

Council of the European Union

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NOTE	
From:	General Secretariat of the Council
То:	Delegations
Subject:	40th Annual Meeting of the North-East Atlantic Fisheries Commission (NEAFC) (9-12 November 2021, hybrid meeting)
	- Commission non-paper

Delegations will find attached a non-paper on the above-mentioned subject, as received from the European Commission services.



COMMISSION SERVICES NON PAPER

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Subject:North-East Atlantic Fisheries Commission (NEAFC)40th Annual Meeting (9 to 12 November 2021, hybrid meeting)

The 40th Annual Meeting of the North East Atlantic Fisheries Commission (NEAFC) will be held in a hybrid format from 9 to 12 November 2021. A Heads of Delegation meeting will take place on 8 November 2020.

Fish stocks and conservation

Based on the latest scientific advice from ICES, the NEAFC Annual Meeting is expected to take decisions on the regulation of several stocks in international waters (the NEAFC Regulatory Area). This would include mackerel, blue whiting and Atlanto-Scandian herring (all three subject to coastal States consultations) and redfish (Irminger Sea deep and shallow pelagic stocks, and redfish in ICES Sub-Areas 1 and 2 – Norwegian Sea) and other stocks, such as Rockall haddock. The EU will suggest expanding the list of stocks that are regulated by NEAFC and include also Arctic cod and Northern shrimp. These stocks fall under the NEAFC Convention, however no decisions have been taken on them in NEAFC until now. In addition, they are in the Barents Sea, which Norway and Russia preferred to manage bilaterally, without involving other States concerned.

• Proposal on Arctic cod

Depending on the engagement of other Parties on Arctic cod, the Union would consider submitting a proposal to add Arctic cod to the list of NEAFC regulated resources. The Proposal has already been presented to the NEAFC Compliance and Monitoring Committee (PECMAC), to which Norway and Russia reacted negatively, as expected. Denmark on behalf of Faroes and Greenland (DFG) indicated that this proposal should be discussed at the NEAFC Annual Meeting.

Bilateral management by Norway and Russia without involving other Parties has led to significant decrease in the stock biomass and to a fishing mortality substantially above the maximum sustainable yield and the precautionary approach. In the NEAFC Annual Meeting, the EU could thus consider submitting a proposal with the first steps for bringing the management of the stock under NEAFC: to set the TAC in line with MSY level. If NEAFC adopts a TAC for Arctic cod in line with MSY, this would lead to a 40% decrease in the TAC compared to 2020. Given the rapidly decreasing biomass and the high fishing mortality, these measures would be appropriate to ensure the sustainability of the stock, on which the EU fishing industry also depends. Norway exports most of its catches of Arctic cod to the EU.

Possibility of such proposals in NEAFC might also incentivise Norway to cooperate with the EU and to look for a solution for EU fisheries of Arctic cod in Svalbard.

• Proposal on Northern shrimp

The Union may also suggest that NEAFC mandates PECMAS to develop and recommend harvest control rules in 2022 for Northern shrimp in subareas 1 and 2 as a NEAFC regulated stock. These

rules could then form the basis of agreeing NEAFC management measures at the next Annual meeting in 2022. There are concerns that Norway and Russia might attempt to agree and set harvest control rules between themselves and prejudice EU's interests in this stock and impact the EU fisheries' certification by the Marine Steward Council. As ICES will issue its advice only after the Annual Meeting, the EU will suggest that PECMAS could look into the issue of harvest control rules in the beginning of 2022.

Coastal States stocks

For mackerel, blue whiting and Atlanto-Scandian herring, the Annual Meeting is expected to adopt respective recommendations in line with the outcome of the coastal States consultations.

- For blue whiting, the coastal States are expected to agree in principle to set the total catch limit for 2022 at 752 736 tonnes, in line with the ICES advice following the LTMS approach.
- For Atlanto-Scandian herring, the coastal States are expected to agree in principle to set the total catch limit for 2022 at 598 588 tonnes, in line with the ICES advice following the LTMS.
- For mackerel, the consultations are expected to agree to set the total catch limit for 2022 at 794 920 tonnes, in line with the ICES MSY advice. Discussions are likely to take place on a cap of mackerel catches in international waters, predominantly to limit Icelandic fishing activities. The UK, which tabled such a proposal last year, is likely to submit that proposal again, and to seek the support from the EU.

The NEAFC Annual Meeting will also deal with the multiple redfish stocks. No agreement is expected during the coastal States consultations on deep and shallow redfish stocks in the Irminger Sea. For these stocks, the European Union will support a moratorium, given the ICES advice for zero catches. Due to continuing fishing activities of this stock by one Party, the EU will support reinforced NEAFC control measures, including port State control measures. For redfish in ICES sub-areas 1 and 2, the EU will maintain its positions as indicated in the non-paper for the coastal States consultations and will consider proposing a TAC in NEAFC, in line with the scientific advice.

On the fishery using collecting bags, ICES was unable to provide their analysis in time for PECMAS. This advice is expected to arrive by the end of 2021, with no firm date by ICES. Given the delays to this advice, the Commission will recommend that this topic be dealt with at a Q1 or Q2 meeting of PECMAS in 2022 at the earliest.

