

Rùnaire a' Chaibineit airson Cùisean Dùthchail agus na h- Àrainneachd  
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31<sup>st</sup> March 2014

*Dear Rob,*

#### EXTERNAL FISHERIES NEGOTIATIONS FOR 2014

I am writing to provide you with a report on the outcomes of three related sets of external fisheries negotiations which concluded in London on 12-13 March 2014 - Coastal States mackerel, EU/Norway and EU/Faroes. The purpose of these negotiations was to determine fishing opportunities on certain stocks shared with non-EU states for 2014.

The attached report supplements that provided in February on the outcomes of December Agriculture and Fisheries Council 2013 which dealt with internal stocks.

I am copying this letter to the Convener of the European and External Relations Committee, for information.

*Best wish*  
*Rich*

**RICHARD LOCHHEAD**



## **EXTERNAL FISHERIES NEGOTIATIONS FOR 2014**

### **SUMMARY**

1. After a protracted set of negotiations, three inter-related agreements on the management and fishing of a number of stocks shared with non-EU states were finally concluded in London on 12-13 March 2014: (a) Coastal States mackerel; (b) EU/Norway; and (c) EU/Faroes.
2. All of these are of critical importance to the Scottish fishing industry. The nature of the talks require compromises along the way, but overall I welcome the agreements which together deliver a strong balanced package of outcomes for Scotland. We have worked closely with Scottish industry in our approach to these talks.
3. The conclusion of these talks brings welcome relief to the Scottish fishing industry and allows our fishing businesses and communities to plan ahead for the rest of 2014 and beyond with increased certainty and confidence and continue to make their outstanding contribution to the Scottish economy.
4. The key outcomes of each of these agreements are summarised below. The quota for EU member states that flow from these agreements will be formalised via an in-year amendment to Council Regulation 43/2014 (the 'TAC and Quota Regulation') expected mid-April.

### **KEY OUTCOMES**

#### **Coastal States mackerel**

5. Coastal States fisheries negotiations involve talks on the management and fishing of a number of stocks shared with Norway, Iceland, Faroe Islands and the Russian Federation, with others such as Greenland currently observing.
6. A dispute on the management of the North East Atlantic mackerel stock has been on-going since 2008 and negotiations to find a breakthrough have been extremely difficult. As a result, the stock has been fished at well above the total catch advised by ICES<sup>1</sup> for a number of years through states setting uncoordinated unilateral catch limits.
7. The agreement reached in London on 12 March 2014 between the EU, Norway and the Faroe Islands is therefore an important breakthrough and returns this stock - Scotland's most valuable (worth £131 million in 2012) - to a more sustainable international management basis.
8. The agreement is for five years. It is based on a Total Allowable Catch (TAC) of 1.24 million tonnes for 2014 with catches for 2015 to 2018 based on the scientific advice and a new long term management plan to be agreed during 2014.
9. Scotland is an important participant in this fishery with the second largest quota among all the parties. The agreement will provide Scotland a quota of some 218,010 tonnes in 2014. This is an increase of 97,815 tonnes (+81%) on 2013 levels, worth an estimated additional £83 million to Scotland.

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<sup>1</sup> The International Council for Exploration of the Seas provides scientific advice on the status of fish stocks.

10. The TAC of 1.24 million tonnes is significantly above the ICES advice for 2014 of a TAC of around 900,000 tonnes. This was justified as the only way to secure agreement and get the fishing back under control in the medium term. No agreement was possible otherwise, and fishing levels would have remained high without one.
11. Iceland was not party to this agreement because, unlike the other three parties, it refused to commit to not fishing mackerel in Greenlandic waters. A portion of the TAC has been reserved for Iceland to join the agreement at a later stage if this issue can be resolved.
12. Two other sets of Coastal States negotiations on Blue Whiting and Atlanto-Scandian Herring (ASH) have yet to conclude but I anticipate resolution within the next few weeks and interim arrangements are in place in the meantime.

## **EU/Norway**

13. The annual EU/Norway bilateral agreement is very important for Scotland and the UK as it accounts for more than 50% of all our quota stock fishing opportunities. Having been blocked by the deadlock on mackerel (above), this agreement was signed in London on 12 March 2014.
14. This wide-ranging agreement sets management measures, mutual access arrangements and the TACs for a number of important North Sea stocks that are jointly managed with Norway including Cod, Haddock, Saithe, Whiting, Plaice and Herring. It also deals with a series of quota exchanges between the two parties (the so-called 'balance') on a range of stocks including Blue Whiting, Ling, Tusk and Anglerfish.
15. Key elements of this year's agreement include:
  - a. negotiating the North Sea Cod TAC from a -9% cut to a +5% increase;
  - b. securing inward transfers from Norway of North Sea Haddock and Whiting which mitigate the -15% TAC cuts on these stocks (due to management plans) to -8% and -11% respectively;
  - c. achieving 10% Inter Annual Quota Flexibility for North Sea Haddock, Saithe, Plaice and Herring;
  - d. reducing outward transfers of Ling to Norway, saving Scotland 740 tonnes on a stock that was facing a -20% cut;
  - e. significantly increasing the "Norwegian others" quota from 6,500 tonnes in 2013 to 7,250 tonnes in 2014; this quota is invaluable in helping Scottish industry deal with a range of species caught in our mixed fisheries;
  - f. continuation of the 12% quota uplift on North Sea Cod allowing us to retain the option to run a further Fully Document Fishery trial as we prepare for the discard ban.

## **EU/Faroes**

16. The EU/Faroes bilateral provides additional quota and access for our whitefish fleet to fish a number of key stocks in Faroese waters, including Cod, Haddock, Saithe and flatfish. The Faroes' signing of the mackerel agreement (above) unlocked swift resumption of this bilateral agreement which was signed in London on 13 March 2014 – for the first time since 2010.
17. The agreement provides significant new opportunities and much needed flexibility for our fleet in deciding where they fish. It also lowers fishing pressure in key fishing grounds and removes this fishing effort outside of the UK's Cod Recovery Zone.
18. Scotland lands over 99% of the fishing opportunities provided by this agreement, estimated to be worth an additional £3 million annually.
19. Key elements of the agreement include:
  - a. 950 tonnes of Cod and Haddock combined to the EU (up 90% on 2010), expected to provide Scotland with around 800 tonnes additional quota in Faroese waters;
  - b. 3,000 tonnes of Saithe to the EU (up 24% on 2010), expected to provide Scotland with around 700 tonnes additional quota in Faroese waters;
  - c. 300 tonnes of flatfish to the EU, expected to provide Scotland with around 200 tonnes additional quota in Faroese waters.
20. Sanctions imposed by the EU on the Faroes in 2013 because of their unacceptably high unilateral TAC that year for Atlanto-Scandian Herring (ASH) prohibit Faroese pelagic vessels from using EU ports and services. These sanctions currently remain in place alongside the EU/Faroes bilateral meaning Faroese vessels can access our waters but not land in our ports. This unusual situation is defensible given that the sanctions are specific to ASH and the new EU/Faroes agreement will apply to different fisheries where Faroes has shown a more responsible stance. It is hoped the Faroes will set a more responsible 2014 TAC for ASH in the coming weeks which may allow sanctions to be lifted.