KFO news

Killybegs Fishermen's
ORGANISATION LTD.

2017 April Issue 65

BREXIT Poses a Serious Threat to Ireland's Seafood Sector

Fishing Industry Leaders Meet An Taoiseach, Enda Kenny TD and Minister for Agriculture, Food and the Marine, Michael Creed TD (seated right).
Back row, from left to right are Hugo Boyle, IS&EFPO; John Lynch, Chair, IS&EPO; Patrick Murphy, IS&WFPO; Sean O'Donoghue, KFO; J.D.O'Sullivan, Chair, IS&WFPO; Lorcan O'Ceinneide, IFPEA; Michael Cavanagh, Chair, KFO; Karl McHugh, Chair, IFPEA; Francis O'Donnell, IFPO; Frank Doherty, IFPO. (See article on page two.)

Review of Mackerel Allocations

In January of this year the Minister for Agriculture, Food and the Marine, Michael Creed, TD, launched a review of the existing mackerel allocation policy between the Irish fleet segments. The Minister and his Department are at pains to point out that this review process has been instigated from a completely impartial and noncommittal standpoint but it is happening at a time when the surrounding circumstances, some of crucial importance, are, at the least, unpredictable and volatile.

This is not the first time the position of the pelagic fleet, which is very reliant on a steady and dependable allocation of the available mackerel quota each year, has been challenged by re-allocation of quota to other sectors. Historically, the Irish mackerel fishery was developed by the fore-runners of the current 23 dedicated Refrigerated Sea Water (RSW) pelagic vessels. The development of a pelagic segment has its origins in the 1970s and 1980s when vessel owners invested substantially in new and larger vessels, explored new fishing techniques, and had the vision to develop the Irish pelagic sector into a successful industry, both at sea and on land. The single most important innovation was the installation of RSW tanks on the pelagic vessels which ensured the catch was maintained and landed in prime condition.

When TACs and quotas were introduced in 1983 the RSW segment had built up a substantial mackerel track record resulting in a current percentage share for Ireland of 21.3 per cent of the western TAC; without the contribution of the RSW fleet the share could have been as low as 1-2 per cent. Among the RSW sector, catch limits were based on ratios, which in turn were based on vessel length resulting in a fair and equitable distribution of fishing opportunities in proportion to vessel size. This industry-based management system worked extremely well at this period as it dealt with about 98 per cent of Ireland's total catch. During that period the remaining polyvalent sector continued to focus on the traditional whitefish species with minimal interest in pelagic fish other than the 1,500 tonnes set aside annually from the total allocation.

Around the turn of the century, i.e. late 1990s and early 2000s, larger polyvalent whitefish vessels came into the Irish fleet; this development, coupled with increasing prices for mackerel, led to the polyvalent sector looking for increased access to the pelagic allocation. There followed a series of reviews and consultations which resulted in several increased allocations to the polyvalent sector until finally, in 2009, the Minister apportioned 13 per cent of the quota to the polyvalent segment and 87 per cent of the quota to the RSW pelagic segment after 400 tonnes are set aside each year for the hook and line fishery. Within the polyvalent 13 per cent share, there were further allocations in 2010 based on track record for the preceding three years.

In late 2016 the Irish South and West Fish Producers Organisation (IS&WFPO) requested the Minister to carry out a further review. The belief at the time was there would be an increase of 14 per cent in the Irish mackerel quota for 2017 over 2016. IS&WFPO suggested to the Minister that the entire increased amount be allocated to polyvalent vessels. This proposal was greeted with incredulity and alarm by the RSW sector which quickly pointed out the damage such an action could cause the entire industry. However, the Minister was persuaded that a review of the existing policy was in order and that review is currently ongoing. To further complicate the picture, it has now emerged that ICES made a large error in its 2017 advice. It issued revised advice in January 2017 showing that the 14 per cent increase is now only a three per cent increase. Should the Coastal States decide not to adopt this reduction in 2017 TAC at this stage it is more than likely that a large reduction of the order of 20 per cent will apply in 2018. This is coupled with the enormous uncertainty surrounding the access to UK waters in future years due to the decision of the United Kingdom to leave the European Union.

