



INITIATIVES TO TACKLE FUEL CRISIS OUTLINED

The KFO has been looking at possible ways to ease the negative impact that increasing fuel prices is having on fishing vessels which are heavily reliant on fuel. The KFO, as part of the EAPO delegation in conjunction with other EU industry representatives, met with Commissioner Borg in July to outline the difficulties the fuel crisis is having on the fishing industry. Commissioner Borg and the industry agreed that there was a need for a three-tier approach which will include short-, medium- and long-term measures. It is hoped that the short-term measures, particularly the temporary cessation of activities as outlined below, will help to ease the impact of the fuel crisis.

IN THE SHORT-TERM, TWO MEASURES ARE CURRENTLY AVAILABLE:

Temporary Cessation of Activities

To help relieve current difficulties, aid should be made available to vessel owners and fishermen through temporary stoppages. Commissioner Borg has obtained agreement inside the Commission to consider the impact of the steep increase in fuel prices as "unforeseeable circumstances" under the FIGG. Member States can therefore grant compensation to fishermen and vessel owners for real losses suffered. The condition attached to this is that vessels stop fishing in order to reduce operating costs for up to three consecutive months, or for six months between now and the end of 2006, which marks the end of FIGG. Minister Gallagher has given a commitment to carry out a feasibility study on such a scheme at the request of the KFO and ISWFPO, and the KFO is confident that the study will yield positive results.

Action Under the FIGG

A second form of assistance in the short-term lies within the current FIGG regulation, whereby Member States may finance changes in fishing techniques or gear which could assist the efforts to reduce fuel dependency. Today, it is already possible to use FIGG funds to convert vessels to less fuel-intensive techniques. There are two conditions for this aid, namely that it does not concern the capacity in terms of tonnage or engine power and that it does not increase the effectiveness of the gear.

MEDIUM-TERM MEASURES

The Commission is currently reviewing the *de minimis* aid ceiling as a response to the acknowledgement that the current ceiling of €3,000 over three years no longer reflects the reality of the fishing sector. Hence the Commission intends to raise this ceiling once the necessary consultations have taken place within the Commission and among the Member States. In order to carry out the necessary procedures Commissioner Borg will be proposing that the Commission adopts a new regulation which is specific to the fisheries sector.

POSSIBLE ACTIONS IN THE MEDIUM- TO LONGER-TERM

Action under the European Fisheries Fund

- For the longer term, within the framework of the EFF, Commissioner Borg is looking at ways to allow investments that encourage energy savings by, for example, replacing existing engines with more fuel-efficient ones and by adapting vessels to less fuel-intensive fishing methods. Such investments would have to be subject to conditions to ensure they don't increase capacity.
- As soon as the EFF is adopted, Commissioner Borg is ready to mirror those measures that will help save on fuel costs under FIGG, so that fishermen don't have to wait until 2007 for assistance to make the necessary structural changes.

RESTRUCTURING ACTION PLAN

The Commission is also considering launching, in close co-operation with the industry and governments, an "action plan" aimed at a more in-depth restructuring of the sector. He indicated the need to study carefully what options are available to make the fishing sector more sustainable and better able to cope with long-term pressures such as high oil prices. Such an action plan could help enterprises facing difficulty from a variety of factors, such as the need to restructure its management, changing fishing methods to reduce fuel consumption or reducing the overall capacity of the fleet in order to make it more profitable. It may be one or a combination of these. The idea is to allow Member States to help fleets financially on the basis of adapting fleet structures on a permanent and sustainable basis.

GUARANTEE FUND

The Commissioner outlined his views on a guarantee fund supplied by public money. Such a fund could be authorised if beneficiaries refund money later on. He indicated that such guarantees seem difficult in the current situation as prices are in an upward trend and do not appear likely to fall below a fixed reference threshold any time soon. However, he considered this is a worthwhile option that should be examined.

