available for consultation in the meetings section of our website: http://www.nwwrac.org/Meetings/Meetings_ENG/Navigation.php?id=289&language=Espanyol

* General comments from representatives of the fishing industry:

- There was disagreement over the way that socio-economic aspects were dealt with and analysed in this document, including statements on social aspects where it differed from the conclusions of the STECF socio-economic report. It was argued that focusing on the long-term financial benefits of this plan for fishing communities and regions was absurd given the current crisis. The Commission was informed of the industry's indignation over the disparaging remarks addressed to shipowners (low wages, long working hours, insufficient staff and lack of crew safety on board, etc.) as these were considered to be incorrect and it was argued that these aspects should not have been included in the non-paper because they bear no relation to the establishment of a long-term management plan.
- It was considered a serious conceptual error for the document to state that the economic "sub-sector" of fresh fish would be minimally affected in social and economic terms by the application of the more restrictive criteria included in the future management plan. It was argued that the fresh fish sub-sector is a complex one that creates many jobs because it covers a wide range of activities or phases, from catching the resource, landing it at ports, buying at auctions and transporting and selling to making it available to consumers.
- Some very general and somewhat dubious conclusions were reached on species size. The industry pointed out that hake size has increased substantially and is still rising. It was also suggested that the non-paper should focus exclusively on hake management and not include other species (such as monkfish, megrim and nephrops)
- Some of the exceptional restrictive measures included in the recovery plan should be relaxed or revised (increased tolerance margin to 10-15%, preliminary landing report...) to avoid the double application in practice of another recovery plan and to avoid generating more red tape and extra work for fishermen.
- The industry stated that there had been a general trend of falling market prices since 2001 in all countries.

* Response of the Commission representative:

Juan Pablo Pertierra responded generally to the comments made by members:

- The non-paper is a non-final discussion document inviting all those represented on the RACs to make their comments in writing, in a formal document.
- The Commission has a mandate or legal duty to the Council to submit a management plan once the objectives set in Council Regulation (EC) 811/2004 have been met.
- The Member States must apply decommissioning plans effectively and immediately because they have competence in this area.

2) Detailed analysis of the points and issues raised by the Non-Paper:

2. DEFINITION OF THE PROBLEM

2.1. Stock status

Members agreed that high diesel fuel costs and the crisis of the sector will have short- and medium-term effects on stock recovery.

It was pointed out that, according to the annual ICES reports, the biomass level of 140,000 tonnes established in Council Regulation (EC) 811/2004 had been reached and surpassed for three consecutive years.

The reduction in overall landing figures was stated to be largely the result of a reduction in TACs and quotas, in addition to a reduction in the fleet over recent years. An appeal was made to improve data reliability and to include discards in the calculation of landings.

2.2. Associated species

A recommendation was made to analyse their population dynamics separately because they are not all in adverse situations (the anglerfish, for example).

2.3. Overcapacity

It seems appropriate in the current climate to apply policies for adjusting and reducing the current capacity levels of the fishing fleet by introducing effective decommissioning plans with the funding available from the European Fisheries Fund (EFF). The publication of new regulations in this area was considered unnecessary.

The governments of the Member States were also urged to submit the fleet-reduction plans proposed by the fishing industry to the Commission.

2.4. Discards

Firstly, the non-paper should offer a precise definition of what is discarded with each type of fishing, based on the gear and mesh used. The impact of discarding should also be seriously analysed without alarmism, since the activity could affect different environmental aspects.

Secondly, the non-paper generalises too much about the volume of discards and the general statement that 95% of immature fish are discarded is incorrect. For the most part, it is actually other species that are discarded due to a lack of quota or the species having no commercial interest or a very low sale price.

4. POLICY OPTIONS

4.5. Control measures

Almost all members were of the opinion that the exceptional control measures stated in the recovery plan should be relaxed and not tightened further because they are perceived as being excessive and unnecessary for establishing a management plan. Moreover, the adoption of any of these measures should have a scientific basis

A level playing field is required, with comparable and non-discriminatory rules evaluating which management measures are indeed necessary and effective (also in relation to costs).

Improving and tightening control over illegal importations from third countries is considered a priority because it seriously infringes the rules of competition and undermines the profits of the "responsible" fishing industry because prices fall dramatically due to unfair competition.