BREXIT Poses a Serious Threat to Ireland's Seafood Sector

In Ireland the First Sale value of fish is €500 million which translates into €560 million worth of exports. In many peripheral maritime communities the 11,000 jobs associated with the fishing industry may be the only employment available. The representatives of the fishing industry, such as KFO, are using every opportunity to drive home the message to government, development agencies, marketing bodies and the industry itself that not a day can be lost in the effort to ensure fishing is to the forefront in working out a deal to protect the long-term future of the sector. Already there have been a number of high-level meetings including presentations to the "Seafood Sectoral Civic Dialogue on Brexit," the Joint Committee on Agriculture, Food and the Marine on "Impact of Brexit on the Marine" and a meeting with An Taoiseach, Enda Kenny and Minister for the Marine, Michael Creed calls "Impact of Brexit on the Seafood Sector" (see photo, page one). On each occasion the serious nature of the major problem facing Ireland has been spelt out. The three key areas which will need to be addressed are access, quota share and trade.

Lack of access to UK waters poses an enormous threat; currently Ireland shares 47 out of its 50 TAC and quota stocks with UK, including the two biggest and most valuable Irish fisheries, mackerel and Nephrops. Post Brexit, Ireland would be the only member state benefitting from the Hague Preferences which will make the task of maintaining it more difficult. A further problem will be that the UK will become a new Coastal State in NEAFC post-Brexit making the already difficult Coastal States negotiations on the widely distributed stocks more intractable. Access to the non-TAC stocks, such as brown crab, could also prove very difficult in future.

Trade in seafood products between Ireland and the UK is substantial in both directions. In 2015, Irish imports of seafood from the UK were worth €148m, while Irish seafood exports to the UK were worth €71m. In a European context, the UK is almost 70 per cent dependant on the EU market with salmon, Norway lobster, scallops and crabs the most important species exported to the EU. These trade figures underline the importance of the linkages between trade, acess and quota share.

Due to its geographical position, and to a certain extent its political relationship with the UK, Ireland is in the frontline on this occasion (see Fig 1). However, it can be seen that a number of other European fishing nations are also affected. The countries most concerned other than Ireland are Belgium, Germany, Denmark, Spain, France, Netherlands, Sweden and Poland.

The contacts built up between these countries over past months reached an important level recently with the establishment of the European Fisheries Alliance (EUFA), a coalition of the fishing fleets from those countries expecting to be directly impacted by the departure of the UK from the EU. EUFA calls for a long-term agreement to secure continued access to traditional fishing grounds, preserve the current distribution of TAC and quotas and allow for responsible fisheries management. The new organisation also points out the importance of trade in seafood between the UK and the EU and the mutual benefit of ensuring this activity continues.

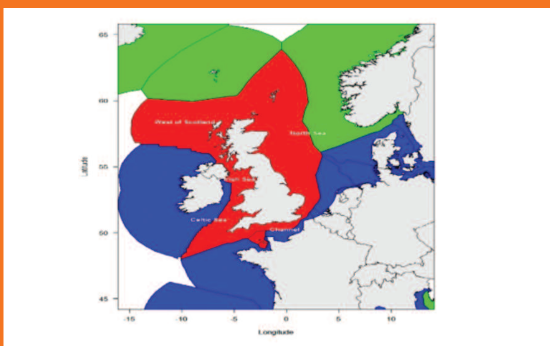

Figure 1. UK EEZ (red) and other EU EEZ (blue)

The UK and EU fishing industries are enmeshed to a greater degree than any other industry or activity affected by the current withdrawal by Britain from the EU. They have shared a common resource -- fishing grounds and markets. Mutual access and historical catch shares have governed the industries for centuries resulting in one third of EUFA's catches coming from UK waters and two thirds of UK seafood exports reaching European markets. Maintaining a balance as close to the existing situation will be the challenge for the negotiators, but worth striving for.

