

**Statement to the Joint Committee on Agriculture,  
Food and the Marine  
November 27<sup>th</sup>, 2018**

**Sustainability Impact Assessment of EU Commission  
Proposal**

*“Proposal for a Council Regulation fixing for 2019 the fishing opportunities for certain fish stocks and groups of fish stocks, applicable in Union waters and, for Union vessels, in certain non-Union waters.”  
– COM (2018) 732*

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**The Minister for Agriculture, Food and Marine:** (Michael Creed TD)

- I welcome this opportunity to present this Sustainability Impact Assessment to this Committee. As in previous years, a rigorous assessment has been undertaken to examine the implications for Ireland of the EU Commission’s proposals for the fixing of Total Allowable Catches (TACs) for the coming year.
- The EU Commission proposal was issued on the 7<sup>th</sup> of November and a number of ‘non-papers’ updating the proposal have issued since. As the Committee will be aware, the final arrangements for 2019 are due to be negotiated at the Council scheduled for the 17<sup>th</sup> and 18<sup>th</sup> of December. The levels of Total Allowable Catch (TAC) and the quotas for Ireland will be determined at that meeting following intensive negotiations with

Member States and the EU Commission.

- The waters surrounding Ireland contain some of the most productive fishing grounds in the EU. We have a duty of care to protect their biological richness and, as such, they must be managed responsibly and sustainably.
- **Ireland's total allocation of quotas in 2018 amounted to a total value of €266 million.** There are also very valuable inshore species which are not subject to EU TAC's (e.g. crab, whelk, scallop and lobster) and are fished by the Irish fleet inside our 6 mile coastal zone.
- The process of preparing for the Council is now well under way. The proposal covers stocks which are not subject to third party international agreements and are, in the main, whitefish and prawn stocks.
- Stocks which are subject to ongoing **international negotiations** such as are not included in the proposal as yet with the exception of Mackerel. While those negotiations are ongoing we do know at this stage that there will be at least a 20% cut for 2019 and possibly more.
- 2019 will see the full implementation of the landing obligation or 'discards ban'. This was a central element of the reform of the Common Fisheries Policy and was agreed by all Member States as well as the European Parliament.
- It will cease the dumping of perfectly good fish at sea and end the catching and discarding of juvenile fish. This is a common sense goal but the obligation comes with significant challenges. We must be determined to face these challenges head on, if we are to ensure the

sustainability of our vibrant coastal communities that depend on healthy fish stocks.

- There are a number challenges that can only be addressed by common action from the Commission and the Member States and I will pursue these issues vigorously.

## **The Proposal**

- Moving on to the proposal themselves - they are based on formal **advice received from ICES**, the independent international body with responsibility for advising on the state of fish stocks. It also takes account of the views of the (STECF) Scientific, Technical and Economic Committee for Fisheries, which gives the Commission its views on the economic, technical and social impacts of the scientific advice.
- In order to inform my negotiations at the December Fisheries Council, I have had an assessment of the impacts of the Commission proposal undertaken. To facilitate the assessment, an **open consultation** process was initiated, whereby stakeholders were asked to submit their comments and observations on the Commission proposal for fishing opportunities for 2019.
- From November 7<sup>th</sup> an online web portal on [www.fishingnet.ie](http://www.fishingnet.ie) was activated to enable the transmission of electronic submissions for consideration. These portals remained open until November 21st and in all 3 submissions were received by the closing date. The full content of

all the submissions received by the deadline will be published on the fishingnet.ie website.

- In addition to the written submissions, I convened a **meeting of stakeholders – fishing industry representatives and environmental NGO's-** on the 23rd of November. The purpose of this meeting was to give a further opportunity to the main stakeholders to outline their positions on the many aspects of this proposal. I would like to thank all of the various stakeholders for their contributions to this impact assessment.
- As always, there were a range of views among stakeholders. However, there were also commonalities and I agree with many of the sentiments expressed through the consultation process. These include a call for adherence to the available scientific advice to enable responsible and appropriate management decisions to be taken. This however must be balanced with the concern that major cuts to TACs could have severe socio-economic impacts.
- It is in that context, that my clear position is that I will not support cuts unless I am satisfied that they are absolutely necessary and fully supported by rigorously assessed, clear scientific evidence.
- A very serious concern in the proposal is the fact that the Commission has, for a number of key stocks, not allocated quotas to Member States in accordance with our respective shares. Instead they propose a by catch TAC that would be available to any Member State.
- This is completely unacceptable to me. It would considerably dilute our share of key stocks and lead to a race to the bottom or 'Olympic'

fishing. Such an outcome would be devastating for our fleets and the sustainability of the stocks in question. I am working closely with other relevant Member States to ensure that that these particular proposals are dropped.

