Negotiating for Real: Setting the TACs

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The Scottish Government

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Who’s who in fisheries negotiations

UK, Scottish Government and Devolution

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- Sea fisheries is devolved under the Scotland Acts except in relation to the allocation of fish quota (concordat) and the raising of industry levies (Seafish).
- The value and size of the industry is greater in Scotland than in the rest of the UK put together.
- Fisheries is the only sector in the UK where the majority share of the industry is based in Scotland (compared to the rest of the UK).

Cabinet Secretary for the Rural Economy and Connectivity

- Fergus Ewing MSP
- Fisheries

Cabinet Secretary for Environment, Climate Change and Land Reform

- Roseanna Cunningham MSP
- Marine environment

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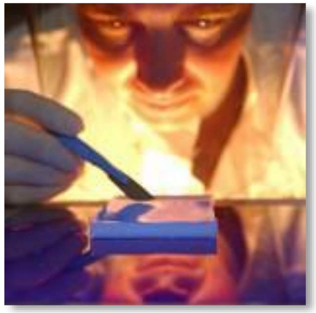
Integrated management of Scotland's seas

Vision: for 'clean, healthy, safe, productive, biologically diverse marine and coastal environments, managed to meet the long-term needs of people and nature; and an agreed set of high level marine objectives'.



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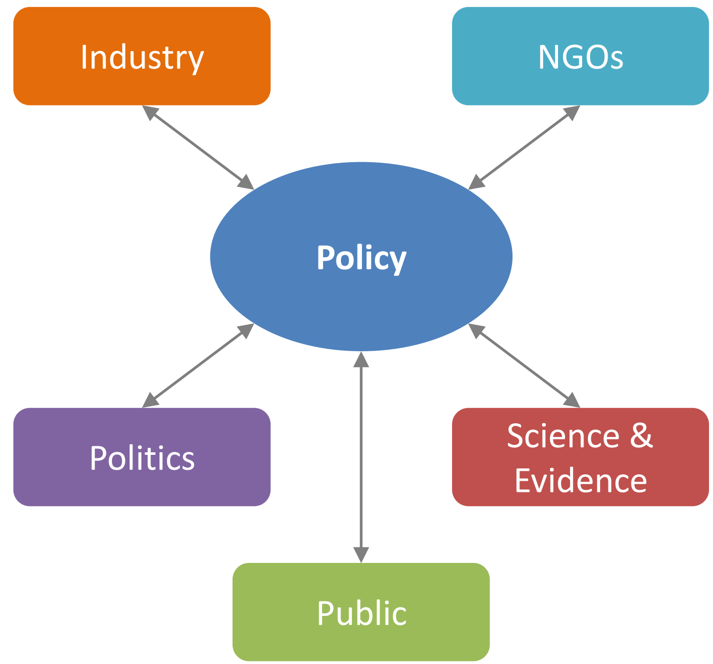
5 Divisions:

- Compliance (269)
- Science (287)
- Marine Planning & Policy (57)
- Performance, Aquaculture and Recreational Fishing (34)
- Sea Fisheries (24)
  - International Fisheries
  - Discards Policy
  - Inshore Fisheries
  - Access to Sea Fisheries

Policy: balance, integration, evidence-based



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Who's who in fisheries negotiations

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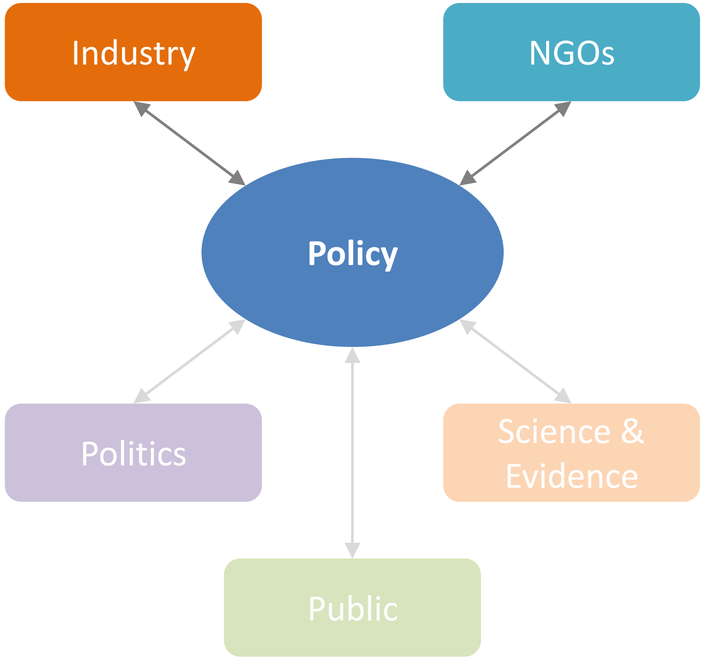
Stakeholder liaison:

- Negotiations teams meet with a range of stakeholders to hear views on science and positions
- The teams listen to all issues
  - ✓ Industry concerns (catching and processing sectors) about TAC levels on businesses
  - ✓ NGO concerns about stock sustainability
- All comments are carefully considered when developing our negotiating position



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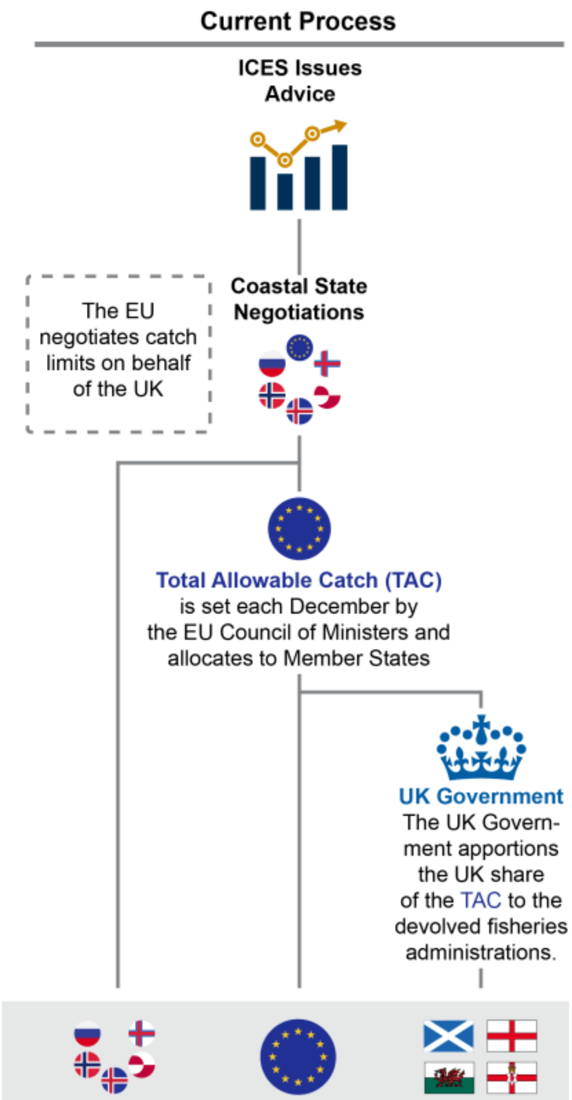
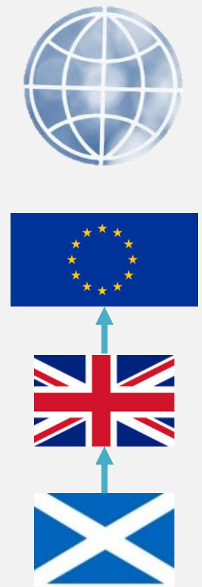
Setting the TACs

International negotiations



Images: https://spice-spotlight.scot/2018/12/06/how-are-fishing-quotas-set-stage-2-coastal-state-negotiations/ and https://www.pexels.com/



Scientific Advice

Article 61 of UNCLOS stipulates that a Coastal State "shall determine the allowable catch of the living resources in its exclusive economic zone. The Coastal State, taking into account the best scientific evidence available to it, shall ensure through proper conservation and management measures that the maintenance of the living resources in the exclusive economic zone is not endangered by over-exploitation".

The International Council for the Exploration of the Seas (ICES) publish scientific advice for many commercially targeted fish and shellfish stocks in the North East Atlantic.

Coastal State Negotiations

In order to meet the requirements of UNCLOS, most of the commercial stocks fished by the Scottish fleet are managed by the use of Total Allowable Catches (TACs), the majority of which are agreed annually at a series of international negotiations.

