



Opening Statement Killybegs Fishermen's Organisation

Joint Oireachtas Committee on Agriculture, Food, & the Marine

7th December 2022

Fish Quotas and Decommissioning

Chairman, and Committee Members, thank you for the opportunity to address you here today. You have requested that we address two issues namely Fish Quotas and Decommissioning.

Your invitation is a timely one as the annual series of meetings in different fora for next year's TACs and Quotas discussions began in October and should be finalised at the Fisheries Council on Sunday and Monday, 11th and 12th December subject to the bilateral EU/UK negotiations as set out in the Trade and Cooperation Agreement (TCA) being completed.

Our opening statement covers the TACs and Quotas for next year but does not cover the percentage shares Ireland has of the various quotas as this will not be discussed at the December Fisheries Council. This is a key issue for the CFP review at end of this year when the Commission is due to report to the Council and the European Parliament. We have already made it clear to the Irish Government, and the Commission that just producing a report is not acceptable and we must have a full review that encompasses changes to percentages sharing arrangements. This amongst a range of other issues particularly the fundamental change that Brexit has caused is fully covered in the Review Group report (copy attached) sent to the Minister at the start of August. This report has been accepted by the Minister, presented to Cabinet, and sent to EU Fisheries Commissioner, Virginijus Sinkevičius, who is responsible for the CFP report due at the end of the year.

TACs and Quotas 2023

Trade and Cooperation Agreement (TCA)

The Commission's proposals regarding fishing opportunities in 2023 are made against a completely different backdrop due to the Trade and Cooperation Agreement (TCA) which came into effect on the 1st January 2021. The proposal does not have any figures for next year for the vast majority of stocks due to fact that the EU/UK bilateral negotiations are not completed.

As a consequence of the TCA, the bilateral consultations with the UK have become a key step towards setting Fishing Opportunities for the 75 shared fish stocks, whose majority are of interest to us. The importance of the annual December Fisheries Council has been diminished with only a handful of autonomous stocks, Hague Preferences, and some other issues to be decided at the meeting. One of the other issues due for consideration is the Danish mackerel quota (originated in Western Waters) in Norwegian waters which is a very important issue for Ireland.

At the time of writing, we are still awaiting the outcome of the EU/UK bilateral negotiations (which is part of the TCA) on the TACs for 75 stocks for next year. Should the bilateral negotiations not be completed before the Fisheries Council starts on Sunday 11th December the Council will not be in a position to sign off on the TACs and Quotas for next year. Instead, as happened last year and this year they will set provisional TACs and Quotas. This is totally unsatisfactory and caused a major problem for the fishing sector last year and this year with the final TACs and quotas for 2022 published at the end of March. The KFO has made it very clear to the Minister and Commission that should this situation arise again for next year there must be a legal way found of avoiding this happening.

1. Good State of Stocks in North East Atlantic

The Commission's Communication to the European Parliament and the Council "Towards more sustainable fishing in the EU: state of play and orientations for 2023" in June of this year clearly indicates managed stocks are in a healthy state in the North East Atlantic. (See extract below)

"In 2020, overall fishing pressure in EU waters continued to decrease, and the status of stocks to improve. It is particularly welcome to see that, thanks to the efforts made by the sector, in 2020 the overall fishing mortality ratio fell below 1 in the North East Atlantic for the first time"

The Commission's usual approach for setting fishing opportunities has had some disruption in recent years. The 2022 process was setback by the delays and difficulties presented with the implementation of the TCA and Covid which had major impacts on normal negotiations and face-to-face meetings. Fishing opportunities for 2023 have been disrupted by the invasion of Ukraine by Russia with resultant unsustainable fuel prices, supply chain difficulties and low consumer confidence.