The Irish Groundfish Survey Provides Important Data

Good fisheries management requires good data. In general, most stock assessments require detailed length and age structure from "fisheries dependent data" such as landings and discard sampling. However, fisheries independent data from groundfish surveys are also very important because of the highly variable reproductive success of many demersal stocks annually. Tracking the recruitment success of juvenile fish, not found in commercial fishery data, is a core objective of these groundfish surveys in order that managers can balance what is being taken out of the fishery with what appears to be recruiting back into the fishery to replace it.

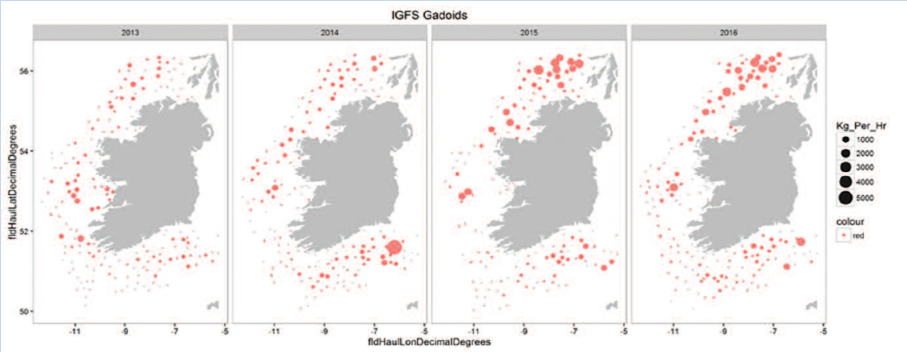

Fig 1. IGFS Haddock catches Kg/Hr from 2013 -2016 = Red Circles.
Catches with no haddock present = small grey crosses.

The annual Irish Groundfish Survey (IGFS) started in 2003 and is a demersal trawl survey run over 47 days between September and December. Compared to the large commercial data sets this survey data provides a small, but important snapshot of the stock at a given time. Surveys need to be carefully designed therefore to avoid bias and provide an accurate and precise estimate of various stocks. Protocols are internationally agreed and prescribe methods of fishing and handling catch data to allow comparison across internationally co-ordinated surveys. Minimizing variability in everything to do with the catching process is impractical in a commercial context, but is the cornerstone of standardised trawl surveys so that changes in catch rate directly reflect changes in stock abundance rather than an increase or decrease in catching efficiency.

The IGFS is part of the wider International Bottom Trawl Survey (IBTS) which is co-ordinated through ICES. IBTS surveys extend from west of Scotland south to Cadiz, as well as east into the English Channel and North Sea. Over 1,000 hauls were carried out as part of the IBTS in 2016 across 10 surveys. The Irish survey accounted for 171 hauls (56km2), the highest number by any IBTS survey (Fig 2).

All IBTS surveys use a demersal trawl with 20mm mesh liner inserted into the cod-end. This helps retain the juvenile fish spawned the previous spring which are now large enough to be sampled by trawl during these winter surveys. This timing of the surveys brings its own challenges with swell heights up to 9m occasionally recorded during fishing. Fishing is carried out during daylight hours only to avoid differences in catch rate for various species due to vertical migration during darkness. Tows are of 30 minute duration at four knots with average door spreads around 115m, wing spreads of 20m and a headline height between 4-4.5m.

While the main objective of the survey is to provide time-series of relative abundance for commercially harvested demersal stocks, it has many other objectives including:

- Providing indicators for the ecosystem approach to fisheries management;
- Monitoring for the Marine Strategy Framework Directive (MSFD);
- Providing important data on other fish, shellfish and benthos including rare, threatened or endangered species;
- Collecting environmental data such as samples for heavy metals, litter, parasites and oceanographic data; and
- The survey is also an important research and training platform enabling young or foreign scientists to gain valuable data and experience offshore in Irish waters.