DETAILS OF WHITEFISH DECOMMISSIONING SCHEME ANNOUNCED

Marine Minister, Pat the Cope Gallagher T.D, announced details of the Decommissioning Scheme to permanently withdraw capacity from the demersal and shellfish sectors of the Irish Fishing Fleet at Howth on the 4th October this year. The announcement follows the findings of the White Report where the Marine Minister secured the government's agreement to make a total of €45 million available for the permanent withdrawal of excess capacity in our whitefish and shellfish sectors. The main details of the scheme are as follows:-

- The scheme delivers on the central recommendation that a national decommissioning programme is the best way of taking out the necessary fishing capacity;
- It sets itself the target of removing up to 25 per cent (10,937 GTs) of the whitefish fleet (polyvalent and beam trawl segments), and reducing the scallop fleet to a level of 4,800 kW. This represents the full programme of decommissioning necessary to achieve the desired balance between the economic requirements of the demersal and shellfish fleets, and available resources detailed in the White Report;
- The scheme is introduced in its entirety, with the intention that it be substantially completed in 2006 and finalised by the end of 2007. The closing date for all applications under this scheme is Tuesday, 1st November 2005;
- It provides for withdrawal premiums (decommissioning grants, totalling up to €45 million, for the permanent withdrawal of fishing vessels from the demersal and shellfish sectors of the Irish fishing fleet and their removal from the EU register of sea fishing vessels;
- The scheme is open to vessel owners in respect of fishing vessels 15 years or more in age and 18 metres or more in overall length, currently registered in the polyvalent and beam trawl segments of the fleet and to vessel owners in respect of scallop boats 15 years or more in age and 15 metres or more in length currently registered in the specific segment of the fleet;
- The scheme is restricted to vessels registered on the Irish Register of Fishing Boats and in possession of a sea fishing boat license on the 30th June 2005. In addition the scheme is restricted to vessels that carried out a fishing activity for at least 75 days at sea in each of the two periods of 12-months preceding the 30th June 2005; (Continued on Page 2)

CRAB CO-ORDINATOR UPDATE

The Crab Co-ordinator has been in place for three months now and has spent that time coming to grips with the role. She has been in contact with all the Crab Sector KFO members, the major Irish processors and live crab exporters, and most of the relevant support agencies.

The areas of greatest difficulty which have emerged are those generated by the application of the various legislative issues, e.g. the limiting effect of Days at Sea as allocated to the vivier fleet; also, the fact that brown crab is a shared resource in Area VI which means that any stock management on the part of Irish crabbers is a very one-sided affair. There is also considerable disparity in the effort, both perceived and actual, between the vivier fleet and the seasonal inshore fleet.

Markets continue to be unpredictable and this highlights an underlying weakness of a sector which has to move on the product at all costs with no feasible alternatives either to fish for or sell to. An added factor over the past few months has been the frightening spiral of fuel costs.

With increasing co-operation from the fishermen, the Crab Co-ordinator is beginning to build up a picture of the fluctuations in landings and prices. This data, used in conjunction with a similar approach put in place by the Seafood Development Crustaceans Group, should facilitate members of the KFO Crab Sector when planning fishing effort, when to target the live trade versus the processing, maintenance tie-ups, and so forth.

Traditionally, the greater percentage of Irish brown crab has been sold in France, particularly live crab. The Crab Co-ordinator, in co-operation with the Marketing Division of BIM, is exploring the many niche markets which are becoming more attractive due to improved road and air transport. While these markets will never completely replace the existing outlets, they will ease the pressure and help maintain prices. The feasibility of targeting alternative species at different times of the year will also be considered; developmental work already carried out by Irish crabbers will, hopefully, be expanded.

Stock management will always be of major importance and the Crab Co-ordinator is liaising with as many crabbing interests as possible throughout the UK – contacts have already been established with interested parties in England, Scotland and Northern Ireland. There is a considerable area of common ground as regards legislation, stock management and marketing, and improved communication can only have a positive effect.

DETAILS OF WHITEFISH DECOMMISSIONING SCHEME ANNOUNCED (Continued from page 1)

- The scheme provides for decommissioning payments at the maximum levels permitted by EU Regulations for vessels in the polyvalent and beam trawl segments of the fleet and for decommissioning payments at the maximum levels permitted by EU Regulations minus 15 per cent for scallop boats in the specific segment;
- The priorities for decommissioning to the end of 2006 will include vessels catching monkfish, hake, megrim and scallops. The decommissioning envisaged for 2007 will include boats meeting the fishing activity criteria at that point and which target other whitefish species which are under less immediate fishing pressure.

