

SUPPORTING THE TAC/QUOTA SYSTEM

Brief analysis of the failings in the establishment, application and control of the TAC system

The confirmed decline of most of the stocks in European waters is one of the most obvious signs of the failings of current fisheries management. The objectives set by the Common Fisheries Policy (CFP) in effect since 2002 are not being reached. In April, the European Commission published the Green Paper on the reform of the Common Fisheries Policy. This publication fosters public debate through a consultation period open until the end of the year. A new CFP will enter into force in 2013.

Oceana is seriously concerned about the contamination of the debate by ideas and measures that were already seemingly resolved in the past. These proposals are often made by institutions, public administrations and even government representatives. The system of total allowable catches (TACs) is repeatedly being criticised and many proposals have been made to dismantle it.

Total Allowable Catch (TACs), one of the system's pillars

According to the Common Fisheries Policy, European fisheries should be managed according to a double system of control over fishing effort and catch. Furthermore, a series of technical measures are established to restrict the use of certain gear, set minimum sizes for certain species, etc.

The management of the TAC and quota system has proven ineffective in improving the state of marine resources.

While criticism about the system is increasing, the factors that hinder the correct functioning of the TACs are not taken into consideration, although they are widely known.

After analysing these factors, it is difficult to understand some of the conclusions that blame the TAC system for the overexploitation EU fisheries are currently suffering.



Three important factors that should be reviewed

1. TACs that exceed scientific recommendations

Each year, many of the proposals for TACs presented by the European Commission exceed recommendations made by the scientific community. In turn, there is another increase with the TACs finally agreed by the European Council. During the last Council meeting to agree TACs and quotas for 2009, final TACs exceeded the Commission's proposals in more than 50 cases.

Between 1986 and 2006, at the request of the EU, the International Council for the Exploration of the Sea (ICES) made more than 1,500 recommendations concerning catches and volume of catch. According to an Oceana study, these recommendations were not followed in 78% of the cases¹.

Concerning biomass levels, the Commission's analyses show that the TACs adopted by the Council significantly exceed the volume of catches considered sustainable by scientists². In 2009, they exceeded the sustainable volume of catches by 48%, but this situation repeats itself and the figures for past years are 51% (2008), 59% (2005) and 49% (2004).

Furthermore, less than half the stocks in European waters are fished based on scientific information that validates and regulates exploitation. The EU must set a deadline after which no fishery should be developed in Europe or by European fleets in any part of the world without the necessary scientific evaluation.

When an analytical TAC cannot be established –due to lack of information such as exact rate of mortality by fishery, distribution of ages, recruitment or reproductive biomass levels- a precautionary TAC should be established based on the precautionary principle when scientific information allows it. If not, the fishery should be closed.

Many of the European stocks exploited regardless of scientific evaluations and currently managed without a system of TACs and quotas are outside safe biological limits and can be considered overexploited³.

¹ Oceana, elaboration from ICES database (1986-2006) and TACs agreed by the Council of Ministers of the EU in that period. December 2007.

² COM(2009) 224. Consultation on Fishing Opportunities for 2010. Brussels, 12 May 2009.

³ Sissenwine, M., and Symes, D. 2007. Reflections on the Common Fisheries Policy. Report to the General

Directorate for Fisheries and Maritime Affairs of the European Commission.



2. <u>TACs not respected, catches exceed quotas</u>

The established TACs systematically exceed scientific recommendations and, in many cases, catches significantly exceed imposed TACs. According to the Oceana study, based on ICES data, cod, haddock and mackerel are the species with catch volumes that exceeded the established TACs in European waters the most.

But infringements are continuous. Clear examples can be seen in cases like the northern hake, where catches have systematically exceeded the agreed TAC for the twelve years analyzed by another study⁴; or in the North Sea sole, where TACs were exceeded in 9 of the 12 years. According to the study, 63% of stocks analysed exceeded the imposed TAC at least once in the years under analysis. Considering that only declared catches are taken into account, the actual proportion could be significantly higher.

During the period examined by Oceana⁵, European fleets exceeded the captures recommended by scientists by more than 22 million tons. Despite this, total allowable catches have been so high that in many cases the fleet has not been able to catch the allocated volume. Thus, even with intense overfishing, the fleet still took 13 million tons less than the volume established by the approved TAC.

An analysis of landings shows that, with the exception of the cases in which ICES recommends significant reductions in catch volume (25%), the correlation between the landed catch and ICES recommendations is very low, so changes in TACs hardly affect the volume of landings⁶.

3. TACs based exclusively on landings

One of the most important structural failings in the establishment of TACs is that discards are not included in catch data. As such, catches are analysed based only on landings, without taking into consideration the discarded biomass that should be included in the mortality rates for that fishery. The difference between official estimates and the biomass actually extracted from the fishing grounds may be quite significant.