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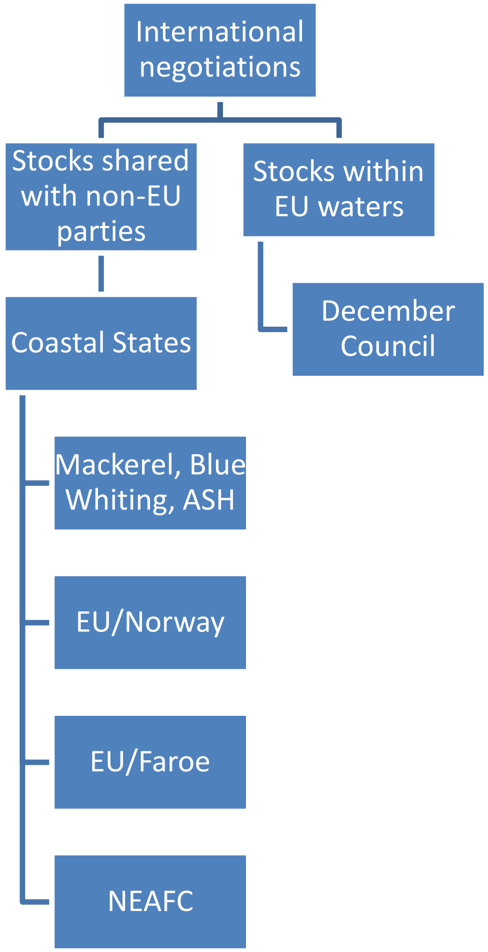
Setting the TACs

Scotland's negotiating principles

- Following the best available scientific advice.
- Supporting a progressive move to sustainable fishing levels for all stocks.
- Taking a sensible and proportionate approach to minimising discards.
- Upholding principle of maintaining stocks above safe biological limits and in good reproductive health.
- Protecting the socio-economic wellbeing of our industry and their dependent communities.



Setting the TACs

Coastal States arrangements for key Pelagic Stocks

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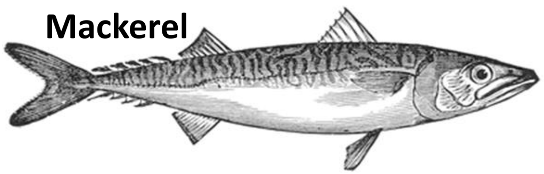
Mackerel



Mackerel negotiating parties: EU, Norway, Iceland, the Faroe Islands, Greenland, Russia (observers)

2019 agreement: The 2014 trilateral sharing agreement (EU, Norway, Faroe Islands) was extended until 2020.

After 5 rounds of negotiations a principled and justified approach was taken to setting the total catch limit for 2019.

Iceland and Greenland remain outside the agreement, meaning that they continued to set unilateral quotas in 2019.

The breakdown below shows the complex nature of the arrangement.

Basic Shares

Global TAC	*653,438*			
EU	0.492897	322077		
FAR	0.12601	82339	24690	30%
NOR	0.225095	147086		
CS	0.156	101936		

Norway

Norway basic take out	147086
North Sea (table 1 of agreed record)	39259
To be fished in IIIa (footnote 3 of Table 1 of agreed record)	3000
% access to EU zone of VIa (North of 56° 30')	20%

Internal EU allocation of mackerel

Table 1

EU basic out-take	322077
Fixed quantity in North Sea (footnote 2 table 1)	1865
Transfer from Norway to Sweden	253
Transfer from EU (W) to Norway (IIa)	11687
Transfer from Norway(IIa) to EU(IVa)	11687
	324195

Allocation by areas

	Southern	Western	North Sea	'a+Norw. I	Faroes Vb
% excluding fixed quantities	9.26607%	80.97795%	5.54597%	3.18014%	1.02987%
tonnes	29843.91	260811.61	17862.31	10242.51	3316.98
Carry-overs etc.		0			
Fixed quantity			1865		
Allocated by key:	29843.91	260811.61	19727.31		

The 2019 TAC has been set at	653,438	tonnes,	####	on 2018.
Of this, the EU share will be	322,077	tonnes,	49%	of the TAC).
Of this, the UK share will be	153,357	tonnes,	48%	of the EU share).
Of this, Scotland's quota will be	116,519	tonnes,	76%	of the UK share).
In 2019, Scotland's quota will be worth an estimated			£105	million at 2017 prices - a decrease in value c ## millic

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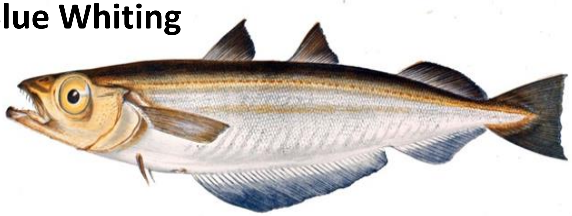
Image: Fish Stock Compendium 2018 (A21386489)

Setting the TACs

Coastal States arrangements for key Pelagic Stocks

Blue Whiting

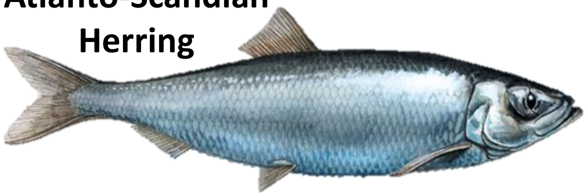


Blue Whiting negotiating parties: EU, Norway, Iceland, the Faroe Islands, Greenland, Russia

2019 agreement: Coastal States (EU, Faroe Islands, Iceland, Norway) agreed to set a total catch limit in line with the stock's Long Term Management Strategy (LTMS) and corresponding to Fmsy.