Should the scheme deliver on its target of 25 per cent removal of whitefish effort the KFO is convinced this will put the whitefish sector on a better financial footing and deliver a sustainable future for Ireland's whitefish fishermen.

PELAGIC QUALITY GUIDES NEAR COMPLETION

As part of the Pelagic Quality Scheme 2002-2004, BIM and KFO have produced new quality guides for scad, mackerel and herring. The guides are in response to industry requests for material that is user-friendly, requires little training and takes into account all the attributes used by buyers to assess quality. The three new guides have been produced through a combination of assessing existing materials, quality sampling at sea and at ports, and running storage trials.



Caption: Draft pelagic quality guides for mackerel, herring and scad.

The guides incorporate basic handling recommendations on catching, discharging, transportation and storage of these species to maximize quality. As well as having detailed definitions for all the attributes regarded as quality indicators, they also include photographs of the most prominent attributes. The guides are currently under review by industry members and will then be test-marketed by a number of processors to assess their practicality. It is hoped that all industry sectors will use these guides to enable an objective appraisal of the fish at landing and at the processing stage.

FIRST NWWRAC MEETING TAKES PLACE IN DUBLIN

Over 70 members representing Ireland, the UK, Spain, France, Belgium and Holland from the newly established EU Commission's North Western Waters Regional Advisory Council attended the Council's inaugural meeting at Dublin Castle on 30 September 2005 where key positions were voted on.

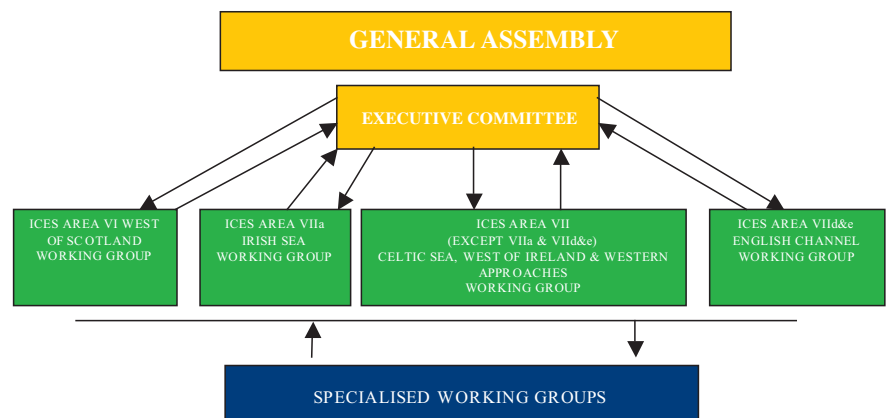
Mr André Le Berre, France, was appointed President of the Council. A 24-person Executive Committee was also elected and Mr Sam Lambourn, UK, was appointed Chairperson of the Executive Committee and the RAC. The Irish fishing representatives on the Executive Committee are Sean O'Donoghue, KFO and Jason Whooley, ISWFPO.

As Chairperson Mr Lambourn will chair meetings of the Executive Committee, will speak for the RAC

and will be responsible for liaison with Member States, the European Commission, and the wider public and media on all matters pertaining to the day-to-day workings of the RAC, its Executive Committee and Working Groups.

Four Working Groups were established at the Executive Committee meeting that ran immediately after the General Assembly meeting. These Working Groups will assist the Executive Committee in developing fishing-area-specific proposals and advice within the overall objectives of the North Western Waters RAC. These Working Groups will enable a wide range of technical experts to take part as well as expanding the scope for stakeholder participation. The first meeting of the four Working Groups is scheduled for the 7th and 8th of November next in Paris.