Given the enormous quantities of discards generated by many European fisheries, the fact that these are not taken into account seriously affects how the TAC system operates because population evaluations are carried out without taking into account real data, indirectly affecting the state of resources.

⁴ Villasante, S. Gonzalez-Laxe, F. Gracia-Negro, M. Global assessment of the Common Fisheries Policy through TAC regulation.

⁵ Oceana, elaboration from ICES database (1986-2006) and TAC's agreed by the Council of Ministers of the EU in that period. December 2007.

⁶ Patterson, K., and Résimont M. 2007. Change and stability in landings: the responses of fisheries to scientific advice and TACs.



Oceana defends the need for TACs to clearly reflect maximum allowable catches and not maximum allowable landings, as is currently the case.

Although the volume of discards for some species is being included in the evaluation models, that doesn't seem to be the practice for most part of the stocks, even though the need to collect information on discards to be used for scientific evaluation was included in EU regulation in 2008⁷. The inertia of management and high degree of uncertainty concerning discard information may be the cause.

Even species subjected to specific recovery plans suffer from lack of control that is difficult to explain. This occurs with cod. For division IIIa stock (Kattegat), ICES admits that it "does not expect the evaluation to realistically reflect a situation in which extraction of biomass may be five times higher than the TAC," noting that discards of juveniles and *high grading* were the major sources of uncertainty⁸.

For the same species, ICES acknowledges that certain age categories are being depleted faster than expected in the North Sea and the English Channel, indicating that the source must be undocumented fishing activities, mainly discards that are not included in the quotas. Between 2005 and 2008 only 30-55% of extracted biomass was documented, indicating the ineffectiveness of catch control measures⁹.

According to a report by the European Commission, the lack of credibility of many of the officially declared catches is one of the factors that undermines the TAC system¹⁰. The conclusions of that report advocated the logical need to improve fishery monitoring systems.

⁷ Council Regulation (EC) No. 199/2008 of 25 February 2008 concerning the establishment of a Community framework for the collection, management and use of data in the fisheries sector and support for scientific advice regarding the Common Fisheries Policy.

⁸ ICES Advice 2009, Book 6. Cod in Division IIIa East (Kattegat)

 ⁹ ICES Advice 2009, Book 6. Cod in Subarea IV (North Sea), Division VIId (Eastern Channel) and IIIa West (Skagerrak)
¹⁰ COM(2007) 167 final. Report from the Commission to the Council and the European Parliament on the monitoring

¹⁰ COM(2007) 167 final. Report from the Commission to the Council and the European Parliament on the monitoring of the Member States' implementation of the Common Fisheries Policy 2003-2005. Brussels, 10.4.2007



And an important deficiency

Lack of control / Lack of will by Member States to impose control measures

Blaming the TAC system for the failure of resource management measures would make sense only if all the available instruments for its application were correctly applied. Reality proves this has not been the case.

The Green Paper identifies "the lack of political will to ensure compliance and poor compliance by the industry" as one of the 5 structural failings of the fishery policy¹¹.

In the last annual report about the infringements of the Common Fisheries Policy, the Commission warns that no real improvement has been made concerning the observance of the CFP rules; that measures to control and apply sanctions are poor, posing a serious threat to the effectiveness of the CFP, so it is emphasized that Member States are not complying with their obligations. Most of the 10,362 reported infringements by Member States are directly related to the TAC system¹².

In a report published at the end of 2007, the European Court of Auditors, after analysing the numerous failings of the EU fishery control system, affirms that the inspection systems do not provide assurance that infringements are effectively prevented and detected¹³. The report concludes that "catch data are neither complete nor reliable, and the real level of catches is thus unknown. As a consequence this prevents proper application of the TAC and quota systems."

While the fleet continues to infringe established TACs and quotas, the governments choose to infringe their control obligations and allow or cover up irregularities. This simplistic approach not only hinders the recovery of European stocks, but also the improvement of socioeconomic conditions of the extraction industry. According to a Commission report, the compliance with CFP rules could generate net profits of approximately €10,000M in ten years because fish stocks would be recovered and better protected¹⁴.

A Regulation establishing a new Community control system that guarantees compliance with CFP rules will be approved this year¹⁵. However, as long as Member States continue to lack the will to comply with the rules, the state of fishing resources will not improve.

¹⁴ COM(2008) 721 final. *Summary of the Evaluation of the Impact*. Proposal for a Council Regulation establishing a Community control system for ensuring compliance with the rules of the Common Fisheries Policy. Brussels, 14.11.2008.