An agreement on a comprehensive sharing arrangement was not found, meaning that parties will set unilateral quotas for 2019. As in previous years, there is no mechanism in place to ensure that total catches will be respected by all parties.

Atlanto-Scandian Herring



ASH negotiating parties: EU, Norway, Iceland, the Faroe Islands, Russia

2019 agreement: Coastal States (EU, Faroe Islands, Iceland, Norway, Russia) agreed to set a total catch limit in line with the stock's Long Term Management Strategy (LTMS).

An agreement on a comprehensive sharing arrangement was not found, meaning that parties will set unilateral quotas for 2019.

Images: Fish Stock Compendium 2018 (A21386489)

Setting the TACs

EU/Norway

- Alternates between EU and Norway, Official level.
- Agrees TACs for 6 jointly managed North Sea stocks: cod, haddock, whiting, saithe, place, herring.
- Establishes a complex set of quota exchanges (the ‘balance’).
- Establishes mutual access arrangements.
- Agrees a range of monitoring, control and surveillance measures for North Sea fisheries.
- Scotland is a net contributor to the deal (2nd largest).

Stock	2019					TAC change from 2018-19
	Total TAC (t)	**EU TAC** (after deduction)	**Scottish Quota (t)**	**UK RS %**	**Scottish share of UK quota %**	
North Sea (NS)						
NS Cod	29,437	23,260	6,843	46.93%	62.70%	-32%
NS Haddock	28,950	22,591	14,851	77.61%	78.10%	-31%
NS Whiting	17,191	10,554	5,268	52.74%	74.60%	-22%
NS Saithe	122,342	58,524	5,331	16.73%	100.00%	16%
NS Plaice	125,435	92,531	5,048	28.46%	100.00%	11%
NS Herring	600,588		56,712	24.96%	71.40%	25%

Image: fishfocus.co.uk

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Setting the TACs
EU/Faroes

The EU/Faroe bilateral agreement establishes:

a) Pelagic and demersal stock quota exchanges;

b) Additional reciprocal pelagic access arrangements; and

c) Control and monitoring measures.

The EU-Faroe agreement allows the EU fleet to fish the exchanged quota in Faroese waters and vice versa. By definition, this represents 100% reciprocal access for the exchanged quota.

The agreement also establishes additional reciprocal access arrangements for certain pelagic stocks which allows each party to fish a portion of its Coastal States quota for mackerel, blue whiting and ASH in the other party's waters.

The Faroese fleet uses these pelagic access arrangements extensively (with mackerel being the main interest); in contrast, the EU fleet uses the reciprocal access to a very limited extent.

The arrangement was suspended in 2010 because of international pelagic disputes around mackerel and Atlanto-Scandian Herring (ASH), but was re-instated in 2014 when the trilateral mackerel agreement of that year resolved these disagreements.

Map: https://www.google.co.uk/maps/@58.6401937,-11.02351,5.66z?hl=en

Setting the TACs

December Council

- Brussels, Ministerial level
- Sets TACs and other management measures (e.g. geographic flexibility) for stocks not jointly managed with third countries
- Ratifies TAC decisions reached in preceding Coastal States talks
- Stocks include hake, ling, monkfish, *Nephrops*, megrim and many west coast and Rockall stocks
- >£200m quota for Scotland in 2019

Stock	2019					TAC change from 2018-19
	Total TAC (t)	EU TAC (after deduction)	Scottish Quota (t)	UK RS %	Scottish share of UK quota %	
North Sea (NS)						
NS Hake	4,994	4,994	643	18.01%	71.50%	37%
NS Ling	4,035	4,035	2,607	76.95%	84.00%	5%
NS Monkfish	20,237	20,237	13,019	81.38%	100.00%	25%
NS Megrim	2,887	2,887	2,321	96.26%	100.00%	14%
NS Nephrops	22,103	22,103	13,344	86.61%	69.70%	-10%
West of Scotland (WS)						
WS Cod	1,735	1,735	672	52.60%	75.80%	bycatch quota
WS Haddock	3,226	3,226	2,002	80.62%	79.70%	-31%
Rockall Haddock	10,469	10,469	6,403	80.61%	100.00%	103%
WS Whiting	1,112	1,112	565	57.32%	78.80%	bycatch quota
WS Hake	79,762	79,762	6,207	17.97%	43.30%	28%
WS Monkfish	11,453	11,453	2,439	30.77%	69.20%	25%
WS Megrim	5,782	5,782	1,175	31.36%	100.00%	6%
WS Nephrops	15,092	15,092	11,331	97.64%	76.90%	24%