2. CFP Objectives

The Commission's TACs and Quotas proposals focus on the biological objectives of Article 2.2 of the CFP. The proposals disregard those other objectives of the CFP dealing with economic, social and employment benefits, and contributing to the availability of food supplies as stated in Article 2.1 of the CFP. The Commission has an obligation to promote all the CFP objectives, and not rely on the Council of Fisheries Ministers to address these equally crucial issues but continues to ignore this obligation in its proposals.

3. The Landing Obligation

The KFO supports increased focus on the development of improved selective fishing gear and the use of gear technology, which the KFO has been proactively supporting, and use of quota exchange mechanisms and points out that catch data collection and reporting remain key elements of meeting the MSY objectives which underpin the Landing Obligation. The KFO considers the focus must be on avoidance and selectivity rather than landing dead fish. The most critical aspect of the Landing Obligation is the threat of bringing the fishing of healthy sustainable stocks to a halt in advance of their quota being used by the unavoidable catch of species with zero TAC. The KFO fully supports the same approach from 2022 regarding by-catch provisions for zero stocks and adopting the same methodology, for such stocks in 2023. The strategy of low-level TACs for by-catches only, thus allowing depleted stocks to be re-built, has been critically important in keeping an array of sustainable fisheries viable and must be maintained.

4. Quality Assurance of ICES Advice

The KFO appreciates the positive initiative taken by ICES in developing an Advisory Plan with a Priority list which begins with "**Assuring quality** - *Assure that quality encompasses the entire process from data collection to the publication of objective and independent advice.*" (Advisory Plan, ICES, 2019) and the effort ICES has made in addressing quality assurance in stock assessments. Nevertheless, KFO continues to witness a lack of consistency in the advice for several stocks as outlined in the paragraphs below and highlights the critical need for quality assurance across all assessments in accordance with the ICES advisory plan and particularly the Transparent Assessment Framework (the TAF System).

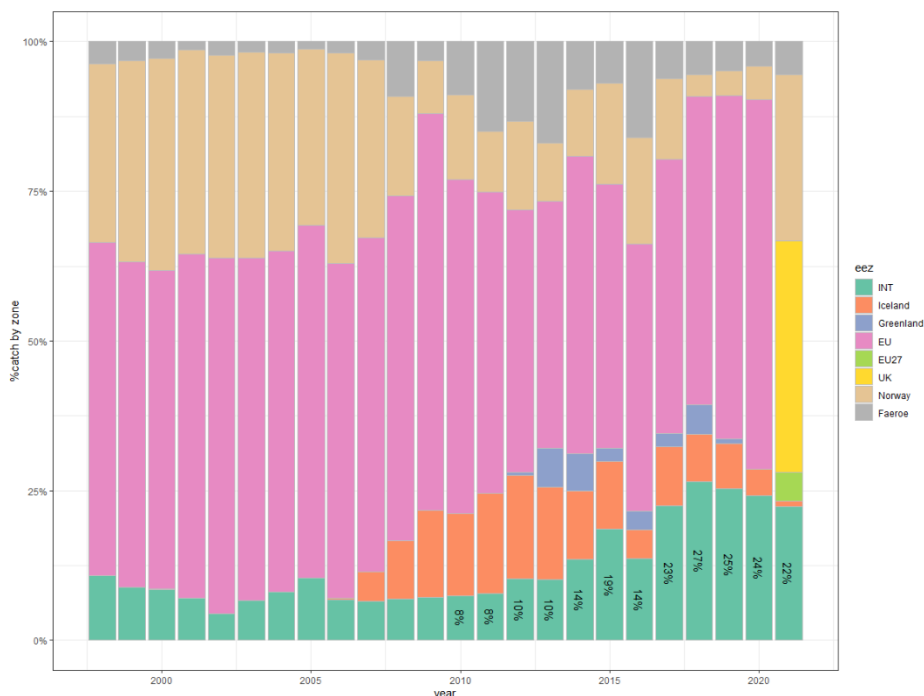
5. Stock Issues – 2023 Fishing Quotas

Pelagic Stocks

- a. **Mackerel (mac.27.nea):** The Coastal States have agreed a 2023 TAC of 782,066t which is a 2% reduction on this year. On top of this the Irish mackerel quota for 2023 will be reduced by a further 21% due the transfer of quota to the UK in accordance with the TCA (Brexit). The disproportionate share (40%) that Ireland is carrying in the transfer of quotas to the UK under Brexit is a key priority for the KFO and it must be addressed by burden sharing with the other Member States.