Specifically, an application of Council Regulation (EC) 104/2000 on the Common Organisation of the Markets should be reinforced and a higher first sale price should be fixed and duly regulated (with a list of minimum prices or higher withdrawal prices, higher rates of fishing, etc).

Another issue was that legislative measures should not only regulate the extractive activity but should also take into account the influence of environmental factors (such as climate change, contamination of fisheries by illegal dumping or spills, overpopulation of coastal areas, pollution from merchant ships, etc.) on hake recovery.

For the specific proposals on control measures, see Annex I containing the official NWWRAC-SWWRAC Joint Response to the Commission non-paper on a long-term management plan for northern hake.

5. COMPARING THE OPTIONS

See Annex I. ("Official NWWRAC-SWWRAC Joint response to the Commission non-paper on a long-term management plan for northern hake").

ELABORATION OF A RAC RESPONSE TO THE NON-PAPER

- Work timetable, task assignment and adoption of the decision-making procedure:

The NWWRAC Secretariat announced to those at the meeting that he had received a formal positive reply that day from the Commission to the letter requesting an extension to the initial deadline for receiving observations and comments on the non-paper. The new deadline was set for Friday 13th June.

The members approved the work timetable put forward by the Secretariat for drawing up a response to the Commission's non-paper, which was as follows:

- 1) The secretariats of the NWWRAC and SWWRAC were to submit a preliminary draft of the reply in French, English and Spanish during the week after the meeting (deadline: Friday 30th May).
- 2) The members of the two RACs would then formulate comments and suggested amendments (which had to be included in the text as proposals) the following week (deadline: Friday 6th June).

- 3) The secretariats of the two RACs would finalise preparation of the definitive, consolidated version, which had to be approved by their Executive Chairs within two days (deadline: Tuesday 10th June).
- 4) The definitive version of the opinion would be submitted for formal adoption by the members of the Executive Committee in two days (until Thursday 12th June).
- 5) The response or joint NWWRAC and SWWRAC opinion would be sent to the Commission on Friday 13th June.

EXTRAORDINARY ISSUE: ANALYSIS OF THE PROBLEMATIC OF THE CRISIS AFFECTING THE INDUSTRY AND FUEL PRICES

All of the members at the meeting were representatives of the fishing industry except for one representative of the environmental NGO ADENA-WWF Spain.

Gerard O´Flynn suggested drawing up a document to present to the European Commission favouring the idea of a pan-European reaction from the representatives of the fishing industry to undertake actions to alleviate the complex problem of fuel prices and to minimise its socio-economic impact (by reducing fuel costs, with rational decommissioning policies, etc.). This document would cover matters such as controlling EC markets and fish imports from third countries, controlling first sale prices, the need to give consumers more information in order to evaluate and identify the product, etc. All of the members present at the meeting approved and ratified the drawing up of this document by the secretariats of the two RACs so that all members would be informed and it could be submitted to the Commission as soon as possible following approval by the respective Executive Committees of the two RACs.

A strategic reflection is needed regarding the importance of fishing activity in the EU in the context of a global economy and the need to guarantee market supplies.

One example of uncoordinated action between Member States is the increased "de minimis" aid (€30,000 for all fleets and vessels) granted to some but not all countries, which is a bad example to be setting if we are to achieve a Common Fisheries Policy.

The Commission representative reminded those present that the crisis is mainly due to the current size of the European fleet (the imbalance between fleet capacity and the sustainability of the available fishery resources).

Stéphanie Tachoires, representative of CNPMEM, updated those present on the results of the meeting on the crisis held on 20th May by fishermen and members of the French government, also open to representatives of organisations from other countries, to come up with a strategy for tackling the problem.

She pointed out that France will take over the EU presidency on 1st July and urged those present to adopt measures to take action if the situation so requires since all other fishing issues are secondary to this.

Hugo González added that a demonstration had been called by the Spanish fishing confederation CEPESCA for Friday 30th May in Madrid.