Setting the TACs

Recent negotiating challenges 1

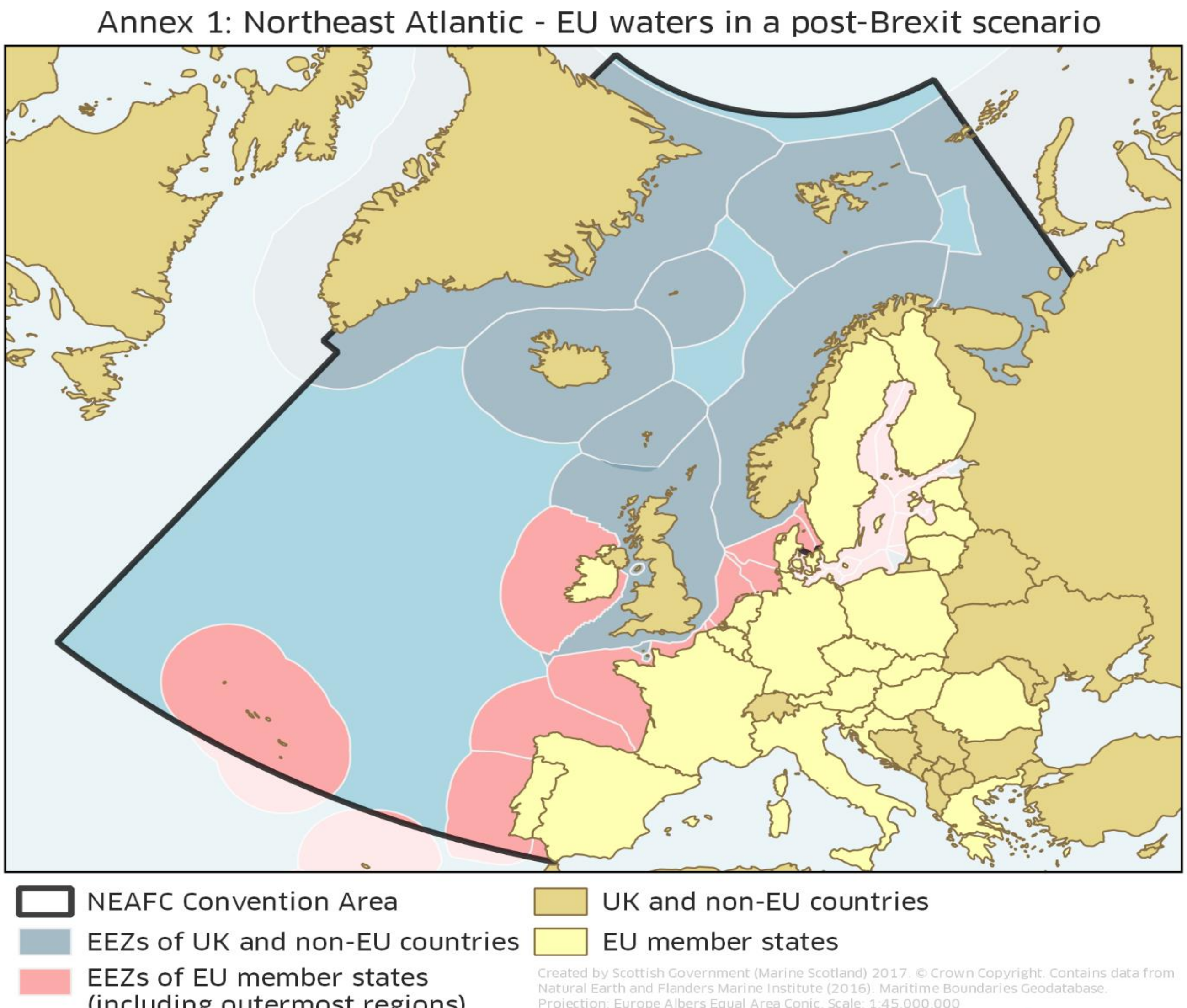
- **EU/Norway** *North Sea cod and whiting*: setting TACs to step towards MSY while minimising impact on stock and choke risks under landing obligation.
- **EU/Norway & December Council** *Ling*: EU trades away quota to Norway before it sets TAC at December Council → choke risk.
- **December Council** *West of Scotland cod and whiting*: zero TAC advice risks choking fishing on day 1 of full landing obligation.