Data from the IGFS are uploaded annually to the ICES database DATRAS. Results such as the abundance and distribution of catch (see haddock example above – Fig 1), will be presented and discussed at the International Bottom Trawl Survey Working Group (IBTS) in April and available in their reports. The data is then used by the stock assessment working groups such as the Working Group on the Celtic Seas Ecoregion in May and by other ICES groups later in the year to update the assessments and catch forecast for fish stock around Ireland.

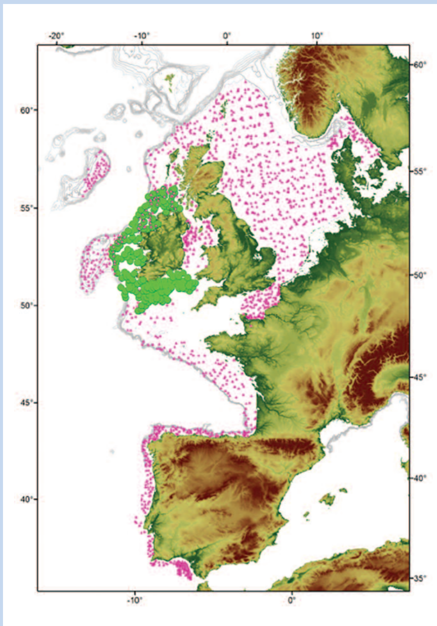

Fig 2. IGFS survey hauls for 2015 (green circles) with other IBTS hauls (pink triangles).

Successful NW Herring Acoustic Survey

The 2016 survey, conducted on the Atlantic Challenge in November/December, was a qualified success. It is a good example of how industry-science partnerships can work, and it provides a first data point to what will hopefully be a time-series of herring surveys in the 6aS/7bc area. The boat's own split-beam echo sounders were used in this survey; a good template on how to conduct future industry surveys on any boat in the fleet with similar sounders. There is good confidence that the herring surveyed were local 6aS/7b fish due to the inshore distribution and maturity stages of the fish sampled. The survey also reflected generally what was experienced in the fishery at the same time.

Very strong marks (greater than 1nmi long and about 16m deep) were recorded in Lough Swilly; an area where boats in the fishery were concentrating effort. There was also a series of strong herring marks in Donegal Bay. There were some smaller herring marks offshore to the west and north of Tory Island, and to the west of Glen Head, but most herring appeared to be inshore. As a consequence, the overall estimate of herring from the acoustic survey is dominated by two areas in particular (Lough Swilly and Donegal Bay, Figure 1). The estimated total stock biomass (TSB) of herring from the survey for the combined 6aS/7b area was 35,475 tonnes. This is a minimum estimate, however, the uncertainty of the estimates are high. This is caused by a few acoustic marks of herring in only a few areas. Acoustic survey estimates are more reliable when the fish are in more numerous schools spread throughout the survey area. It shows that the 6aS/7bc component is as large as or larger than the 6aN component. These results need to be considered in the context of the genetic work being done in UCD.

