Document

Fishing capacity

The globalization of overcapacity

ICSF's Submission to the FAO Consultation on the Management of Fishing Capacity, Shark Fisheries&Incidental Catch of Seabirds in Longline Fisheries

Overcapacity is a global problem affecting fisheries worldwide, leading to overfishing, economic waste and social disruption. It is also a problem that is becoming increasingly globalized through the export of the fisheries crisis.

International fisheries access agreements aimed at redeploying overcapacity fleets and securing fish supplies from stocks in other parts of the world have a direct impact on small-scale fisheries in many areas, particularly in West African and Latin American countries.

These impacts are threatening millions of fisheries-dependent livelihoods, and undermining the food security of entire regions. We would, therefore, propose that, in addition to biological and economic impacts, explicit mention be made about the impact of the overcapacity problem on the social conditions of many domestic fisheries and on domestic food security.

Large-scale vs Small-scale Fisheries

We are pleased that the draft International Instrument for the Management of Fishing Capacity proposes adopting a holistic approach as a basic principle (Principle iii, page 4). In this regard, we feel that a clear distinction needs to be made between how overcapacity manifests itself in the industrial, large-scale and small-scale fisheries.

The nature of certain resources, combined with geographic factors, implies that certain fisheries may perhaps be best exploited by industrial and other large-scale fleets. However, it is overcapacity of these fleets that is the cause of the greatest economic waste in world fisheries. As much as 70 to 80 per cent of the total capital investment in fisheries is in these sectors. Furthermore, the unregulated use of non-selective fishing methods, such as bottom-trawling, by these sectors is the principal cause of negative impacts on the marine environment, fish stocks and on fishing communities.

Many small-scale fisheries are overfished because fish stocks are shared with industrial and large-scale fisheries, which take most out of the available resources. This is forcing segments of the small-scale fisheries sector to employ non-selective and destructive fishing methods.

By making fleet reductions in the industrial and large-scale sectors, governments can enhance the access to fisheries resources by the small-scale and artisanal sectors, which contain the greatest numbers of people. This would have the combined benefits of reducing overcapacity and economic waste, improving distributional justice, and ensuring a greater protection of marine habitats and resources.

Capacity reductions in the large-scale sector can only be made through a process which ensures that future actors are better off, and that those who leave this sector are properly compensated. Of particular note is that most decommissioning schemes compensate only the vessel owners, and do not address the problem of the loss of employment and income to crew members.

In this regard, support is required to enable former crew members to take up other employment. For example, this could be achieved, *inter alia,* either through providing grants for the small-scale sector, or helping them move from fisheries to non-fisheries activities.

At the same time, the State must prevent the re-entry of capital into the large-scale sector.

This latter aspect, *inter alia* underscores the importance of applying proper monitoring, control and surveillance (MCS) systems within national fisheries. With advancements in technology, it is becoming economically feasible to use vessel surveillance systems for controlling fishing operations in the industrial and large-scale sectors. Investment in such MCS systems for marine capture fisheries should be made a priority of all national development plans.

Capacity reductions and management of the world's distant-water fleets (DWFs) in national EEZs and on the high seas pose considerable problems. Such fleets are known to encroach into inshore coastal waters which contain the richest concentrations of fishery resources. In this process, they endanger life, damage the craft and gear of local small-scale fishers and cause overfishing. As the conservation and sustainable management of these and associated resources depends on the strict control of distant-water fishing fleets, stringent regulatory measures should be applied to international industrial and large-scale fishing fleets. In this regard, we fully endorse Principle vii (page 5), which advocates only allowing mobility where it does not negatively affect sustainability and socioeconomic performances in other fisheries. The Flag State must also be made much more accountable to local regulatory bodies, and access should be made conditional on having in place modern vessel tracking systems, whose costs have steeply declined in recent years, and on the provision of catch and effort data, and other relevant information.