Setting the TACs

Recent negotiating challenges 2

- Practical application of the **landing obligation**, fishing opportunities directed to correct fleets.
- **Coastal States** *Mackerel, Blue Whiting and ASH*: agree TACs but cannot agree shares resulting in unilateral catches exceeding TACs
- **EU/Faroe** *Faroese mackerel access*: remained at 30% despite undertaking in 2018 Agreed Record to review for 2019
- **NEAFC** *Working Group on allocation criteria*: struggles to agree objective approach to establishing shares for key pelagic stocks

Potential change in partnership dynamic



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Map: https://ec.europa.eu/fisheries/sites/fisheries/files/docs/body/2015-cfp-international_en.pdf

Opportunities and vision

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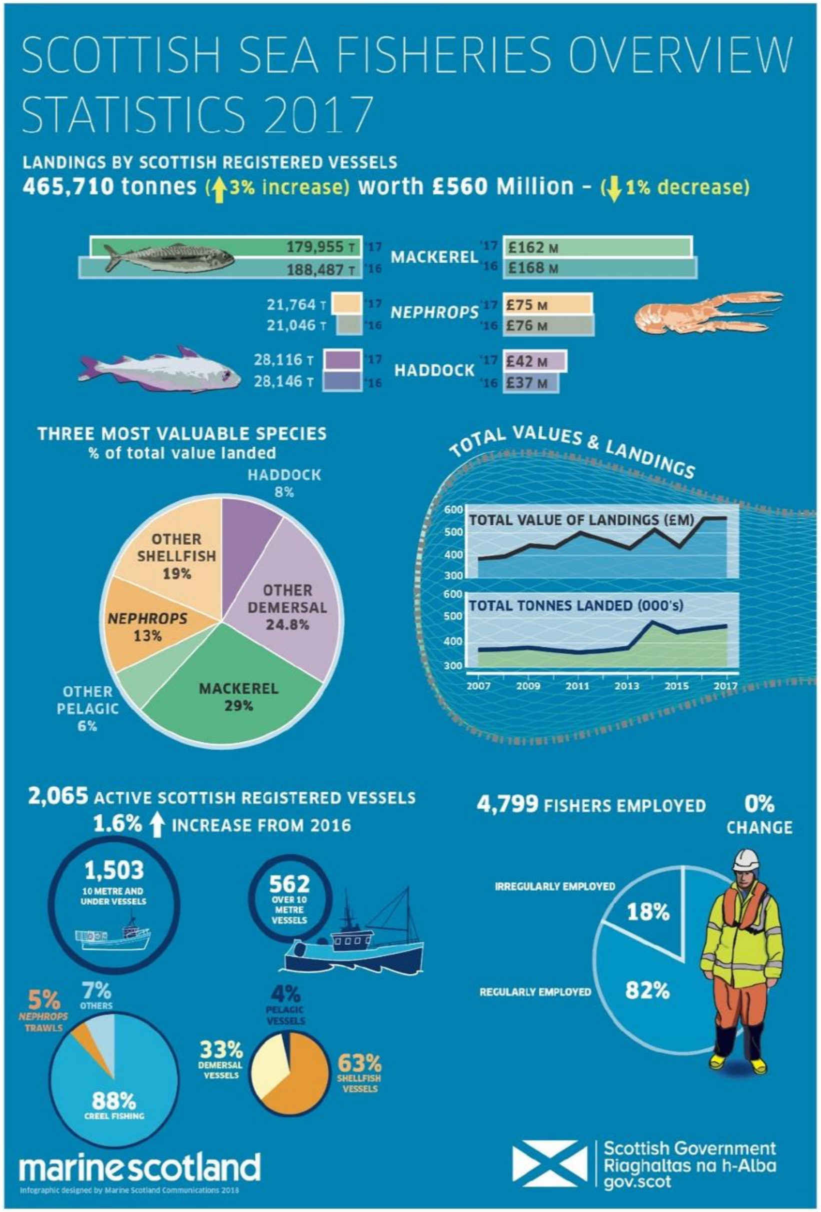

The importance of Scottish waters

Scottish fishing zone is the fourth largest of core European waters and makes up over 60% of the UK's total European waters.

There is a significant abundance of fish in Scottish waters and numerous EU and third countries have a significant dependence on their ability to access fish quota allocation in our waters.