Norway and the Faroe Islands decided again this year to unilaterally increase their mackerel quotas. The result of this will be that the ICES 2022 advised TAC will be overshoot by 42%. In light of this, the KFO requests immediate action by the Minister and the Commission to insist Norway and the Faroe Islands stop the massive overfishing of mackerel in the Northeast Atlantic, which is

jeopardizing the sustainable management of the stock. It is critical that the COM act decisively against this irresponsible and reckless behaviour. Therefore, there is an urgent need to adopt a sharing arrangement amongst the Coastal States. The graph below shows catches in international waters is high and increasing. KFO is of a firm view that the management of fishing in international waters should be limited to a maximum of 10% of overall catches.



- b. **Western Horse Mackerel (hom.27.2a4a5b6a7a-ce-k8):** ICES advises that there should be zero catch in 2023. This is an important fishery for Irish pelagic fishing vessels and the zero-catch option is a devastating blow. There is a major issue with this scientific assessment as in recent years each new assessment results in a consistent downward revision in previous estimates of size of the stock and an upward revision of previous estimates of fishing mortality. There is an urgent need to benchmark the assessment and central to this is the question of stock identification. As illustrated with the Northwest herring, inaccurate delineation of stocks for stock assessment can confound the development of reliable estimates of stock abundance. The KFO is calling on the Minister, Commission, and ICES to expedite this benchmark during 2023 to avoid a similar zero catch situation happening in 2024.

- c. **Northwest Herring (her.27.6a57bc).** Following a comprehensive industry-science partnership project the assessment for herring in Divisions 6.a, 7.b-c was benchmarked in 2022 and for the first time since 2014 the two herring stocks (her.27.6a57bc and her.27.6aN) are again assessed separately. Genetic stock identification has enabled the splitting of primary survey index, which has shown that the existing geographic delineation of the stocks was inappropriate and the assumption that the 6.a.S, 7.b-c was the smaller stock was incorrect. ICES advises that catches for Northwest Herring (her.27.6a57bc) in 2023 should be no more than 1,892t. This is based on a category 3 assessment as the recent restrictive monitoring TACs and short time series caused issues with the development of a category 1 assessment during the benchmark. However, the

SSB is estimated to be in the region of at least 190,000t and developing a category 1 assessment should be a priority.

- d. **Blue whiting (whb.27.1-91214):** The Coastal States have agreed a TAC of 1,359,629t for 2023, which is an 81% increase on the 2022 TAC. The KFO is encouraged to see that the recent signs of strong recruitment in the stock. It is imperative that this positive trend is not compromised by unsustainable fishing by non-EU nations. The relative proximity of Ireland to the main fishing grounds makes landings into Ireland attractive for foreign vessels and it is of critical importance that the transfer to Norway in the EU/ Norway negotiations which are ongoing is kept at a low level and that the access to the Irish Box is paid for in the transfer of blue whiting.

A further disturbing and galling issue that has arisen during 2022 is the Faroese aiding and abetting the Russian freezer trawler fleet with blue whiting quota and facilitating the access of the Russian boats to use their waters to fish and tranship. They are also using their excessive blue whiting quota as a trade-off to 'print currency' or purchase cod quota from Russia. This flies in the face of sanctions which have been agreed against the Russians by the EU and while the Faroes have a degree of autonomy on fisheries, they form part of the Kingdom of Denmark and do not have independence on critical issues such as military strategy.