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¹¹ COM(2009) 163 final. Green Paper: Reform of the Common Fisheries Policy. Brussels, 22.04.09

¹² COM(2008) 670. Reports from Member States on behaviours which seriously infringed the rules of the Common Fisheries Policy in 2006. Brussels, 4 November 2008.

 ¹³ European Court of Auditors. 2007. Special Report No 7/2007 on the control, inspection and sanction systems relating to the rules on conservation of Community fisheries resources together with the Commission's replies.
¹⁴ COM(2008) 721 final. *Summary of the Evaluation of the Impact*. Proposal for a Council Regulation establishing a

¹⁵ COM(2008) 721 final. Proposal for a Council Regulation establishing a Community control system for ensuring compliance with the rules of the Common Fisheries Policy. Brussels, 14.11.2008.



Reflections

The TAC and quota system is being blamed for the poor state of fishing resources. These evaluations do not include analyses of the factors that lead to these failings.

There are serious failings in the establishment and application of TACs and quotas. Scientific advice is consistently ignored.

There are serious failings in the control systems to monitor catches that inevitably affect the TAC system.

These serious failings put into question the political will of Member States to improve the system and, consequently, to improve the state of resources.

Almost forty years after the first common fishing policies were established in the EU and seven years after the last reform of the CFP, it is obvious that the extractive industry is incapable of operating in a sustainable way.



Concerning the proposals to eliminate the TAC system

Without taking into consideration the factors analysed in this document, some institutions are supporting a change in favour of a system based exclusively on fishing effort management, eliminating TACs. These institutions contend that this model would be simpler, and one in which control could be more effective.

Concerning limiting the fishing effort, the European Commission points out in its web site that "while control of fishing effort may look like a logical solution, it is easier said than done"¹⁶. In another document, the Commission warns that while it is easy to grant permits, controlling real fishing effort is complicated and that "apart from the problems concerning controlling and applying fishery management measures, controlling fishing effort is much more complicated"¹⁷

Reports requested by the Commission on the effectiveness of the Common Fisheries Policy point out that effort limits are a useful supplement to TAC management but do not seem to be an alternative¹⁸. As such, limiting fishing effort is a management measure that should be improved, but should not be considered the ideal solution.

Despite these reports, Fisheries Commissioner Joe Borg recently declared that it is a possibility to manage stocks with effort only, replacing the traditional TACs and quotas¹⁹. He has already expressed this idea before: "We could envision, for example, a system that functions entirely on the allocation of fishing effort for stocks or groups of stocks that are fished together. Such a system could work by allocating every vessel with an allowance in days at sea, which the vessel owner would manage throughout the year, and thereby providing the skipper with the ability to land all catches."²⁰

It seems Spain has also recently decided to defend this stance.²¹

The argument that limiting fishing effort is easy comes into conflict not only with the opinion of experts, but also with the reality of Spanish and European fisheries. Despite investments made to reduce overcapacity, the pressure exerted by the EU fishing fleet is two or three times over the limits considered sustainable²². "On average, in recent years fleets have been reduced by only 2% a year, which is broadly offset by technological progress in fishing efficiency (estimated at 2 or 3% a year)"²³.

There is a proven degree of irresponsibility in the current situation faced by fishing resources and the fishing industry in general, and as such, the reasons and interests that have generated this situation must be correctly evaluated.

¹⁶ http://ec.europa.eu/fisheries/cfp/management_resources/conservation_measures/fishing_effort_en.htm

¹⁷ European Commission. 2009. The Common Fisheries Policy: A user's guide 2009.

¹⁸ Sissenwine, M., and Symes, D. 2007. Reflections on the Common Fisheries Policy. Report to the General Directorate for Fisheries and Maritime Affairs of the European Commission.

¹⁹ Speech by Commissioner Borg at a meeting of the European Parliament Fisheries Committee, Brussels, 1.09.2009

²⁰ European Commissioner Borg (SPEECH/ 09/343 – 15 July 2009). The Common Fisheries Policy: the journey ahead Plenary session of the European Economic and Social Committee

²¹ http://www.mapa.es/gabinete/nota.asp?codi=25054_AT090709

²² Commission Working Document. 2008. Reflections on further reform of the Common Fisheries Policy.

²³ COM(2009) 163 final. Green Paper: Reform of the Common Fisheries Policy. Brussels, 22.04.2009



Gratuitously placing the blame on one of the pillars of the CFP does not seem like the correct way to begin the period of debate recently opened in the EU to reform the fisheries management system.

Oceana believes that, now more than ever, it is necessary to defend scientific advice concerning TACs and quotas before the different authorities and governments within the EU during the decision-making process to establish the quotas.

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