An overview of the initial structure of the NWWRAC:



COD RECOVERY PROGRAMME AND DAYS-AT-SEA UNDER REVIEW

In 2004, two new issues were debated at political level: the possibility of substituting closed areas for reductions in days-at-sea, and the possibility of providing incentives for fishermen to adopt fishing practices that have a lower impact on the cod stock. A commitment was made by the Council and the Commission in December 2004 as follows:

"The Council invites the Commission to review the appropriate definition of gear categories for the management of effort within the cod recovery plan. The Commission states its intention to execute this review in the context of the global review of technical measures to be completed during 2005, and to make, as required, an appropriate proposal to amend the Cod Recovery Plan. In doing this, the Council invites the Commission to take into account the need to encourage the use of fishing methods that reduce discarding and by-catches. The Commission states its intention to obtain and use relevant new scientific information on the fishing gears concerned in the preparation of its proposal."

The Commission is convening an STECF group with terms of reference as follows:

(1) STECF is requested to identify the distribution by age, season and ICES rectangle of cod, and to identify the location and season of the most important fishable concentrations of cod in the North Sea, Skagerrak, Eastetern Channel, Kattegat, Baltic Sea, west of Scotland, Celtic Sea and the Irish Sea, and taking

due account of estimated discards and other unallocated catches, to quantify the proportion of cod caught in these areas and/or seasons. The analysis should present data on:

- (a) A recent short period reflecting current conditions,
 - (b) A sample of years when cod was within safe biological limits to indicate its distribution at that time.
- (2) STECF is requested to review the current system for the management of fishing effort in the context of the cod recovery plan (Annex IV a of Regulation 27/2005) and to:
- (a) Review the definition of the area, the gear categories and the associated days-at-sea conditions;
 - (b) Recommend ways to improve the conservation of cod, consistent with the Cod Recovery Plan (Regulation 423/2004) and to improve the access of fishing vessels to other, under-exploited resources.

In the foregoing evaluations, STECF is requested to take account of fish catches that are discarded as well as those that are landed.

DCMNR APPOINTS FOI TO CARRY OUT STUDY INTO IRISH WHITEFISH SECTOR

The Department of Communications Marine & Natural Resources have appointed Food and Resource Economic Institute (FOI) supported by CFER to conduct a study into the Irish whitefish sector. This study was first muted by previous Minister for Communication marine and natural Resources at Fish Ireland in July 2004.

The terms of reference for the study are as follows:-

- To undertake an economic assessment of the value of the fishing entitlements available to the Irish whitefish fleet under the EU Common Fisheries Policy over the next three to five years;
- To undertake an assessment of existing and projected costs (including required returns on investment at vessel level) according to relevant vessel categories;
- Taking account of the views of the sector and international practise, to identify the benefits, and relevance in an Irish context, of alternative quota management arrangements which:
- Meet Ireland's legal obligations for quota management under the Common Fisheries Policy; and
- Ensure an economically viable, sustainable future for vessels in the whitefish fleet;
- To recommend options available to achieve a long-term, economically viable and sustainable future for a whitefish fleet and the policy implications of the options.

The terms of reference are set against a back drop of fishing possibilities remaining at around current levels for the foreseeable future and taking into account the size and composition of the sea fishing vessels of the current Irish Whitefish Fleet. This study is due to be completed in the early part of 2006.

TRIALS ON PRODUCTS THAT REDUCE SPOILAGE RATES YIELD INTERESTING RESULTS

Various products have appeared on the market over recent years claiming that they can reduce spoilage rates of both fresh fish and fish destined for fishmeal, if applied to RSW tanks at sea. The potential benefits are obvious, however it is important to establish the effectiveness of these products objectively, particularly as they represent an additional cost to industry. With this in mind the KFO and BIM carried out a series of trials in 2003 and 2004. Temporal trends in spoilage were assessed using several testing methods -- sensory, total bacterial count (TVC), total volatile base Nitrogen (TVB-N), Histamine and biogenic amine levels -- to establish how various products maintained freshness of both fresh fish and fish offal.