We have been calling on our Government and the Commission for months to no avail to do everything in its power to nip this issue in the bud. Quite apart from the disregard to stocks and scientific advice, we are all acutely aware that any profits accrued to Russian businesses are indirectly funding the catastrophic war effort in Ukraine. According to recent reports Faros and Russia have agreed to continue this arrangement for 2023. This must be stopped.

- e. **Boarfish (boc.27.6-8):** ICES advises that catches should be no more than 22,791t in both 2022 and 2023. The stock is estimated to have been increasing since 2016. This stock needs to be moved from ICES Category 3 to Category 1 as soon as possible. An ICES benchmark is planned for quarter one in 2023. As there was no new assessment this year and given the increasing stock size the KFO consider that the TAC for 2023 should be increased by 20% in line with a category three assessment increase.

Demersal Stocks Area 6

- a. **Whiting in 6a (whg.27.6a):** The ICES advice for 2023 is 4,155t. The whiting in 6a benchmark in 2021 has significantly changed the perception of the stock. KFO welcomes the move from category 5 to category 1. It is good news that the experience of fishers on the ground is reflected in the science.
- b. **Cod in 6a (cod.27.6a):** ICES issued zero catch advice for cod in division 6a. The management measures taken so far around this stock need to be questioned and evaluated, as they have not resulted in a recovery of the stock. A strong focus needs to be placed on rebuilding this stock, which considers the potential consequences of other aspects like climate change and predation. The 2020 benchmark for 6.a cod identified significant stock identification issues concerning this and adjacent cod stocks. It is imperative that the Commission's approach of setting low-level TACs for by-catches only is maintained as part of the 2023 TACs and Quota to avoid the premature closure of a vast array sustainable fisheries.

- c. **Haddock in 6a (had.27.46a20):** ICES advice for Haddock in 4,6a,20 is 137,058t, which is a 6.5% increase on the advice for 2022. Haddock in division 6.a is assessed as one single stock with the North Sea and Skagerrak (4, 20), with 10% of the TAC being allocated to division 6a. Note that the three areas are considered separately in terms of management. Last year ICES advice increased by 86% which if implemented would have resulted in a 154% increase in TAC. However, the TAC was only increased by 5%. The full scientific advice was not followed due to the North Sea tri-lateral negotiations between the EU, the UK and Norway agreeing a lesser increase for the North Sea which had a knock-on effect of also a lesser increase in 6.a. KFO is requesting that this is not repeated for 2023 and 6.a is treated differently to the North Sea if the decision in the tri-lateral negotiations is to again revert to a lower increase than advised.
- d. **Anglerfish in 6a (anf.27.3a46):** The advice is for a 30% decrease in the TAC for 2023. This is major issue for the whitefish vessels that participate in this fishery. The KFO is concerned that the Anglerfish in Area 6 is still a Category 3 ICES assessment which in KFO's view is leading to this large decrease in the advice. It is imperative that this is moved to Category 1 ICES assessment similar to Anglerfish in Area 7. There are significant issues with species and stock identification with these stocks, which should be the focus of extensive genetic stock identification research following whole genome sequencing approaches.

Demersal Stocks Celtic Sea

- a. **Northern Hake (hke.27.3a46-8abd):** The ICES Advice for 2023 is 83,130t, which is an 11% increase on 2022. This in contrast to the 24% reduction in the advice that was seen in 2022. This stock was benchmarked in 2022 and the new assessment estimates a 70% larger stock size over time.
- b. **Cod, Celtic Sea (cod.27.7e-k):** The ICES advice is for zero catch. It is imperative that the Commission's approach of setting low-level TACs for by-catches only is maintained as part of the 2023 TACs and Quota to avoid the premature closure of a vast array of sustainable fisheries.
- c. **Anglerfish, Celtic Sea (ank.27.78abd and mon.27.78abd):** Anglerfish in area 7 are assessed as separate species with separate advice for each but are managed under a single TAC (ANF/07). The combined ICES advice is showing a 10% increase which is welcome. It should be noted the anglerfish in Area 7 is Category 1 unlike anglerfish in Area 6
- d. **Whiting, Celtic Sea (whg.27.7b-ce-k):** The ICES advice for 2023 is 1,715t, which is a 61% reduction in the 2022 advice. There is an urgent need to improve the biological data available for this and other whiting stock assessments by undertaking stock identification research to understand the connectivity between the stocks.