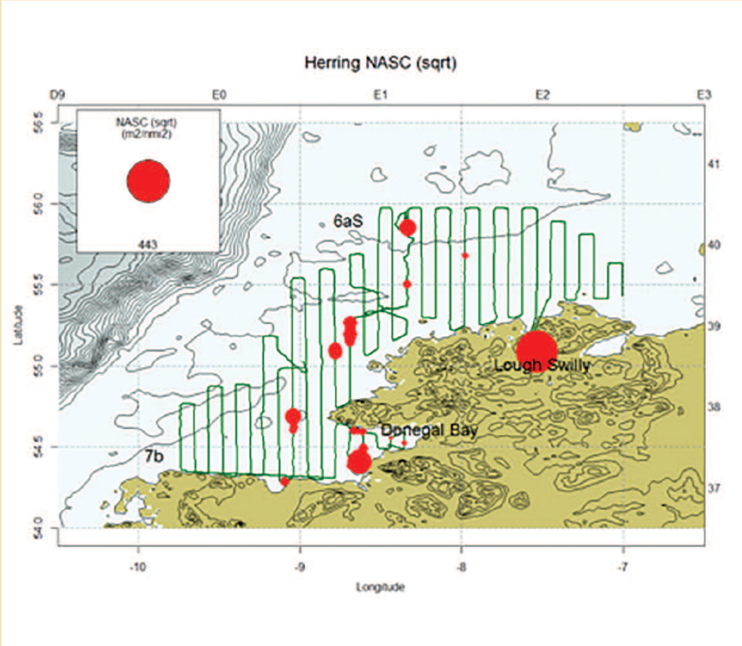

Figure 1. Acoustic values (√NASC) of herring showing the large aggregation in Lough Swilly and to a lesser extent in Donegal Bay. Survey track is shown in green.

Another important aspect of the survey was the data collected for horse mackerel. Large marks of young horse mackerel were common throughout the survey area and a strong year class (2014) is coming through. This survey could develop into a very useful index of horse mackerel, which has proved difficult to assess in recent years. There are issues with the survey that need to be addressed for 2018, including: containing the stock inshore, survey timing and the need to reduce the uncertainty of the estimates.

The monitoring fishery in 2016 was also a success. Though there were teething problems with quota allocation, these can be resolved before the 2017 fishery begins. Scientists obtained samples of herring from over 30 landings from the fishery, and as a consequence, the 2016 data from the fishery was very good at picking up the dominant year classes in the stock.

What also worked out very well was that the fishery and the survey were going on at the same time, allowing samples to be collected from the fishery from places where the survey vessel could not access e.g. inshore waters.

BIM to Host the EAFE Fisheries Economics Conference 2017

From April 25-27, the Fisheries Economics Group of Bord Iascaigh Mhara (BIM) will host the 23rd Conference of the European Association of Fisheries Economists (EAFE) in Dublin Castle. This conference provides a forum for the dissemination of new research being carried out by fisheries economists across Europe and beyond that aims to improve fisheries management and understand the dynamics of the fisheries and aquaculture sectors to a higher degree.

The theme of this year's conference is *'The socio-economics of adaptation in EU fisheries: Lessons from the new Common Fisheries Policy and beyond'*. The conference intends to assess the socio-economic impact of the initial introduction of management measures from the most recent reform of the Common Fishery Policy (CFP) in order to find examples of best-practice in adapting to global challenges and the new institutional setting within EU fisheries. The latest reform of the CFP introduced very strong measures such as the Landing Obligation, maximum sustainable yield for all species by 2020 and regionalisation of fisheries management, among other measures. These policies, along with other events such as Brexit, have the potential to significantly impact the viability of fishing fleets and fishing communities all across Ireland and Europe. These policies and events will affect the fisheries and aquaculture sectors while also affecting trade dynamics and the social sustainability of coastal communities. During this conference we expect to see the latest research from the European fisheries economics community on a range of dimensions that affect the European seafood sector.

The conference takes place over three days and each day three halls will host parallel sessions on a range of topics with a mix of invited speakers and submitted presentations from the fisheries economists working in the field. Sessions will cover aquaculture, fisheries, the marketing of fish and the social dimensions of fisheries. On the first day, among the range of sessions to be held, the European Commission will sponsor a special session on the European Maritime and Fisheries Fund and subsidies, with a number of invited speakers from around Europe.

