Killybegs Fishermen's ORGANISATION LTD.

KFO news

2015 December Issue 60

IRISH QUOTAS 2016

POSITIVE OUTCOME FOR IRELAND

On November 10, the EU Commission issued its proposals for setting fishing opportunities for 2016 (COM (2015) 559) for the majority of demersal and some pelagic stocks. This is the first year the Commission has had to do this for demersal stocks subject to the Landing Obligation which, as foreseen, created even more uncertainty than usual. The proposals were worrying in that many severe cuts to TACs were proposed and there were no increases to allow for the phased introduction of the Landing Obligation as expected. If implemented, the proposals could have had very negative consequences for the Irish industry with reductions in fishing opportunities of up to 12 per cent which would translate into a financial impact of €10 million less for the industry and anything up to 325 jobs lost. Fortunately, after lengthy, intensive negotiations, the proposals were amended resulting in an overall increase of 10 per cent in whitefish quotas for Ireland.

Pelagic Quotas 2016

In recent years many of the pelagic quotas are negotiated and confirmed in advance of the December Council meeting. This process did not reach agreement on all species this year but mackerel, the most valuable species for Ireland, was set at 75,837 tonnes at the Coastal States meeting in October which was lower than 2015, but considered to be a good outcome ensuring a stable future for this fishery with the requisite management plan now a reality.

(continued on page two)

PELAGIC STOCKS

SPECIES	ICES Area	Quota 2015 (t)	Quota 2016 (t)2	Diff. %
Mackerel [1]	VI, VII	89,220	75,837	-15%
H. Mackerel [2]	IIa, IVa, VI, VIIa-c, VIIe-k, VIIIa,b,e	21,621	27,064	25%
H. Mackerel [3]	IVb, IVc, and VIId	347	347	0%
Blue Whiting [4]	I, II,III, IV,V, VI, VII, VIII a,b,d,e XII,XIV	23,313	24,550	5%
Herring [5]	I, II	1,215	1,830	51%
Herring [6]	VIaN	3,427	0	-100%
Herring [7]	VIaS, VIIbc	0	0	0%
Herring	VIIa	1,264	1,191	-6%
Herring	VII ghjk	13,527	13,345	-1%
Tuna [8]	North Atlantic	2,510	2584	3%
Argentines	III, IV	7	7	0%
Argentines	V, VI, VII	305	305	0%
Boar Fish	VI, VII,VIII	36,830	29,464	-20%
Total		**193,586**	**176,524**	**-9%**

Footnotes for 2016 pelagic quotas

1. 45,770 tonnes of the mackerel quota may be fished in EU waters IIa; EU and Norwegian waters of IVa during the periods from January 1 to February 15, 2016 and from September 1 to December 31, 2016. 6,170 tonnes of the quota may be fished in Norwegian waters of IIa and 6,042 tonnes in Faroese waters.
2. 5 per cent of this quota fished in division VIId may be accounted for as fished under the quota concerning the following zone: EU waters IIa, IVa, VI, VIIa-c,VIIe-k, VIIIa, VIIIb, VIIId & VIIIe; EU & international waters Vb; international waters XII & XIV. Catches of mackerel, boarfish and whiting may be counted against up to 5 per cent of the quota (OTH/*2A-14), provided that not more than 9 per cent in total of this quota for horse mackerel is accounted for by these catches and by-catches of those species that are accounted for under Article 15(8) of 1380/2013.
3. 5 per cent of this quota fished in EU waters IIa or IVa may be accounted for as fished under the quota concerning the zone of EU waters of IVb, IVc & VIId. Catches of mackerel, boarfish and whiting may be counted against up to 5 per cent of the quota (OTH/*2A-14), provided that not more than 9 per cent in total of this quota for horse mackerel is accounted for by these catches and by-catches of those species that are accounted for under Article 15(8) of 1380/2013.
4. Within a total access quota of 21,500 Ireland can fish 9.2 per cent of its quota in Faroese waters.
5. EU vessels have access to 18,566 tonnes in Norewgian waters north of 62° & the fishery zone around Jan Mayen. Ireland has access to 532 tonnes in II,Vb north of 62° in Faroese waters.
6. TAC will be set by the end of February 2016.
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8. Ireland has a maximum of 50 licence.