Medium-term and Long-term Objectives

We feel that in addition to the targets set for achieving an efficient, equitable and transparent control of global fishing capacity by 2005, more detailed medium-and long-term objectives need to be set. In the medium term, capacity reductions in the industrial and large-scale and capital-intensive fleets should be set, and modalities worked out for addressing capacity issues in small-scale and labour-intensive fleets in the longer term. However, it is important to ensure that capacity reductions in the large-scale sector do not lead to rapid reinvestment in the small-scale sector. This will require establishing criteria for limiting access, as pointed out in Paragraph 19 of the draft instrument. While the problems in the large-scale sector are mainly related to capacity, fisheries management problems in the small-scale sector are complex and contingent upon several social and economic factors. For example, very often small-scale fisheries are the employer of the last resort. It has to accommodate

spillovers from agricultural and other activities during floods, famines and other calamities. Unless these issues are addressed, the sustainable management of small-scale fisheries will remain an elusive goal. For these reasons, the capacity issues in small-scale fisheries can only be tackled in the longer term.

These medium—and longer—term objectives also need to be more fully reflected in the implementation programme.

Action to Be Implemented

Note needs to be taken of the fact that 90 to 95 per cent of world's fish resources fall) within the 200-mile EEZs under national jurisdiction. We, therefore, feel that global plans have to be made for action to be taken by States at national and regional levels. Unless action is focused at this level, the opportunities for stakeholders to be involved in the decision-making and implementation process will be severely restricted. We believe that it is a fundamental right of fishworkers to have a say in the management of the living aquatic resources on which their livelihoods depend.

Subsidies

We feel that while the draft document (Paragraph 23, page 7) has correctly identified the negative role subsidies can play in increasing capacity, it does not specifically refer to the significant availability of concessional credit facilities for industrial and large-scale fisheries. Not least for this reason, most of the subsidies accrue to these fisheries and, therefore, there is a clear connection between the removal of subsidies and the elimination of excess capacity in the large-scale, capital-intensive sectors. However, in the small-scale, labour-intensive sectors, subsidies often have an important social dimension. It may, therefore, be difficult to remove subsidies that have a bearing on overcapacity in the small-scale sector in the short and medium term without considerable social costs, particularly in countries with large fishery-dependent populations.

The document only talks about the reduction of subsidies. We feel that the application of certain subsidies, for example, for vessel decommissioning, re-training fishers to take up employment in other sectors or promoting more selective fishing practices (which do not aggravate overcapacity), could have positive benefits for reducing capacity. Therefore, one should talk of subsidies not only in connection with their removal but also in relation to them being re-targeted towards providing incentives for responsible fisheries. The blanket removal of subsidies would, therefore, be inconsistent with meeting the objectives of Paragraph 26 (under the implementation

programme). Financial assistance could be used to provide support to fishing communities and fishworkers in developing alternative sources of employment and livelihoods.

The need for a periodic review of subsidies also needs some mention. There should be some kind of a review mechanism for subsidies, particularly in those countries which are implementing subsidy removal programmes. This would document the extent to which the removal of subsidies actually contributes to capacity reductions and the reduction of overfishing.

Awareness Building and Education

The inclusion of awareness-raising in national and international capacity reduction programmes is also important. In this regard, we feel that it is important to document the positive impacts of capacity reductions (including the removal of subsidies) on fish stocks, and the economic and social condition of domestic fisheries and coastal communities.

Research Priorities

Appendix III of the draft instrument lists priorities for co-ordinated research on fisheries management methods and the management of fishing capacity. With respect to the small-scale sector, which presently provides by far the greatest employment in world fisheries, the management and eventual reduction of fishing capacity is inextricably linked to the creation of alternative job opportunities. Therefore, the analysis of the factors that can enhance the mobility of present and future generations of coastal fishing communities into other jobs is of utmost importance. These factors are likely to include improved education and vocational training, better status of women, improved access to social infrastructure and services including health, economic incentives for jobs, and overall coastal development.

This Submission was made by ICSF at the session on Elements of an International Instrument for the Management of Fishing Capacity of the FAO Consultation on the Management of Fishing Capacity, Shark Fisheries and Incidental Catch of Seabirds in Longline Fisheries, held in Rome between 26 and 30 October 1998.