UPDATE ON EFIMAS PROJECT²

Marina Santurtun, a scientist from AZTI, gave a presentation showing those present an update of the EFIMAS tool scenario simulation tool for the management of fisheries. The presentation had a dual aim specifically for this meeting:

- To try to respond to some of the issues raised in the Commission's non-paper.
- To carry out a preliminary simulation of the impact that harmonisation of mesh size to 100 millimetres for hake gear in sub-areas VI and VII could have on fishing mortality, as requested by the NWWRAC in a recent letter to the Commission in which it asked for advice from the STECF.

² The full version of the presentation is available in the meetings section of the NWWRAC website: http://www.nwwrac.org/Meetings/Meetings_ENG/Navigation.php?id=289&language=Espanyol

END OF MEETING

The Chairman Jesús Lourido ended the meeting by thanking those present for their participation and contributions to the debate, and expressed his gratitude to the MARM for hosting the event and to the interpreters for a commendable and outstanding job.

The meeting was adjourned at 17.00 h.

Chairman, Jesús Lourido Rapporteur, Alexandre Rodríguez

<u>ANNEX I</u>





North Western Waters Regional Advisory Council South Western Waters Regional Advisory Council

JOINT OPINION

Response to European Commission Consultation
On a Long-term Management Plan for Northern Hake Stock

Conclusions and Recommendations from the NWWRAC – SWWRAC Focus Group on Northern Hake management (Madrid, 22 May 2008)

Presentation of the preliminary ICES advice

The Chair of ICES Working Group on Hake, Monkfish and Megrim, presented the general trend of northern hake stock during the last years. The following were some of the main points and conclusions:

- Stock spawning biomass is increasing and has surpassed the Bpa (140 000t) for three consecutive years (2005, 2006 and 2007)
- The fishing mortality has decreased since 1995 and it is around Fpa.
- The evaluation includes landings data only for some fleets and a first estimation (still not reliable) of discards.

General discussion on the NON PAPER

The representative from the European Commission reminded that the Council has agreed to vote on a proposal for a long term management plan on northern hake in 2009. He added that the EU and main fishing Member States (Ireland, Great Britain, France, Spain...) had yet committed themselves to reach the MSY for its mains stocks in 2015. He also noted that the entry into force of the Lisbon Treaty in 2009 may delay all the current texts coming from the European Commission.

He also took this opportunity to require the help of the fishing industry in the data collection work and cooperation from the Member States to comply with the provisions of the Data Collection Regulation in order to improve the quality of advice and ensure an updated evaluation of the stocks for all species.

All RAC participants expressed disappointment of the lack of accuracy of the NON PAPER and the restrictive nature of the management measures thereby suggested. They noted many misunderstandings and lack of technical knowledge. For example, section 3.1 related to identification of the sectors but some fleets and métiers have been omitted. In addition impacts such as discarding rates of individual métiers have not been appropriately analyzed. The participants re-emphasized the multi-specific dimension of the fishery and requested that management be consequently adapted to the specificities of the different fishing segments, patterns or fisheries. The participants regret that the NON PAPER is leaving very little place for the economic and social aspects and asked for a more balanced view.

- The table estimating the economic costs of reducing fishing mortality to MSY (Fmax) presented in point 6.2. of the NON PAPER was criticized and the participants regretted that an economist was not present to discuss the proposed figures.
- The market policy aspects (control of illegal importations from third countries, traceability about origin of products, responsible fishing or minimum prices for first sale...) are not properly dealt with in the NON PAPER. These are issues that would damage the position of the European fishing industry on the European market.
- Some participants rejected the biased version described in point 6.3. on analysis of social impacts insofar as it has many inaccurate statements which go beyond the socioeconomic report from STCEF in which these conclusions were based and affects the image of the fishing sector. The participants stressed the number of jobs created through fishing and the complexity of the social thread and activities of the fishing industry.

In summary, this document should be completely reviewed by the Commission in order to give an appropriate picture of the existing current situation of the stock (which is recovering and shows a solid and stable trend through the historical data). If the diagnosis is not precise, the implementing measures as a result of it will be neither suitable nor effective from a socioeconomic point of view.

