



**NB This paper has been prepared for further discussion at the November meeting of the Demersal WG**

### **Review of the Cod Management Plan**

#### **1. Summary**

- 1.1 An STECF/ICES joint working group working group was established by the Commission to evaluate multi-annual plans for cod. Following a scoping meeting in Copenhagen in which the NSRAC participated, the Group met in Hamburg in June 2011 to finalise its report. The evaluation drew on material from a wide range of sources, including the results of a Survey of Fishing Vessel Owners and Operators undertaken jointly by the RACs and STECF. The North Sea RAC, together with the North Western Waters RAC, submitted papers to the working group and participated in the working group meetings.
- 1.2 The report from the joint working group was subsequently reviewed by STECF at its plenary meeting and has now been issued. The report includes, as Annexe 17, the results of the survey conducted for STECF and the two RACs.
- 1.3 In this position paper the NSRAC is now submitting further comments to the Commission and member states on the future of the Cod Management Plan for the North Sea, in the light of the findings of the STECF/ICES joint working group.
- 1.4 The NSRAC is suggesting that in the light of the acknowledged failure of the effort management system, any further reductions in effort must cease immediately because of its adverse economic consequences, which are disproportionate to any contribution to rebuilding the cod stocks. In the short term, greater use should be made of articles 11 and 13 to encourage cod avoidance measures that will further reduce fishing mortality on cod.
- 1.5 Against the background of the STECF evaluation and the political bottleneck caused by co-decision making and CFP reform, a fast track means of moving away from pre-programmed annual reductions in effort and TACs must be found. Pending a full revision of the Cod Management Plan (through co-decision if necessary), it is imperative to use emergency measures in the form of arrangements for relaxation of

the effort reduction provisions. Those provisions of the plan that have been demonstrably at odds with the objective of reducing fishing mortality must be removed and replaced by more satisfactory provisions. It is hoped that these changes might be made by agreement between the Commission and Parliament.

## **2. General conclusions of the report**

- 2.1 Overall STECF concludes that the Cod Management Plan is not delivering the reduced fishing mortality (F) upon cod that it was intended to achieve. Significantly, STECF takes the view that it should not be expected that fishing mortality would follow trends in effort. Additionally, it comments that in many areas the plan does not have stakeholders' support and fails to fully exploit the opportunities for incentivised cod avoidance and discard reduction.
- 2.2 The NSRAC, representing North Sea stakeholders, agrees with these conclusions, which echo RAC advice submitted over the last two years. In the North Sea, and elsewhere, the plan has not controlled F as the Commission envisaged. The main objectives of the plan have not been achieved.
- 2.3 STECF remarks that several of the Articles in the plan are ambiguous or difficult to apply. As a general point, the NSRAC agrees that clear and unambiguous phrasing of the elements of regulations will make compliance more transparent and potentially more reliable.

## **3 The state of North Sea cod**

- 3.1 A full analytical assessment is available for North Sea cod. STECF has pointed out that in practice F declined and Spawning Stock Biomass (SSB) increased prior to introduction of the plan as a result of previous measures, including substantial fleet decommissioning. Only minor reductions in F have been seen in the two years since the plan was introduced. Spawning stock biomass has nevertheless continued to increase and although it is still below  $B_{lim}$  the cod stock in the North Sea has more than doubled in the last six years.

## **4. Changes in fleet effort**

- 4.1 In 2009 and 2010, despite the introduction of a new effort management regime that adversely affected some sectors of the fleet, fishing effort did not decline in line with the reductions required by the plan, although there were significant reductions in effort recorded under the previous plan, probably associated with a significant degree of capacity reduction
- 4.2 However, the plan has delivered improvements in selectivity and cod avoidance through articles 11 and 13. Actions undertaken under these articles have also been

responsible for a significant reduction in discards, which is recognised as a major source of cod mortality.

- 4.3 STECF has remarked that the effort associated with Article 11, which provides exemption for vessels catching very few cod, was relatively low. This low figure reflects the difficulties that vessels have experienced in achieving exemption.
- 4.4 Effort associated with Article 13, which provides additional effort for vessels engaging in cod avoidance, has been much higher. STECF has remarked that there have been positive contributions under Article 13c, which appears to provide benefits towards achieving the plan targets. Article 13 allows a flexible, locally tailored response to the management of cod. The measures adopted through Article 13 should therefore provide better governance with measures based directly on catches, landings and discards. Notable effects have been:
- Redistribution of fishing away from areas of high cod abundance;
  - By catch and discard reductions in the northern North Sea by TR1 vessels;
  - The widespread use of more selective fishing gears
  - Cod avoidance through real time closures.
- 4.5 As with Article 11, STECF remarks that the verification aspects of Article 13, in terms of approving cod avoidance measures, have been too complex.
- 4.6 There have been some reductions in fleet capacity during the current plan. However, STECF notes that it was not possible to indicate to what extent the plan itself was responsible for these changes.
- 4.7 The effort regime, contrary to the Commission's expectations, has been difficult for member states to administer and implement.

## **5. Effects upon the fishing industry**

- 5.1 STECF has advised that in the absence of information it was not possible to conclude that the plan has had any impact on the financial performance of fleets, compared to the situation likely to have prevailed in the absence of the plan. However, STECF notes that any reduction in vessels numbers or fleet capacity that has occurred will have had knock-on effects upstream and downstream in the economy. STECF recognises that behavioural change in response to the constraints in the plan is a significant factor in achieving the Plan's objectives.
- 5.2 The Fishers' Survey reported that the effort limits resulted in more time in port, changes in patterns of fishing activity, problems due to catch composition rules and discarding, and knock-on effects making it harder to keep a crew.
- 5.3 A report from the Shetland Islands, submitted to the Commission and copied to the NSRAC has observed that the impact of the cuts in effort has been a 'behavioural' change by fishers. Effort for the Shetland fleet currently sits at either 65% of the levels

fished in 2004-2007 (a period where activity was already constrained). The reduced effort has had a hugely significant impact on the operation of the fleet. It has put considerable pressure on fishers to maximise the profitability of every day at sea. As a result there has been a shift in emphasis from catching species such as monkfish, which are spread over the seabed and require considerable effort to catch, onto faster caught shoaling species such as cod, saithe and haddock. Reducing effort has forced the fleet to catch less monkfish, failing to take the full quota, but has resulted in more cod being caught – the opposite result of what was intended. Similar perverse outcomes have been seen in other areas.