- Apart from this issue, I also have concerns with some of the TAC level proposals – for example;
  - Haddock in the Celtic Sea - minus 14%
  - Cod in the Celtic Sea - minus 58% (This is also a ‘Union’ TAC)
- For our most important demersal stock, nephrops, there is mixture of advice depending on the area. While some areas are showing an increase in abundance, there is significant reduction in others. In overall terms, the collective advice is for a 32% cut.
- The Marine Institute are currently examining the advice to determine if all relevant information has been considered in its formulation. Once that analysis is complete I will be able to assess whether or not there is a case to be made to mitigate to some degree the scale of the cut proposed.
- Following the consultation process and the expert advice of the Marine Institute, I do not believe that the full scale of these reductions in quota is either justified or necessary.
- I will accept cuts where the scientific advice available to me is unequivocal - for example, Celtic Sea Herring.

- There is some good news in the proposal for certain stocks. Cod, haddock and plaice in the Irish Sea will all see increases as will megrims, monk and hake in other areas.
- The Marine Institute and BIM have again this year made an invaluable contribution to the assessment of the Commission's proposal, which is contained in the Sea Fisheries Sustainability Impact Assessment before you today. I would like to briefly set out the findings contained in that assessment.

### **Biological Assessment**

- From a purely biological perspective, the Marine Institutes' view, which coincides with the ICES view, is that there has been an improvement in the status of some fish stocks. However, others remain a concern.
- In the Impact Assessment, the Marine Institute summaries the pressure on the 74 stocks dealt with in the 2018 Stock Book and compares this assessment with the same evaluation presented in previous years Stock Books. There is a higher number of sustainably fished stocks (32) and percentage (43%) in 2018 compared with last year. The percentage (22%) and number of stocks (16) overfished has also increased in 2018 whereas the stocks with unknown status declined slightly from 28 to 26 or 38% to 35%.
- The specific details for all stocks are available in the document which has been laid before the Dáil and in the Stock Book, which was prepared by the Marine Institute and is available on their website.

## **Economic and Social Impact**

- The socio-economic impact assessment of the Commission's proposals does not fully account for Ireland's share of fishing opportunities. The current proposals exclude a number of important stocks (mackerel, horse-mackerel and blue whiting) where the final European Union total allowable catch (and member states quotas), depend on external (3<sup>rd</sup> country) agreements
- If agreed as they currently stand, the Commission's proposals would see net reduction in fishing opportunity (quotas) of -15% by volume (tonnes) and -17% by value (€). In financial terms, this amounts to a direct income reduction of -€34.67 million. These figures can be further explained, as follows:
- A net reduction in fishing opportunity for the demersal sector (whitefish & Nephrops) of -5.7% by volume (tonnes) and -15% by value (€): with a direct income reduction of -€20 million.
- A potential minimum net reduction in fishing opportunity for the pelagic sector of -18% by volume and -20% by value with a direct income reduction of -€14.67 million.

### **Regional Analysis**

- For North West stocks in Area 6, there would be a 26% **increase** in fishing opportunity, valued at €2.10 million, for the demersal (whitefish and prawn) fleets. This will directly impact the ports of Greencastle and Killybegs

- For the Irish Sea, Celtic Sea and West coast (Area 7) stocks it is estimated that there will be -14% reduction in fishing opportunity for the demersal fleet.
- This reduction is valued at -€24.31million and will directly impact the ports of Clogherhead, Howth, Dunmore East, Kilmore Quay, Dingle, Castletownbere, and Ros an mhíl, as well as other smaller ports.

### **Processing and ancillary sectors**

- In addition to the direct losses to the fleet, income is also lost from the processing sector as a direct result of reduced catches and in a number of ancillary industries (net making, chandlery, engineering, refrigeration etc).

### **Employment**

- This will obviously have a knock-on effect for employment and BIM further estimates, on the basis of the most recent employment surveys of the catching sector that these reductions could impact 500 full and part time jobs. This could occur either through reduced incomes, partial layoffs or redundancies in the seafood sector.

### **Hague Preferences**

- The proposals do not include the “Hague Preferences” which are a safety net for the Irish fleet on specific stocks where Total Allowable Catches (TAC’s) are in decline. Essentially, these are additional amounts of quota that Ireland and UK claim for important whitefish stocks. Many Member States object strenuously to their application as the additional quota comes off their allocations.

- Ensuring that the Preferences are applied will be a key political objective for me in the negotiations. The loss of these allocations in 2019 will amount to at least 1,222 tonnes of fish with a direct value of €2.4 million and an associated impact on between 40 - 50 full and part time jobs either through reduced incomes, partial lay-offs or redundancies.

## **Conclusion**

- To conclude I can fully concur with the findings of the Sea Fisheries Sustainability Impact Assessment. It highlights the significant impact that the current proposals could have on the Irish fishing industry.
- Significant challenges lie ahead over the next three weeks but I will do my utmost to agree a fair and balanced package for Ireland that ensures the continued vibrancy of our industry and the long term sustainability of our stocks.
- Finally, I would like to thank and acknowledge all those who contributed to the production of this Impact Assessment, and look forward to the debate on the conclusions.
- Thank You Chair.