AREA VI WHITEFISH STOCKS

SPECIES	ICES Area	Quota 2015 (t)	Quota 2016 (t)	Diff. %
Cod [1]	VIa	0	0	0%
Cod	VIb	16	16	0%
Megrim	VI	535	675	26%
Monkfish	VI	531	638	20%
Haddock	Vb VIa	743	1057	42%
Haddock	VIb XII XIV	203	254	25%
Whiting	VI	79	64	-19%
Plaice	VI	261	261	0%
Pollock	VI	56	56	0%
Saithe	VI	389	385	-1%
Sole	VI	46	46	0%
Nephrops	VI	192	223	16%
Total		**3,051**	**3,675**	**20%**

(continued from page one)

Other pelagic species were not as easily resolved; after a series of meetings in recent months blue whiting, horse mackerel and herring quotas were still to be negotiated at the Council meeting. The quota of 1,830 tonnes, a 51 per cent increase, for Atlanto-Scandian herring is very welcome, but quotas for other herring fisheries, ICES Areas VIaN, VIaS and VIIbc, have been deferred until the end of February; they are currently zero TAC but it is expected there will be at least a 2,000-3,000 quota for VIaS, VIIbc for the remainder of 2016. Herring in ICES Areas VIIa and VIIghjk has been decreased slightly.

A disappointing result from these Council negotiations has been the manner in which blue whiting has been dealt with. The Commission signed a bilateral agreement with Norway without the knowledge of the Council of Ministers and as a result there are two TACs set for blue whiting, one for Norway and another, lower one at the MSY level for the EU. In addition, in the final compromise, an additional 25,000 tonnes of blue whiting was transferred to Norway which is not shown in the table. However, the EU share of blue whiting was increased from 30 per cent to 45 per cent and Ireland now has an increased quota of 24,550 tonnes with 9 per cent being available to fish in Faroese waters.

Whitefish Quotas 2016

At the outset of this year's negotiations the EU Commission proposals indicated stringent cuts in whitefish quotas in the region of 35 per cent across all fisheries. However, we can now report a good outcome particularly the increases in the whitefish in Area VI and the *Nephrops* in Area VII. Importantly, the quota uplifts are very significant for the species coming under the landing obligation from January 1.

In Area VI there has been an overall increase of 20 per cent. While there have been a few decreases in fisheries such as whiting and saithe and a few unchanged or roll-over quotas, there are substantial increases for megrim (26 per cent), monkfish (20 per cent), haddock (42 per cent and 25 per cent) and *Nephrops* (16 per cent). In Area VIIa, haddock has increased by 40 per cent, which is slightly offset by a decrease in VIIb-k of 13 per cent. Whiting has increased by 14 per cent and *Nephrops* by 8 per cent. All the quotas for these species had been recommended for cuts. In both Areas hake has been increased by 20 per cent, and ling across its extent by 24 per cent.

Deepwater Quotas 2016

Ireland does not have a direct interest in deepwater quotas but notes these quotas remain stable. Their value to Ireland remains their availability for "swapping" regarding other species.

Finally, a word of thanks to Minister Coveney and his team, BIM, the Marine Institute and to all the officials for their efforts before and during the Council and for fully engaging with the industry in addressing our concerns.

AREA VII WHITEFISH STOCKS

SPECIES	ICES Area	Quota 2015 (t)	Quota 2016 (t)	Diff. %
Cod	VIIa	120	96	-20%
Cod	VII b-k	901	864	-4%
Megrim [2]	VII	2,878	3.017	5%
Monkfish [3]	VII	2,540	2,540	0%
Haddock	VII b-k	1,854	1,613	-13%
Haddock	VIIa	511	716	40%
Whiting	VIIa	46	46	0%
Whiting	VIIb-k	5,029	5,733	14%
Plaice	VIIa	768	768	0%
Plaice	VII bc	63	67	6%
Plaice	VII fg	202	200	-1%
Plaice	VII hjk	59	59	0%
Pollock	VII	1,030	1,030	0%
Saithe	VII	1,491	1,491	0%
Sole	VIIa	38	17	-55%
Sole	VII bc	36	35	-3%
Sole	VII fg	27	23	-15%
Sole	VII hjk	171	171	0%
Nephrops	VII	7,973	8,611	8%
Nephrops [4]	VII Functional Unit 16	671	671	0%
Total		**26,408**	**27,768**	**5%**