Demersal Stocks Irish Sea

ICES has issued reports on the ecosystem-based management approach for stocks in the Irish Sea. The KFO is convinced that such an approach should be adopted for the stocks in the Irish Sea which would resolve the significant difficulties we have when addressing mixed fisheries assessment and management.

- a. **Whiting, Irish Sea (whg.27.7a):** The ICES advice is for zero catch in 2022 and 2023. It is imperative that the Commission's approach of setting low-level TACs for by-catches only is maintained as part of the 2023 TACs and Quota to avoid the premature closure of a vast array sustainable fisheries.
- b. **Cod, Irish Sea (cod.27.7a):** The ICES advice is for zero catch in 2023. The assessment was benchmarked in 2022 and changed from category 3 to category 1. There remains known yet unresolved issues of stock identification and mixing with cod in 6.a and cod in the Celtic Sea. KFO is concerned regarding the zero advice which could have major implications for the mixed fisheries early closure. The eco-system approach to fishery management should be used to address this issue.
- c. **Haddock, Irish Sea (had.27.7a):** The ICES advice is for a 13% reduction in catch to 2,648t in 2023. The KFO is concerned regarding the reduction as the fishing pressure is declining and has been below F_{MSY} since 2012. ICES estimated catches have been below advice since 2017 when the abundance was at the highest in the time series. These are all positive indications for the status of the stock and as such the effect of the relatively low catch on the assessment model output should be considered.

In conclusion: -

The TCA will have a major effect on TACs and quotas for 2023 and it is essential that Irish stakeholders and their representatives continue to have inputs to EU/UK negotiations.

The KFO has been at the forefront of requesting the development of the ICES quality assurance framework. In this regard the full implementation of the ICES 2019 Advisory Plan on quality assurance which encompasses the entire process from data collection to the publication of objective and independent advice is essential. Part of the quality assurance process is the implementation of the ICES Transparent Assessment Framework (TAF) for all assessed stocks. All future advice issued by ICES should state clearly in the first line of the advice whether the advice has gone through the TAF process.

As shown with the recent genetic stock identification research on the herring in divisions 6.a, 7.b-c, the ICES Workshop on Stock Identification of West of Scotland Sea Cod and ongoing genetic work on Irish Sea and Celtic Sea herring and also anglerfish there are issues with the current delineation of a many of the stocks assessed by ICES. Most stock delineations are based on political or geographical features that align with ICES divisions and which simplify data collection. However, in the many instances these artificial divisions do not align with biological populations and hence make accurate assessment impossible. These situations can be identified and where appropriate rectified through the application of modern genetic techniques i.e., whole genome sequencing based stock identification. The need for the roll out of these methods should be highlighted at national and EU level and should be prioritised as without accurate input data to the assessments it is not possible to determine sustainable exploitation rates.

All possible routes must be explored to ensure the reckless and irresponsible actions of Norway and the Faroe Islands in setting unjustified huge mackerel autonomous quotas are stopped.

Decommissioning

1. Burden Sharing

The Task Force (TF) set up by Minister McConalogue in February 2021 produced its final report at the beginning of October 2021. The TF recommended seventeen different schemes that should be implemented as a matter of urgency at an estimated cost of €423 million to try and ameliorate some of the losses under the TCA and utilising the Brexit Adjustment Reserve Fund (BAR). Two of the schemes relate to the pelagic sector which fish for mackerel, h

Horse mackerel, blue whiting, herring, boarfish and albacore tuna. It is incredible that this sector which is by far the main sector effected by Brexit has received no financial support almost two years on even though it has lost approximately 24,000 tonnes (€35million) in total for 2021 and 2022 of mackerel quota due to Brexit. This has to be rectified as a matter of urgency.