In November 2003, RSW tanks of a vessel targeting scad were treated with either ozone or XyRex®. Compared to untreated fish, these treatments had no apparent impact in maintaining freshness of scad when they were stored in a chilled environment for extended periods after landing. When scad were landed and stored under ambient conditions, however, both ozone and XyRex® displayed minor benefits. Two further trials during February 2004 again showed that XyRex® had minimal impact on mackerel compared to untreated fish. In August 2004, a larger scale trial was undertaken whereby fresh whole herring were treated with either acetic acid, Citrox™, Fishform® or XyRex® and each were compared to untreated fish. Although acetic acid and Fishform® proved most effective in reducing the TVB-N, biogenic amine and TVC levels over seven days, these products cannot be used on fish destined for human consumption because their strong preservative properties alter fresh fish. Overall, the benefits of using either XyRex® or Citrox™ were not readily evident throughout the trial. The four products were also tested on herring offal stored under chilled and ambient conditions. Obviously, chilling had the largest benefit, with all treatments under chilled conditions being fresher



Michael Gallagher BIM, checking temperatures of chilled offal during the additive trials.

over the trial period relative to unchilled offal. In terms of the products tested within each environment, acetic acid and Fishform® proved most effective in maintaining freshness over the trial period in fishmeal under both chilled and ambient conditions.

The results of the fresh fish and fish offal trials undertaken in August 2004 were presented at the Western European Fisheries Technology Association Conference in Antwerp, Brussels in September 2005, and will subsequently be published as part of the conference proceedings. Although further studies are warranted to test these and other products, preliminary results from the trials undertaken suggest that for fresh fish the most effective method for maintaining freshness is simply Good Manufacturing Practice in terms of hygiene and handling, coupled with effective temperature management from the net through to processing. Ideally fish offal should be held under chilled conditions, however current operational practices at the fishmeal plant in Killybegs dictate that products are required to minimise spoilage of fish destined for fishmeal. The most effective of these treatments were acetic acid and Fishform®. If further information on the trials is required please contact the KFO Scientific Officer, Marianne Green on 074 9741093.

by Sean O'Donoghue

CHIEF EXECUTIVE, KFO



The cost of fuel remains at record high levels and is about 80 per cent higher than the price paid by vessel owners in January 2005. The article on page one outlines the measures that both Commissioner Borg and Marine Minister Pat "The Cope" Gallagher recently announced to address the issue. The range of measures covers the short, medium- and long-term. In my view the short-term measures are critical to the economic survival of the fishing fleet and must be urgently addressed. In this regard I note that Minister Gallagher has agreed to examine the feasibility of a temporary tie-up scheme. I am confident that this feasibility study will show the urgent need for a temporary tie up scheme and hopefully lead to an implementation of such a scheme during 2006. Obviously I fully accept that such a scheme is not the medium- to long-term solution and a range of other measures as outlined on page one must be put in place.

I highlighted in the last KFO newsletter that the share out of blue whiting was still unresolved. A new development since then is that the pelagic fishing industries of the EU, Norway and Iceland have agreed an eleven-point management plan for blue whiting. This plan addresses the key issue of share out amongst the Coastal States and was presented at a Coastal States meeting in Reykjavik, Iceland on the 27th and 28th September last. This is a first for the fishing industries of the three Coastal States and hopefully this can be the catalyst that finally achieves a breakthrough on the share out of the blue whiting. The Faroes fishing industry, the fourth Coastal State involved, remains to be convinced. The KFO has played a key role in brokering the industry plan.

The Sea Fisheries and Maritime Jurisdiction Bill 2005 was published on the 4th October 2005. The Bill provides for amending and strengthening of the sanctions for sea fisheries offences; the appointment of an independent statutory Seafood Control Manager; transfer from Attorney General to the Director of Public Prosecutions for the prosecution of sea fishery offences; updating and replacing the Maritime Jurisdiction Act 1959; payment of taxes by applicants for sea fishing boat licences; clarification of the scope of Ministerial policy directives to the Sea Fishing Boat

Licensing Authority; updating the law relating to the registration of sea fishing boats; and clarifying and modifying aquaculture licensing law. This Bill which runs to 76 pages is fundamentally flawed and should be re-written, in my view. The KFO in conjunction with a number of other fishing industry organisations intends to lobby very intensely for major changes as this Bill progresses through the various stages of the Oireachtas starting with a submission to Joint Oireachtas Committees on Communications Marine and Natural Resources on the 12th October. The Bill as published is a missed opportunity to address some of the fundamental flaws of the existing regulations, such as providing for administrative sanctions, amending to realistic levels the draconian penalties for fishery offences and providing for a proportionate control system that is capable of meeting Irelands legal requirements under the Common Fisheries Policy. The Bill contains an unusual feature in Section 41 by providing for the appointment of a Seafood Control Manager. It is difficult to see how this provision as constituted in the Bill is appropriate, as it appears not to provide any benefit to improved control and enforcement, other than maybe sorting out internal departmental management arrangements.