AREA VI, VII AND OTHER WHITEFISH STOCKS

SPECIES	ICES Area	Quota 2015 (t)	Quota 2016 (t)	Diff. %
Cod	I,II	307	263	-14%
Hake [5]	VI, VII	2,810	3,386	20%
Redfish	Int Waters V, XII, XIV (Shallow)	0	0	0%
Redfish	International Waters V, XII, XIV	1	0	-100%
Ling	VI, VII, VIII, IX, X, XII, XIV	623	773	24%
Blue Ling	II,IV international waters	4	4	0%
Blue Ling	Vb,VI,VII	14	14	0%
Tusk	V, VI, VII	53	53	0%
Greenland Halibut	IIa, IV, VI	17	16	-6%
Snow Crab	Greenland Waters	16	0	-100%
Porbeagle	I, II, III, IV, V, VI, VIII, IX, X, XII, XIV	0	0	0%
Skate & Rays [6]	VI, VIIa-c, & e-k	1,048	1,048	0%
Spur Dogs	I, II, III, IV, V, VI, VIII, XII, XIV	0	0	0%
Basking Shark	EU Waters	0	0	0%
Total		**4,893**	**5,557**	**14%**

Footnotes for 2016 whitefish quotas

1. Zero TAC with maximum 1.5 per cent cod retained on board.
2. 5 per cent megrim quota may be used in area VIIIabde for by-catches in directed fisheries for sole.
3. 10 per cent monkfish in VII may be fished in area VIIIa,b,d,e.
4. *Nephrops* quota in the Porcupine Bank functional unit 16 is part of the VII nephrops quota. It is not additional. Closure period one month, May 1-31, 2016. It is prohibited to have on board cod, megrims, anglerfish, haddock, whiting, hake, Norway lobster, plaice, pollack, saithe, skates and rays, common sole, tusk, blue ling, ling and spurdog.
5. No more than 365 tonnes hake VI & VII may be fished in ICES area VIII a,b,d,e.
6. Separate reporting of seven species of ray. Prohibits catches raja undulata. 5 per cent may be fished in waters VIId.

DEEPWATER STOCKS

SPECIES	ICES Area	Quota 2015 (t)	Quota 2016 (t)	% Diff
Black Scabbard	V, VI, VII, XII	104	96	-8%
Roundnose Grenadier	Vb, VI, VII	260	265	2%
Roundnose Grenadier	VIII, IX, X, XII, XIV	5	5	0%
Orange Roughy	VI	0	0	0%
Orange Roughy	VII	0	0	0%
Orange Roughyl	I, II, III, IV, V, VIII, IX, X, XI, XII, XIV	0	0	0%
Red Seabream	VI, VII, VIII	5	5	0%
Alfonsinos	I, II, III, IV, V, VI, VII, VIII, IX, X, XII, XIV	9	9	0%
Forkbeards	V, VI, VII	312	312	0%
Deep Sea Sharks	V, VI, VII, IX	0	0	0%
Deep Sea Sharks	XII	0	0	0%
Total		**695**	**692**	**-0.4%**

Important Fisheries News

A number of important issues have arisen in the past months which are of critical interest to all Irish fishermen and the wider fishing community and while there is insufficient space in this Newsletter to devote the coverage each deserves, we have summarised the issues below.

Marine Taxation Review

The Department of Finance commissioned Indecon International Economic Consultants to carry-out a review of marine taxation, long sought by industry. Indecon based its review on an in-depth examination of the existing system in Ireland including a cost benefit analysis, a review of marine taxes in other comparable countries and consultations with Irish stakeholders.

The Indecon report was published on 13th October as part of the budget and contains several important recommendations including, most importantly, extension of the seafarer's tax allowances to sea fisheries, a scheme similar to the Agricultural Relief from CAT and tax arrangements to support proposed decommissioning.