Before I deal with the decommissioning as requested by the Committee it is of critical importance to highlight that burden sharing is the number one priority for the KFO and that this has been fully recognised in the Task Force report.

KFO has carried out a comprehensive analysis both in volume (tonnes) and value (€) of the Brexit fallout and its serious negative consequences for Ireland which will continue to mount up until 2025. This analysis has been confirmed as correct by the Commission's own Scientific Technical and Economic Committee on Fisheries (STECF) in October last year. Both analyses show very clearly the disproportionate cost Ireland has to carry in the transfers of quota to the UK under the TCA which amounts to approximately 40% of the entire cost to the EU of the quota transfers to the UK when you take into account the real uptakes (catches) of the quotas transferred by the Members States.

The TF set out in detail thirteen targeted actions on burden sharing in its report covering pelagic and demersal quotas, including specific challenges arising and how the actions may be progressed. The TF recommends that all options to alleviate the loss of quota share be pursued at every available opportunity and treated as a matter of urgency. This should involve a whole of Government approach supported by a lobbying exercise by industry and Government at all EU levels. The burden sharing issue has been further elaborated in the CFP Review Report mentioned at start of this opening statement. The KFO continues to devote considerable time and effort to this key priority and sees the upcoming Fisheries Council as an opportunity to address some of the losses with a decision to be made on the distribution of the transfer of Western mackerel that was fished by the Danish fleet in Norwegian waters prior to Brexit.

2. Voluntary Permanent Cessation (Decommissioning)

The introduction of a voluntary permanent cessation scheme to permanently remove vessels from the Irish fleet register and help restore balance between fleet capacity and available quota post-TCA was discussed at length by the TF. A general consensus emerged amongst all the membership of the Task Force that such a scheme is required, in combination with the short-term support measures, longer term onshore initiatives and actions relating to burden sharing.

The TF considered voluntary permanent cessation will help to restore balance between fleet capacity and available quotas, therefore ensuring the profitability of vessels remaining. The TF recommended that the proposed restructuring programme involving the elements detailed including appropriate payments to crew should be developed into fully costed schemes as a matter of urgency, noting that to avail of BAR funding permanent cessation must be completed by the end of 2023. The decommissioning scheme was launched in September with a closing date for applications of the 18th November 2022. The Task Force recommended that a package of tax measures similar to the 2008 permanent cessation scheme be put in place. This was provided for in the Finance Act published in June.

The Task Force also recommended that the 5-year preclusion for crew re-entering the sector following the receipt of support that is included under the EMFAF should be omitted from the scheme which was done. Additionally, the Task Force acknowledged that the full impact of the quota transfers under the TCA will not be seen until 2022. In 2021 decreases in demersal quota under the TCA have largely been offset by quota carryovers from 2020. This, in combination with the fact that the full effects of a voluntary decommissioning scheme will not be seen immediately, the Task Force recommended the need to extend the temporary cessation scheme into 2022. Now that the voluntary decommissioning will not be completed until April next year the KFO is calling for a further tie up scheme for 2023.

The KFO as a member of TF reluctantly supported the voluntary permanent cessation in demersal sector as a necessary evil. However, we added a unilateral statement in the TF report that in supporting the voluntary permanent cessation scheme the KFO is very concerned that the open-ended nature of the whitefish quota management arrangements has not been addressed in the TF report which has the potential to undermine the effectiveness of the voluntary permanent cessation scheme. This still remains an issue. Furthermore, every effort must be made to change the state aid guideline on the requirement to repay temporary cessation aid and other aid obtained in the last five years in the event that a vessel chose to apply for voluntary permanent cessation.

Ends