The details of the decommissioning scheme for the demersal and shellfish sectors of the Irish fishing fleet were published on the 4th October (see article page one). The KFO has fully supported this scheme and it is hoped that the target of removing up to 25 per cent of the whitefish fleet can be achieved in the timeframe as envisaged, thus significantly helping towards a viable and sustainable future for whitefish fishermen.

The end of the year is always a extremely busy time for fisheries negotiations particularly on TAC and quotas for the following year. Numerous official, scientific and industry meetings are arranged over the next three months. This year will be the first year that the three Regional Advisory Councils set up to date will be providing fisheries management advise to the Commission and it will very interesting to observe whether or not such advise has any bearing on the final outcome in late December.

PELAGIC RAC UP AND RUNNING

The first meeting of the Pelagic RAC was held in Amsterdam on the 5th September. Iain McSween of the Scottish Fishermen's Organisation Limited was elected Chairman of both the Pelagic RAC and the Executive Committee. The Executive Committee also met on the same day and Sean O'Donoghue KFO is the Irish representative on it. The Executive Committee established two Working Groups: one on mackerel and herring chaired by Chris Olesen, and the other on blue whiting and horse mackerel chaired by Sean O'Donoghue. The Executive Committee also decided to deal by written procedure with the Mackerel Action Plan drawn up by the pelagic industries of EU, Norway and Faroes and an amendment to the technical conservation regulation relating to the use of pelagic pumps in the cod end. Both of these issues have now been agreed by the Pelagic Executive Committee and will be sent to the Commission and Member States as an agreed position of the Executive Committee.

NWPMAC UPDATE

The North West Pelagic Management Advisory Committee has resumed after the summer recess. The Committee is continuing its work in advising on the management of the pelagic fisheries. The Committee will endeavour to progress the pelagic quality scheme this autumn. There has finally been a resolution to the procedures to be adopted to allow for the weighing of pelagics in the factories.

NEW VESSELS JOIN KFO FLEET

Two new whitefish vessels, the MFV Atlantic Quest and the MFV Eternal Dawn have joined the fleet recently. The KFO would like to extend its congratulations and best wishes to Denis and Paul Carbury, and Kevin Boyle and Michael Mooney on the acquisition of their new vessels. It is encouraging to see members taking this initiative in committing to the future in the fishing industry. Wishing Denis, Paul, Kevin, Michael and their families and crew good fishing and every success for the future.

IMPORTANT DATES OCTOBER - DECEMBER 2005

DATE	VENUE	TOPIC
14th October	Vigo (Spain)	EAPO General Assembly
24th October	Luxemburg	Fisheries Council
25th-26th Oct	Faroe Islands	Mackerel Coastal States Meeting
30th Oct - 3rd November	Copenhagen	Atlanto Scandia Herring and Blue Whiting Coastal States Meeting
4th November	Amsterdam	Pelagic RAC Working Groups Meetings
7th-8th Nov	Paris	North Western Waters RAC Working Groups Meetings
7th-11th November	Bergen	EU/Norway 1st Round Negotiations
10th-11th Nov	Ireland	Visit of Commissioner Borg
14th-18th November	London	NEAFC AGM
21st Nov	Brussels	Fisheries Council
22nd Nov	Brussels	North Western Waters RAC Executive Committee Meeting
28th Nov - 2nd Dec	Brussels	EU/Norway 2nd Round Negotiations
6th Dec	Brussels	ACFA Plenary Meeting
19th - 21st December	Brussels	Fisheries Council

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