‘Just another piece of paper’?

South Africa’s experiences in implementing the EU Regulation on IUU fishing

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TRAFFIC

- World’s largest wildlife trade monitoring programme.
- A programme of:
  
  
  and

- Founded in 1975
- Over 25 offices around the world
- Address illegal and unsustainable trade through advocating policy change, consumer awareness and capacity building.
Evaluating the impact of the EU Regulation on IUU fishing

• EU Regulation is a comprehensive trade measure impacting on government agencies and seafood businesses in numerous countries around the world.

• It is therefore important to understand the many impacts that this measure may be having – intended impact on IUU fishing but also other impacts e.g. legal fishing, trade and related businesses (both positive and negative), shifting IUU product to non EU markets.

• Regulation text notes that an evaluation of the Regulation will be carried out in 2015 but no guidance provided on what will be evaluated (Evaluation is difficult to carry out without a baseline!)

• TRAFFIC currently engaged in a Defra funded project to evaluate the impact of the Regulation on IUU fishing as well on the seafood sector, for South Africa.
Evaluating impacts of trade measures on commercially harvested marine species

• .....is incredibly difficult
• In 2009, through Defra funding, TRAFFIC completed an evaluation of the impact of the CITES Appendix III listing of abalone Haliotis Midae

see TRAFFIC Bulletin Vol 23 No 1: http://www.traffic.org/bulletin/

• Results:
  – Impact on poaching and illegal trade was very short term: 3-4 months
  – Costs to South Africa’s Department of Fisheries and costs to legal exporters
  – Not because CITES was inappropriate tool. Primary reason for poor impact was inadequate implementation in South Africa – in particular controls at ports of export
  – There was also inadequate collaboration with key consumer States and known in-transit States. Outreach was required
  – Simply listing and issuing permits was not enough. Trade measures have the potential to make an impact but, like any tool, require proactive implementation.
  – Data on it’s own was almost meaningless,. Qualitative evaluation feedback from government and industry to questionnaires gave us the result.
Environmental impacts on fish stocks

EU Regulation

Global Recession

Seafood market trends

Fuel prices

Piracy in WIO

IUU Impacts filter

EU Regulation: 12.5%
Piracy in WIO: 8%
PSMA: 10.2%
Developing a baseline of IUU fishing for South Africa, prior to implementation of the Regulation

• Is even harder ....
• Methodology for determining the baseline: Looked at methods in MRAG global report on IUU fishing, SADC Stop Illegal Fishing report on IUU fishing and other *
• Catch data for the majority of South Africa’s 22 fisheries—predominantly tuna, hake, lobster, shark, squid
• Trade data—period 2000-2009; not just EU-ZA trade, also other key trading partners so that we are able to develop an understanding of patterns and trends and can better interpret post EU Reg trade patterns
• Port visit data
• Compliance data—incidents of IUU fishing, non-compliance with permit conditions
• Notable specific cases of illegal fishing (methods, manner in which was identified—for example the Hout Bay Fishing case in 2002)
• Compliance efficiency data

* Illegal and unreported fishing on abalone—Quantifying the extent using a fully integrated assessment model—Éva Plagányi, Doug Butterworth, Markus Burgener. In Fisheries Research www.elsevier.com/locate/fishres
Impacts on government and their impression of IUU related impacts – what questions are we asking?

- How many staff members are involved in implementing the EU Regulation?
- How much time do you spend on EU Regulation related activities?
- Are you able to provide insight into the likely short, medium and long-term impacts of the EU Regulation on DAFF, and more broadly on the South African fisheries sector or components of this sector?
- **Has the EU Regulation in any way influenced compliance or resource-management related decision-making in DAFF?**
- **Has DAFF introduced any new compliance or management measures as a result of the EU Regulation?**
- Has the EU Regulation incurred any specific financial costs to DAFF and/or your Directorate?
- Have there been any positive aspects linked to the EU Regulation for DAFF?
Impacts on industry and their impression of IUU related impacts – what questions are we asking?

- Has the EU Regulation resulted in any trade benefits for your company?
- Are you able to provide insight into the likely short, medium and long-term impacts of the EU Regulation on your company, and more broadly on the South African fisheries sector or components of this sector?
- Has the EU Regulation in any way influenced decision-making in your company?
- Have you made any adjustments to your company’s product tracking or other processes as a result of the EU Regulation?
- Are you concerned that the EU Regulation will have a negative impact on your company’s trade with EU member States?
- Do you feel that the EU Regulation has the potential to impact on IUU Fishing?
- Have you noticed any changes in controls at ports through which your fish is landed?
- Can you comment on whether import controls have changed in EU member states to which your product is exported as a result of the EU Regulation?
Implementation

• Currently a manual system – in practice, catch certificates are pre-signed and issued to applicants (exporters) on a quarterly basis. Have to satisfy certain criteria – export certificate, tax clearance certificate, consignee information. Further permits only issued if copies of used certificates are provided for reconciliation against issued permits. Reconciliation is only done for exports to the EU.

• Electronic permit system has been developed (and approved by the EC) at cost of about GBP60,000. Due to come into effect in mid January 2011. All development costs bourne by industry. Future operation and maintenance of system will be by Department of Agriculture, Forestry and Fisheries (DAFF) - estimated cost of GBP5,000 per month. Costs are likely to be passed on to exporters through permit fees.
Impacts of the Regulation

• For a number of staff at DAFF implementation has involved significant time investment.

• Industry – time and costs of development of electronic permitting system. Ongoing administrative costs of handling catch certificates e.g. - One South African exporting company has engaged two new staff members specifically to deal with catch certificates.

• General feeling from both industry and government is that currently it is just another document.
Impacts of the Regulation

- No concerns from government that Regulation is currently having a negative impact on exports to the EU for legal operators. However, it was noted that time-frames for fresh product are unreasonable, also noted by industry (but seem to be able to get product to EU market).

- Importing countries – different EU Member States are interpreting the Regulation differently. Some are more stringent than others – France noted as being particularly vigilant. Feel that EU vessels are under less scrutiny than products from non EU Member States.

- Joint ventures/Chartering: EU Regulation makes flag states responsible for validating catch certificate. In practice is very difficult for flag states to regulate chartering or joint venture type arrangements. e.g. South Africa signs off on catch certificates of South African flagged tuna pole and line vessels fishing in Namibian waters, landing catch in Namibia, fishing in terms of Namibian law. South Africa has no control over these vessels yet it is signing the catch certificates. Similar scenario for Japanese vessels fishing under joint ventures in South Africa waters.
Impacts of the Regulation

• Coming into force of the EU Regulation has triggered very few changes in the MCS processes that underpin the signature of DAFF on the catch certificate. One change is the reconciliation of export figures on used EU Regulation catch certificates with estimated figures supplied in original applications.

• It is challenging for Competent Authorities to handle ‘minor’ permit infringements. In terms of strict interpretation of the Regulation all violations of permit conditions would make associated catch IUU. How serious must the infringement be before the CA refuses to sign the catch certificate? Will likely be different for each country.

• Feedback: Implementation of the Regulation should be evaluated for each country (EU Member States and 3rd countries). Such an audit would result in pressure to make MCS improvements in areas of identified weakness.
Not a silver bullet – one of many tools available to us

Arsenal
• VMS
• Observers
• Port State Measures
• IUU blacklists
• EU Regulation
• etc

OK, Load up the EU Reg!

THE IUU MONSTER