Answers on the options proposed in the NON PAPER

5.1. Management of fishing mortality by TAC and effort

5.1.1. Which fishing opportunities should be adjusted: TACs, fishing effort or both?

The participants, despite not agreeing with the necessity to increase the current adjustment rate, do not oppose a fishing effort reduction. Although this should be considered and developed in light of the current circumstances of structural changes within the fishing industry and not in a general manner, to achieve a modification of the exploitation pattern of the fishery. However they oppose the proposed limitation on KW/days and its potential implications for TAC and quota allocations. If adjustments need to be carried out using TACs, the real effect will be partial, as it will only affect quotas that, in the last years, have been fully taken up (30% in area VII). Indeed, a reduction on the TAC might lead to an increase of discards in certain areas. Finally, it was noted at the meeting there is already a western waters effort scheme in place

5.1.2. How can fishing effort be reduced: reduction of kw/days at sea, decommissioning vessels or both?

The participants from the fishing sector believe that the fishing effort is going to be reduced through decommissioning of vessels within each national scheme.

5.2. Technical measures

5.2.1. Should the mesh size for the hake gillnet fishery be increased from 100mm to 120mm?

The majority of participants from the fishing sector (with the exception of the Irish fishing industry representatives, which are opposed to any reduction from 120 mm to 100 mm as referred to in previous meetings) does not agree on the proposed increase and would rather consider the possibility of proposing the harmonization of mesh sizes to 100mm for all the hake gillnet fishery. The NWWRAC are currently awaiting a response from the Commission on an assessment by STECF on the impact of such a mesh change to the stock. The representatives from the NWWRAC members will wait to the outcomes of the work of STCEF before adopting a final position on this issue.

5.2.2. Should the mesh size of the Nephrops fishery be increased?

The members support the French initiative to increase selectivity for nephrops trawlers (through the use of square mesh panels) and refuse an increase in the mesh size. Further trials on square mesh panels should be supported

5.2.3. Should the mesh size of the demersal fishery less than 100mm be increased?

The fishing industry members think that the mesh size of the demersal fishery should not be increased to improve selectivity for hake. They note that there are enough measures for protecting juveniles such as for instance the specific mesh sizes for gillnets (120 mm) and trawlers (100 mm) in the Biologically Sensitive Area in South and East Ireland

5.2.4. Can an (several) area(s) be closed to fishing to protect hake juvenile?

The participants from the fishing sector refuse new proposed closed areas. They argue that many are already in place and some others are planned within the frame of the Natura 2000 network. Representatives from Ireland, Scotland and Spain stated there was merit in exploring closed areas but not in the Scotlish format of Real Time Closures. The Spanish delegation show its distrust towards the concept of real-time closures, specially within a multispecific fishery

The representative from the eNGO generally supports the improvement of TCMs (leaving the fishing industry members to determine the adequate mesh sizes), and the closed areas proposal as suitable for conservation of the hake stocks.

Main recommendations

The participants from the fishing sector worry that the proposed management plan will exacerbate the current measures taken within the frame of the former recovery plan. They consider that this is in contradiction with the current decrease of the mortality (F), the increase of the stock spawning biomass (SSB) and the huge increase in fuel prices.

They are aware of the objective of reaching the MSY within 2015, but in order to achieve it they would suggest to the Commission the following recommendations:

- The existing management measures (TAC and TCM) should be considered as they have proven to be successful as the ceiling of constraints before moving towards any additional and more stringent measures;
- The MSY should be reached "naturally" following the fleets' dynamic of decreasing economic profitability mainly due to the increase of fuel prices and rising of exploitation costs. This situation will lead many vessels to move out from the fishery and participate in decommissioning schemes;
- The control measures currently in force have rendered positive results thus it is not deemed necessary to amend or modify them, with the exception of:
 - A better control of discards (some participants mention the possibility of scientific surveys with observers on board or auto-sampling projects)
 - Better traceability of landings;
 - o An elimination of the necessity of giving prior notice once the electronic logbook has entered into force.
 - The future obligation of electronic log-book should both improve the quality of data and facilitate a better control of the fishing activity on sea;
 - Removing the requirement of landing at designated ports as it only imposes more difficulties and costs for the fleet.
 - The need of a "level playing field" for the elaboration, enforcement and application of control measures.
 - o Nevertheless, all the participants ask to increase the current margin of tolerance from 8% to fall in line with other species not subject to recovery plans. Given the fact that this measures has been proven to be one that is neither easy to implement or enforce and is not effective from a conservation point of view.