Non-EEA Workers in Fishing Fleet

The Irish demersal fleet has become more dependent on migrant workers in recent years which does not pose problems for those from other EU countries but is very difficult for all parties when the worker is non-EEA. The situation was highlighted by a newspaper article which was both exaggerated and inaccurate but, nevertheless, prompted immediate action by Minister Coveney, DAFM, to set up a Task Force to examine and find solutions to the problem. In a few weeks the cross-Departmental Task Force were able to make recommendations such as the introduction of a workable permit system and a series of measures to enable non-EEA workers to be recruited, employed and protected on a par with their EU colleagues.

EMFF Operational Programme

The 2014-2020 EMFF Operational Programme for Ireland, which is the key to EU funding for growth and development in the seafood industry, was finally approved and adopted by the European Commission early in December. This Programme was developed by the Department of Agriculture, Food and the Marine in consultation with a range of stakeholders. The fund is worth €241 million and will be allocated via a number of schemes to be announced in 2016; measures designed to promote development of sustainable fisheries and aquaculture, processing and marketing of seafood products, support for maritime communities, scientific projects and control and enforcement will all come under the umbrella of the Operational Programme.

ACRUNET – the Atlantic Crab Resource Users Network

The ACRUNET project has now finished as regards its funded phase but the network established and developed over its lifetime continues to provide a valuable forum for the brown crab stakeholders. The technical outputs from the project can be found on the project website (http://www.acrunet.eu/acrunet-deliverables) and the Facebook page is busier than ever. A major complication has arisen for the brown crab industry with exports to China where a regulation similar to the EU, but differently applied regarding levels of contaminants, has caused a cessation to shipments of live crab. This is the festive season in China with high demand for seafood so this is a cause for major concern.

2016 ICES Advice for *Nephrops*

Nephrops are the second most valuable species to Irish fishermen after mackerel, with first sale values in excess of €49 million in 2014. *Nephrops* stocks are assessed annually using summer UWTV surveys conducted by the Marine Institute. This involves estimating *Nephrops* burrow density over the known distribution of the stock. ICES then calculate future catch advice based on maximum sustainable yield harvest rates and recent data on mean sizes and numbers in the landings and discards. This year, the ICES advice issued at the end of October, was complicated by the introduction of the Landings Obligation, which will apply to all *Nephrops* stocks in 2016. The main ICES advice was given assuming that the landings obligation is implemented in full in 2016 and that all *Nephrops* caught are landed dead. The total catch advice from ICES was in the region of 19,932 tonnes which is an 8 per cent decrease on the catch advice given last year.

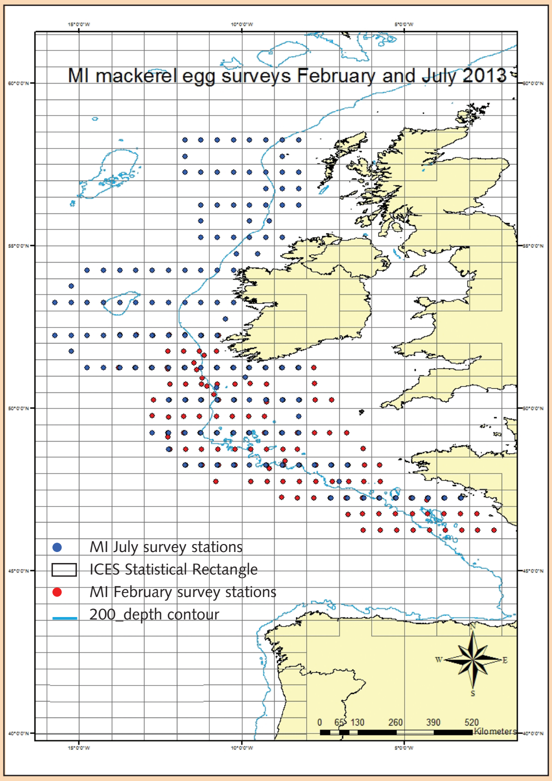
ICES also provides catch options which assume that discards continue at the current rate. This scenario is directly comparable to last year's advice. Because some of the discards are expected to survive, the advice in this scenario is higher. The landings under this scenario will be 17,719 tonnes, which is 2 per cent lower than the landing advice given last year.