## **6. TACs and effort control**

- 6.1 STECF reports that currently the combination of TACs (enforced as landings) and effort restrictions have not controlled cod removals. This is because enforced landings have resulted in discarding of over-quota catches.
- 6.2 STECF remarks that the plan is overly reliant on annual estimates of  $F$ , which are either absent, inaccurate or imprecise. Consideration should be given to multiannual metrics for informing decisions. Short-term forecasts for North Sea show bias in estimating both SSB and  $F$ . It is recommended that alternative methods of setting TACs should be tested to see if they are more robust for predicting  $F$  for specified removals.
- 6.3 The report from STECF points out that the plan was designed without consideration of the fishing opportunities for other species. Mixed fisheries simulations give an indication of the potential for disparity between fishing opportunities and thus implementation error in North Sea cod advice. The plan would benefit from linking to plans for *Nephrops*, haddock, whiting, saithe, sole and plaice in the North Sea.
- 6.4 STECF remarks that displacement of effort from one area to another may have had a negative impact in some areas.

## **7. Discards**

- 7.1 One outcome of the plan, which was foreseen in ICES advice, has been an increase in the discarding of cod. Catches of cod are well in excess of TAC in some areas, leading to quota-driven discards of cod – the very species intended to be protected by the plan. STECF has emphasised that although reported landings are in line with the plan, actual catches are well in excess of TAC due to high discards. Discarding is a particular problem in areas where cod are recovering. Effort restrictions combined with unduly limited TACs make it inevitable that large quantities of cod will be discarded in those areas. A cut in quota when a stock is recovering, or is in a better state than scientists have predicted, will inevitable lead to discarding.
- 7.2 In practice, desired reductions in discards and by-catches have occurred as a result of measures undertaken under Article 11 and Article 13 (technical measures). These reductions have been especially evident and significant in the North Sea. Various

North Sea fleets have opted to use more selective gear (under Article 11 or Article 13) or to operate real time closures (Article 13) or to fish outside the distribution area of cod (Article 11). Technical measures introduced in the North Sea have significantly reduced commercial by-catch (e.g. Nephrops fisheries with grids have become single-species fisheries).

## **8. The way forward**

- 8.1 STECF, the Commission's scientific advisers have drawn attention to major flaws in the Cod Management Plan. Pre-programmed annual effort and TAC reductions under the plan will cause further deterioration in economic viability in those parts of the industry subject to the plan unless immediate changes are made to the plan. We are tied into a plan that has not rebuilt cod stocks in the way hoped for but has had, or shortly will have, crippling consequences for the fleets.
- 8.2 The Commission has made it clear that revision or replacement of the Cod Management Plan would have to be through co-decision making. This would be an extended process, especially as a result of proposals for CFP reform. The earliest prospect for replacement of the plan by a new one would be 2014.
- 8.3 It is plainly inadvisable to continue with a plan that has been formally evaluated by the Commission's scientists and found to be seriously deficient in its essentials. The success of North Sea fisheries depends on having management measures in place that will ensure that those fisheries are both sustainable and profitable. The current plan must be modified to achieve those two aims. The fleet cannot live with further ineffective effort reductions.
- 8.4 The NSRAC proposal is that there must be a dual approach towards resolution of the problem
- 8.5 In the first instance, there is an immediate requirement to reduce any further damage to the fleets and generating perverse outcomes by halting further effort reductions. Given the STECF's evaluation of the plan it cannot be justifiable to continue with annual pre-programmed annual reductions in effort when it is evident that it is not leading to a reduction in fishing mortality but instead is leading to extensive discarding of cod.
- 8.6 Article 11 should be encouraged to achieve its aim of providing exemption from the effort regime for vessels that do not catch cod. Procedures for applying for exemption must be made simpler and easier to negotiate. Exemptions should be approved where fishing activity is deployed outside the distribution area of cod, or where fishing gear is designed and confirmed to minimise cod catches. STECF has also identified by-catch ceilings as a flaw in the design of the plan.
- 8.7 Article 13 has already been shown by STECF to have merit, and it has both encouraged a tailored approach to cod avoidance, has resulted in a reduction in discards and has encouraged a reduction in F. However, a different way has to be found for estimating the reduction in F that will be achieved with different cod

avoidance measures in order to obtain approval. There is also a strong case for streamlining the approval of measures under this Article.

- 8.8 In the longer term, pending a full revision of the Cod Management Plan (through co-decision if necessary), it is imperative to introduce emergency measures in the form of arrangements for relaxation of the effort reduction provisions. Those provisions of the plan that have been demonstrably at odds with the objective of reducing fishing mortality must be removed and replaced by more satisfactory provisions. It is hoped that these changes might be made by fast-track agreement between the Commission and Parliament.
- 8.10 Discard reduction is now an important consideration; but discarding of cod has been made worse by the provisions of the Cod Management Plan. Reducing TACs in areas where cod are recovering, or are more abundant than the stock assessments suggest, encourages discarding. A variety of solutions are available for reducing discards and will be described in more detail by the NSRAC in a separate position paper.