12 Non Scottish nationalities of vessels routinely fish and are dependant on our waters.

On average, 4 tonnes of fish are taken from each square nautical mile of Scottish Waters compared to around 1 tonne of fish per square nautical mile on average for EU waters.

Over 80% of Scottish catches come from Scottish waters.

These are just some of the factors that put us in a strong position in relation to negotiation.

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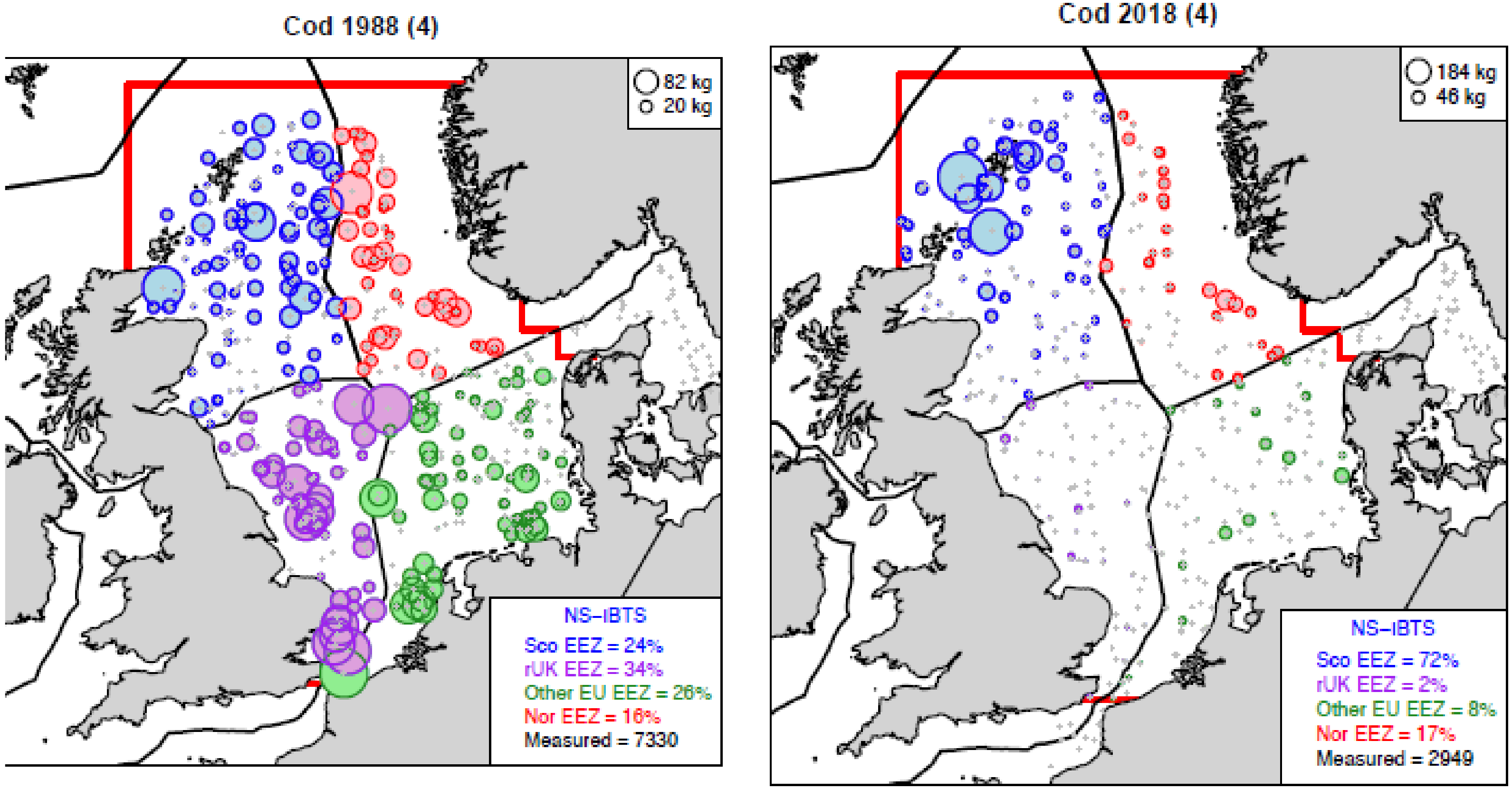
Zonal attachment