Until now roundnose grenadier in NEAFC have been managed based on the approach advocated by Norway, setting a cap for international waters. The EU has historically rejected this proposal, on the basis that Norway has calculated a catch share that is less than the EU expects. At PECMAS Iceland and Norway attempted to get the EU to support this proposal as a PECMAS proposal, however the EU explained that, although it had no concerns about the ICES advice, it could not support the Norwegian calculations. The EU would consider submitting its own proposal for management measures in line with the approach taken internally by the EU and seek the support of other Parties on that Proposal.

In 2019, the Memorandum of Understanding (MoU) between ICES and NEAFC accidently omitted many "non-regulated" stocks. Prior to 2019 NEAFC financially contributed to the production of ICES advice for all stocks under the scope of the NEAFC Convention, not just the "regulated" stocks. This has proved problematic for DFG who realised this would leave their cod stocks without

any advice. In PECMAS the EU also intervened on this issue, as it is connected to the wider question of how ICES treats management plans for producing catch advice and NEAFC's involvement on these stocks. For example, the NEAFC MoU no longer covers Arctic cod, when previously NEAFC contributed financially to the production of this advice, and was thus allowed access to pre-publication stages of advice production as an observer. Given the EU's interests in promoting transparency and multilateral fisheries management via NEAFC, the EU will support the approach of a temporary one-year return to the pre-2019 status, where NEAFC contributes to, and has access to, the development of ICES advice for all stocks that fall under the NEAFC Convention. Greenland is also interested in covering all species in the NEAFC Memorandum of Understanding, so they receive advice for stocks in their waters without paying for it. Iceland also seems to be supportive, while Norway does not want such an inclusion, as this would reinforce that NEAFC should be in charge of Arctic cod, Northern shrimp and other stocks in the Barents Sea. Norway already indicated that they would oppose such a proposal on the grounds of "increased costs".

Vulnerable Marine Ecosystems (VMEs)

ICES has not indicated that new areas should be either closed or existing area extended for the protection of VMEs. Therefore, no change will be needed to the NEAFC recommendation on VMEs.

Fisheries Control

The EU should endorse PECMAC's expected proposals on changes to the Scheme: adding a reference to the FAO list of codes for species in Annex V of the Scheme, editorial changes in the template for designation of ports, the transmission of VMS and catch data to ICES, and the possibility to use the new User Interface to notify means of inspection. The EU has initiated these proposals and, therefore, we should endorse them during the NEAFC AM.

The EU may face some criticism on the delayed implementation of the FLUX standard, in particular for ERS. It is important that this implementation is prioritised and that the EU can enter soon into production, triggering the 2-year transition period for other Contracting Parties and the application of the New Scheme for the EU.

For several meetings PECMAC has not made progress on improving the controllability of transhipment operations in NEAFC, notably due to the blocking position of Russia. Based on the previous discussions in PECMAC on the EU proposal on the subject, the EU should propose a revised text for this Annual Meeting. Our understanding is that Russia benefits from the lack of proper monitoring of transhipment operations. Although PECMAC has discussed the EU proposal for two years, it was not possible to change Russia's position, despite significant revisions of the text.

PECMAC in its meeting on 5 November will discuss a proposal by the EU on research vessels, with the objective of reaching an agreement on a proposal by the EU to introduce a regulatory framework for research fishing activities. If the Parties are unable to reach an agreement, the EU may submit that proposal to the annual meeting, given the importance of having such a framework, as shown by an example in NAFO when the Faroe Islands after exhausting their quota issued "scientific" licences for their vessels and landed significant amount of catches without counting them under the quota.

The EU should support the changes in the NEAFC IUU lists recommended by PECMAC and which are expected to include the cross-referencing of other RFMOs' lists, the de-listing of a scrapped vessel from the B-list and a Panamanian reefer from the A-list, following the adoption of enforcement measures by Panama.

Finance and administration

The total likely NEAFC expenditure for 2021 is currently expected to be approximately $\pounds 2,132,082$, approximately $\pounds 2,000$ less than the forecast budget of $\pounds 2,134,082$.

The draft budget for 2022 is estimated at £2,456,952 and the estimate draft budget for 2023 is at $\pounds 2,522,552$. The increase between the budget for 2021 and draft budget for 2022 and the estimate draft budget for 2023 is increased mainly due to IT systems developments, such as the electronic reporting system, their maintenance and security. As some components of the ERS might not be developed and the current system would be used instead, the amounts for 2022 and 2023 would be revised (decreased) accordingly. The Annual Meeting will be asked to adopt the proposals accordingly.

Relations with other bodies/third countries

Canada and New Zealand have applied for the General Co-Operating Non-Contracting Party (CNCP) status, in accordance with Article 34a of the NEAFC Scheme (for Parties without fishing activities). The EU will support their applications.

Bahamas and Panama have applied for the Active CNCP status and PECMAC will hold discussions on those applications on 5 November. The EU would seek consensus in PECMAC, provided that the candidate countries provide reassurances on their ability to enforce NEAFC rules and foresee sufficient inspection resources by the authorities to monitor NEAFC activities.