The second day will have a strong industry focus with a special session on gear selectivity adaptation and the landing obligation; with other sessions on access to fisheries and fishing rights; quota management in mixed fisheries, and impact assessments of management plans. Key industry speakers from around Europe will speak on important issues affecting EU fleets and the importance of applied economic research in the management of natural resources. These speakers include Sean O'Donoghue, Chief Executive of the KFO, Ireland; Gerard van Balsfoort, President, of the Pelagic Freezer-Trawler Association of Holland; and Barrie Deas, Chief Executive of the National Federation of Fishermen's Organisations from the UK. The third day continues with a range of sessions with a special session focussing on European small-scale fisheries, sponsored by the European Commission. A number of experts on small-scale fisheries have been invited and will present alongside contributors from academia.

In the last reform of the CFP the proposal to introduce a system of tradable quotas across the EU was not implemented in the end. This topic, access to fisheries, is the main theme for the two keynote speakers invited to this year's conference. Day Two begins with a keynote speech from Professor Daniel Bromley, from the University of Wisconsin, USA while Day Three begins with the keynote from Professor Ragnar Arnason, from the University of Iceland, Iceland.

We welcome all interested parties to attend and participate in this conference with us. All the latest conference information and ticket details can be found on the BIM website (www.bim.ie/eafe) or by contacting Richard Curtin at curtin@bim.ie.

Editorial

by Sean O'Donoghue

CHIEF EXECUTIVE, KFO

The fishing industry is facing a very turbulent period over the coming years. This industry has always been vulnerable to circumstances outside our control – weather, global events, fish stock collapses – but now we are entering a new era where we face a future with a huge range of unknown factors. In Ireland, and Killybegs in particular, the most serious issue facing us is Minister Creed's current review of the mackerel allocation, but closely followed at a national level by the potential long-term damage which could follow the departure of the United Kingdom from the European Union – Brexit.

The review of the mackerel allocation, instigated by the IS&WFPO in October last year, is a completely groundless and divisive process which should be abandoned by the Minister as soon as possible. Following last year's mackerel negotiations, it was thought Ireland would receive an increased quota for mackerel in 2017 amounting to 14 per cent greater than 2016 which IS&WFPO proposed should be transferred in its entirety to 27 vessels in the polyvalent fleet. This is the latest attempt by this sector to erode the allocation of mackerel built up by the RSW segment for many decades to which the polyvalent segment had little input. Originally, polyvalent vessels had an allocation of 1,500 tonnes but from 2000 onwards, as prices improved, there was persistent lobbying to raise this limit until by 2009, after Ministerial reviews and consultations, a policy was finally agreed which awarded 13 per cent of the national quota to this sector.

KFO has made several strong, factually-based representations to Minister Creed and his officials in this regard pointing out the lack of any credible basis for the review and the legal implications of further adjustments to the allocations at this time. In addition, the down-stream consequences of displacement of onshore landing, processing and transport, all carrying significant employment and social risks, are very serious and could undermine the entire pelagic industry in the long-term.

Ironically, the increased mackerel quota on which this proposal was based no longer exists. The ICES advice on which it was based has been found to be flawed, and revised advice would indicate a substantial reduction of 11 per cent (a 3 per cent instead of a 14 per cent increase) in mackerel TAC advice for 2017.

Another serious issue regarding mackerel is the ICES revised advice for 2017; it is unacceptable that incorrect advice on which so much depends can be issued and it is imperative that ICES puts in place, as a matter of urgency, a data and assessment quality control system to ensure this cannot happen again. I have already outlined the steps to ICES I consider that are required in this regard. Once the quality control system has been established, the process should be accredited by ISO Certification which would enhance the position of ICES and reassure stakeholders.

Since the UK voted to leave the EU in June 2016, the fishing industry has been preparing for the vital negotiations ahead. It is essential that fishing is top of the agenda and is one of the first areas to be negotiated. Fisheries must not become a bargaining chip between the UK and EU. To ensure this, KFO has been very active on all fronts, nationally and in Europe, to keep the momentum going. There have been a number of meetings at government level (see details in article page two) and we are confident the Minister and the DAFM are well informed on the issues facing the Irish fishing industry. At a European level, the industry has been engaged in dialogue since last summer; recently we have formalised our relationship with the formation of the European Fisheries Alliance which will provide the essential united voice for fishing in upcoming negotiations. We have already engaged with Michel Barnier, the EU chief negotiator, since his appointment in late 2016 and impressed on him the importance of access, quota share and trade during the negotiations.