The European Commission in their proposal have suggested a TAC of 19,535 tonnes which is based on landings of 17,719 tonnes and a top up of 1,656 tonnes to cover discards in the various Functional Units or stocks over and above the 7 per cent de minimus permitted under the discard plan for the Landings Obligation in 2016. This proposal represents a 10 per cent decrease on the 2015 TAC of 21,619t. This was a key issue for Ireland at the Fisheries Council with the final outcome showing a 10 per cent increase (see table page two and Editorial page four.)

There has been an improvement in the state of *Nephrops* stocks relative to last year's advice. The number of overfished *Nephrops* stocks in VII has reduced from three to two, and we can expect that one of those, the Aran Grounds, will be sustainably fished in 2016 because landings have reduced and abundance has increased. Given the very high density in the Irish Sea there is little risk of unsustainable exploitation even if the stock is fished above F_{msy}. There are no concerns about abundance levels for any of the *Nephrops* stocks in VII. Abundances are stable or above biomass safeguard levels (MSY $B_{triggers}$) where they have been defined.

International Tri-Annual Mackerel & Horse Mackerel Egg Survey Scheduled for 2016

The International mackerel and horse mackerel egg survey takes place every three years, and will be run again in 2016. It is an ICES survey involving nine laboratories in eight countries. It provides independent fisheries data on the size of the mackerel and horse mackerel stocks to the assessment working group. The main aim of the survey is to relate the number of freshly spawned eggs to the number of females having produced those eggs. Combining these figures with the fecundity of the females and sex ratio of the population gives an estimate for the spawning stock biomass.



The surveys began in 1977, and were conducted by France and the UK. Since then the survey has grown, with more countries taking part. Participants now include Portugal, Spain (IEO), Spain (AZTI), Netherlands, Germany, Ireland, Scotland, Iceland and the Faroes. The survey is divided into a number of sampling periods that run from the middle of January to the end of July, and covers an area from Gibraltar in the south, to the south and west of Iceland. While participants are given areas and time periods to sample, the survey is adaptive. Rather than confining sampling to a fixed area, transects are sampled east and westwards until low numbers or no eggs are found. To assist with the issue of survey coverage in 2016 the pelagic industries in Denmark, Scotland, Netherlands and Ireland have agreed to participate in four surveys on commercial vessels. The Irish pelagic industry has committed to the fourth survey in August 2016.

Mackerel and horse mackerel are batch spawners. The fish migrate south from their feeding grounds in northern seas and spawn their eggs in a number of batches as they make their way northwards again. Historically, the fish would leave their feeding grounds in a series of waves, and peak spawning of mackerel would have taken place in April to May, with horse mackerel peaking slightly later. In recent years however mackerel are leaving the feeding grounds in one big pulse early in the year, with peak spawning occurring much earlier in February/March. As the survey covers both species however it is not possible to simply shift all the survey effort to earlier in the year in response to mackerel. This has put a lot of strain on the survey since 2010 but will be alleviated by the participation of the pelagic industry in four surveys next year.

In 2016 Ireland aims to conduct three surveys. The first survey in February will cover the Celtic Sea and Bay of Biscay, down to Spanish waters. The second survey, in June, will work to the west of Ireland and west of Scotland. The Irish pelagic industry is to check if horse mackerel spawning is extending later in the year. To monitor this, Ireland aims to conduct a third survey in August of 2016, using a commercial pelagic vessel to the west of Ireland and west of Scotland.

Editorial

by Sean O'Donoghue

CHIEF EXECUTIVE, KFO

2015 has been another eventful year for stakeholders in the Irish fishing industry. On the wider front, we have had implementation of MSY and the Landings Obligation to manage in addition to the usual fisheries issues regarding quotas, markets and the day-to-day problems to solve. In the more specific Irish context, it was the year when we finally got a review of Irish marine taxation and grasped the nettle of non-EEA workers in the fishing industry. Closer to home, KFO suffered a cruel blow with the untimely death of our long-time friend and inspiring member Martin Howley.