Example fish stock distribution



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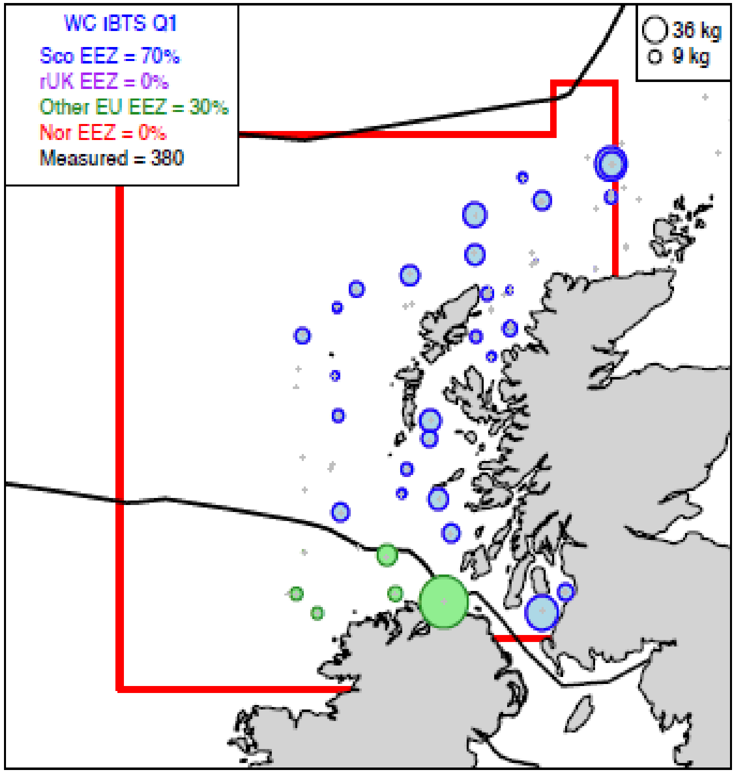
Map: https://ec.europa.eu/fisheries/sites/fisheries/files/docs/body/2015-cfp-international_en.pdf

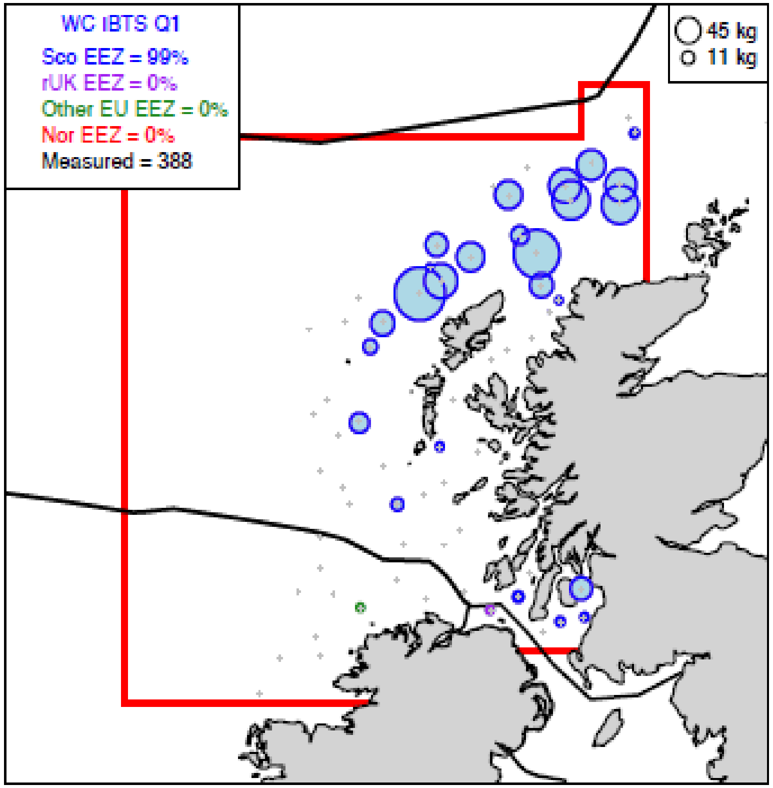
Zonal attachment

Example fish stock distribution

Cod 1988 (6a)



Cod 2018 (6a)



Map: https://ec.europa.eu/fisheries/sites/fisheries/files/docs/body/2015-cfp-international_en.pdf

Opportunities and vision

Future fisheries management

Looking to the future

Scotland does not managing its fisheries in isolation, and is already well regarded by other nations.

We can only see mutual benefit in maintaining and building upon long established relationships with other fishing nations such as Norway, Iceland and the Faroe Islands.

We have many close partners, and we will continue to be a responsible maritime nation committed to meeting international obligations.

We will always seek to maintain the highest standards of responsible behaviours when establishing fishing levels and will seek to challenge our international partners to do the same.