Resolution of the Voisinage controversy has not been achieved but the legislative process to bring it about has started in the Oireachtas; amendments have been proposed to limit the size of vessel included in the law. However, recent reports of the intention of the UK to withdraw from the London Convention of 1964 may make all these efforts irrelevant as the Voisinage is part of the London Convention.

The long-sought tax credit for fishermen has finally been introduced. Known as the Fisher Tax Credit it will be worth €1,270 in 2017. There are some conditions to be met, such as a minimum of 80 days spent fishing, which must be verified by the production of log sheets; this may be very difficult to comply with for certain types of vessels such as those under 10 metre which are not required to complete log sheets, and some pelagic vessels. On the positive side, the initial time limit of 2021 no longer applies.

Our fishing industry is facing some of the most challenging problems in many years both at home and on the international stage but it is an industry which has risen to serious challenges on many occasions. I have no doubt that with the support and cooperation of all stakeholders we will overcome these current difficulties too.

I would like to extend the heartfelt, sincere sympathies of myself and all KFO members to the families and colleagues of the crew of the Coast Guard helicopter, R116, lost in the course of duty off the Mayo coast. Captain Dara Fitzpatrick and her crew Mark Duffy, Ciaran Smith and Paul Ormsby represented a service which has saved the lives of many fishermen over past years – their sacrifice will not be forgotten.

Important Dates April - June 2017

Date	Meeting	Venue
April 4	Brexit Maritime Transport Workshop, Department of Transport, Tourism and Sport, Leeson Lane	Dublin
April 4-6	Long Distance Advisory Council	Brussels
April 11	SFPA Consultative Committee (Fisheries Sub-Group) Code of Conduct for Fishing Vessel Inspections	Dublin
April 11	Consultative Committee of Stakeholders in BREXIT meeting with DAFM	Dublin
April 20	Whitefish Quota Management Meeting	Dublin/Clonakilty
April 21	Landing Obligations Workshop	Donegal Town
April 24-25	Pelagic Advisory Council (WG I, II and ExCom)	Dublin
April 25-27	25th Conference European Association of Fisheries Economists (EAFE)	Dublin
April 27	Industry/Science Partnership Meeting	Marine Institute
May 2	Pelagic Advisory Council FG MCRS	Brussels
May 3	Sea Fisheries Liaison Group Meeting	Dublin
May 15	EAPO Markets WG	Brussels
May 16-17	Markets Advisory Council (MAC)	Brussels
May 19	KFO AGM	Killybegs
May 23	EMFF Operational Programme Monitoring Committee	Clonakilty
May 31	Irish Industry/Marine Institute Nephrops Workshop	Galway
June 12	Fisheries Council	Luxembourg
June 13-16	ICES Advice Drafting Group Celtic Sea stocks	Copenhagen
June 21	SFPA Consultative Committee meeting	Marine Institute
June 26	International Fisheries Conference	Urk, Netherlands
June 30	ICES Advice issued Celtic Sea and North Sea fish stocks	Copenhagen
June 30	Our Ocean Wealth Conference	Galway
June 30–July 2	SeaFest	Galway

Head Office: **Killybegs Fishermen's Organisation Ltd., Bruach na Mara, St. Catherine's Road, Killybegs, Co. Donegal. Tel: (074) 9731 089, (074) 9731 305, Fax: (074) 9731 577, Email: kfo@kfo.ie Website: www.kfo.ie**
Dublin Office **Tel: (01) 825 8846, Fax: (01) 825 8847**