We have finished another marathon December Fisheries Council with tough negotiations over two days and final completion in the small hours of December 16. However, by and large, the outcome was successful given the particular circumstances of trying to make allowances for the impact of the Landings Obligation with quota uplifts for those species most affected. This is largely uncharted territory and it remains to be seen how successful the arrangements for managing both the fisheries and the additional landings will be, but the increased quota, particularly for haddock and *Nephrops* fisheries, is at least a step in the right direction.

Northwest Herring has been a contentious issue over 2015. The difficulty arises due to two stocks sharing the waters of the northwest both of which ICES believe are depleted. It was expected that the benchmarking exercise in February last would solve the problem and allow the setting of a quota for Areas VIaS and VIIbc but due to the inability to separate the stocks this could not be carried out, and Areas VIaS and VIIbc were closed with zero TAC. A number of options are being explored to separate the stocks and KFO is urging the use of genetic tools such as those we are already using with Boarfish stocks. Minister Coveney is very supportive of this strategy and we are confident there will be a 2,000 – 3,000 tonne TAC available by the end of February for a small fishery to facilitate data collection and support the necessary scientific work.

The December negotiations were very successful with one very notable exception regarding the actions of the EU Commission vis-á-vis its arrangement with Norway on blue whiting. During the final hours of the talks the Commission signed a bilateral agreement with Norway without the knowledge of the Council of Ministers and as a result there are two TACs set for blue whiting, one for Norway and another lower one at the MSY level for the EU. In addition, in the final compromise an additional 25,000 tonnes of blue whiting was transferred to Norway. While this is legally correct, it is completely unacceptable for the Commission to act in this manner with a total disregard for both Ministers and other stakeholders.

The KFO played an active role in the Mackerel Egg Survey in 2015 with the *Atlantic Challenge* from Killybegs undertaking sampling in some of the worst weather we had in the earlier part of the year. This work is in addition to ongoing Mackerel and Horse Mackerel Egg Surveys (see article page three) and intends covering some of the gaps resulting from a tri-annual survey and to establish a more exact timeframe for the start of egg production. KFO will participate in the sampling again next August. A sustainable, profitable future for these fisheries is dependent on this information and very much improves our position in negotiating access to fisheries.

Indecon International Economic Consultants conducted a review on marine taxation commissioned by the Department of Finance but long sought by the fishing industry. The results of the review were included in the Budget presented by the Minister for Finance, Michael Noonan, in October. KFO made detailed submissions to Indecon during the consultation phase and pointed out that there are particular circumstances around fishing regarding location, socio-economic factors and demographics which contribute to the vulnerability of the industry and without appropriate incentives the fishing industry will continue to decline. The thrust of the submission dealt with taxation of share fishermen who, for tax purposes, are regarded as self-employed with all the obligations but none of the advantages; we pointed out that this sector has no basic tax credit, makes onerous financial returns annually, has no access to disability or unemployment benefit and are categorically excluded from claiming the seafarer's allowance. It seems Indecon took many of our concerns onboard as their recommendations include, among others, the introduction of seafarers' tax allowances to sea fisheries, extension to the fishing sector of Agricultural Relief from CAT and appropriate tax treatment to support the proposed decommissioning scheme.

In the KFO we were very pleased when Minister Coveney set up the inter-departmental Task Force to deal with the position of non-EEA workers in the Irish fishing industry, though unfortunately only brought about by some very negative publicity focusing on a very small number of cases. The Task Force acted very quickly to regularise the situation and I am pleased to report the introduction of a workable permit system and a series of measures to enable non-EEA workers to be recruited, employed and protected on a par with their EU colleagues.

The EU Commission has adopted the EMFF Operational Programme submitted by Ireland, which is good news. The fund is worth €241 million to be spent over the next six years and will facilitate many excellent projects to develop and grow our industry. The scope of the Operational Programme is wide and will provide funding for many of the objectives KFO identified as crucial to future development of the fishing industry.

I want to take this opportunity to thank Minister Simon Coveney and all his team for the support and hard work undertaken on behalf of the fishing industry. Similarly, we are indebted to the staff at the Marine Institute and BIM for their continued input. Finally on behalf of all the KFO staff I would like to wish all our members a very happy Christmas and prosperous fishing in 2016. I look forward to continue to work with you to address both the many challenges and opportunities in order to achieve a sustainable and profitable Irish fishing industry.

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