

RURAL AFFAIRS AND ENVIRONMENT COMMITTEE

Tuesday 3 November 2009

Session 3

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RURAL AFFAIRS AND ENVIRONMENT COMMITTEE

26th Meeting 2009, Session 3

CONVENER

*Maureen Watt (North East Scotland) (SNP)

DEPUTY CONVENER

*John Scott (Ayr) (Con)

COMMITTEE MEMBERS

*Karen Gillon (Clydesdale) (Lab)

*Liam McArthur (Orkney) (LD)

*Alasdair Morgan (South of Scotland) (SNP)

*Elaine Murray (Dumfries) (Lab)

*Peter Peacock (Highlands and Islands) (Lab)

*Bill Wilson (West of Scotland) (SNP)

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Rhoda Grant (Highlands and Islands) (Lab)

Jamie Hepburn (Central Scotland) (SNP)

Jim Hume (South of Scotland) (LD)

Nanette Milne (North East Scotland) (Con)

*attended

THE FOLLOWING GAVE EVIDENCE:

Hugo Andersson (North Sea Regional Advisory Council)

Bertie Armstrong (Scottish Fishermen's Federation)

Lloyd Austin (Scottish Environment LINK)

Crick Carleton (Nautilus Consultants Ltd)

Sam Lambourn (North Western Waters Regional Advisory Council)

Jane Sandell (Scottish Fishermen's Organisation)

David Symes (University of Hull)

CLERK TO THE COMMITTEE

Peter McGrath

SENIOR ASSISTANT CLERK

Roz Wheeler

ASSISTANT CLERK

Lori Gray

LOCATION

Committee Room 6

Scottish Parliament

Rural Affairs and Environment Committee

Tuesday 3 November 2009

[THE CONVENER *opened the meeting at 09:47*]

Decision on Taking Business in Private

The Convener (Maureen Watt): Good morning, and welcome to the Rural Affairs and Environment Committee's 26th meeting of the year. The main purpose of the meeting is to take evidence on the reform of the common fisheries policy. I remind everybody to switch off mobile phones and other devices, as they interfere with the broadcasting system.

The first item of business is to consider whether to take in private agenda item 3, which is a review of the evidence that we are about to hear on the reform of the CFP. Do members agree to take that in private?

Members *indicated agreement.*

Common Fisheries Policy Reform

09:48

The Convener: We move to our round-table evidence session on the common fisheries policy reform. The purpose of holding a session in round-table format is to generate open discussion between witnesses as well as between members and witnesses.

Our witnesses are Crick Carleton, managing director of Nautilus Consultants Ltd; Hugo Andersson, chair of the executive committee of the North Sea Regional Advisory Council; Lloyd Austin, head of conservation policy with Scottish Environment LINK; Bertie Armstrong, chief executive of the Scottish Fishermen's Federation; Jane Sandell, quota manager with the Scottish Fishermen's Organisation; David Symes, reader emeritus at the University of Hull; and Sam Lambourn, chairman of the North Western Waters Regional Advisory Council. I welcome you all—thank you for getting here despite the terrible weather that some of you had to come through.

I will kick off the questions. What aspects of the common fisheries policy should be set centrally and what should be managed regionally? What should be the role of Governments, the fishing industry and the European Commission?

Bertie Armstrong (Scottish Fishermen's Federation): Thank you very much for the opportunity to appear in front of the committee.

It is clear from informal discussions, from the interim report of the Scottish Government's inquiry into fisheries management and from the green paper that overcentralisation is the main problem. The most pertinent question is about what is delegated and to whom—as you have just asked.

The Commission should set only the general principles. The translation of those into rules, regulations and a regulatory framework should be left, as much as possible, to the regions. Exactly how regions are defined is yet to be decided, and that is the stuff of the inter-RAC conference that we will proceed to immediately after we leave here. It is hard to give any answers at the moment, as they would be liable to be excessively simplistic, but I repeat the central point: the Commission should only set general principles.

I will summarise the position in a statement—it sounds lightweight, but it is not meant to be flippant. The Commission's overall strategy ought to be to say: "Here are the fish that you are permitted to catch. Do so regionally, and don't wreck the place." That would translate into the maximum possible devolution in the setting of regulations and a regional framework.

For Scotland, the central problem with the CFP is coping with mixed fisheries. For the pelagic industry, the set of problems is visible, but there is no particular desperation to change the entire framework for the herring and mackerel industry, which is very important to Scotland. The crustacean industry is also very important. Those are non-quota species, and the problems there are generally to do with the market.

The big sectors that will have enormous difficulty—and indeed they are having enormous difficulty—with the regulatory framework are those in mixed fisheries. The present regulations are unable to cope with mixed fisheries. In a nutshell, the Commission should cease trying to cope with the micromanagement of mixed fisheries and should pass that requirement on to the regions.

The Convener: The general principles should be left to the European Commission. You put that point quite vaguely, but you did so deliberately, did you not?

Bertie Armstrong *indicated agreement.*

Lloyd Austin (Scottish Environment LINK): To a great extent I agree with Bertie Armstrong. Overall strategic objectives should be set at a central level—overseen by the Commission and agreed by the Council of Ministers. As our written evidence makes clear, we say that ecological sustainability should be at the heart of those central objectives because, in the long term, that will deliver social and economic sustainability.

The central role is to ensure that the mechanisms to deliver the objectives comply with their delivery. Those mechanisms should be built up at a regional level. As for the regions, they should reflect the biogeography and ecology of the seas. Regional seas offer a good way to proceed. There might be discussions at the margins about the boundaries of those regional seas, but they will allow for groups of member states to deal with relevant regional seas and to develop long-term, ecosystem-based management plans for the fisheries concerned. If we consider ecosystems rather than a series of individual stocks, that will help to address the problems with mixed fisheries, which Bertie Armstrong highlighted.

The regional groups of member states can implement the long-term ecosystem plans in a regulatory and policy way, and the Commission's job would be to monitor delivery of the original strategic objectives.

On the second part of your question, which concerned the role of Governments and so on, we must recognise that fish, the fishing industry and the marine environment represent a public resource and that there is a public interest in the quality of the environment and the jobs and the economy that those things support. That means

that, ultimately, decisions on regulatory matters must be taken by Governments—I stress the plural, because most of the regional seas are fished by industries from more than one member state, and the environmental assets and the stocks cross borders all the time. That is why I say that management of the regional seas is important. Industry, non-governmental organisations and other stakeholders must be closely involved through an enhanced advisory function—probably one that builds on regional advisory councils and so on.

That is our overall vision of how to set strategic objectives that are delivered at a regional level.

Hugo Andersson (North Sea Regional Advisory Council): Thank you for inviting me to this meeting, although it is perhaps a pity that it is taking place this morning and not tomorrow—today, at noon, we will start a conference at which the issues that were brought up in your first question will be discussed, which means that we might be able to give you a more specific answer tomorrow than we can today. However, you are all most welcome to attend the conference and take part in the deliberations.

I agree with Bertie Armstrong's comments. The Council of Ministers, the Commission and the Parliament are dealing with a policy and the resources to manage the policy, while regional, national and local bodies are managing within that framework. As I come from Sweden, the system is quite simple for me, as we have had such systems for more than 300 years. We have a policy-decision level, which is the Government, and the management of the policies is handed over to national boards, which act more or less independently of the Government. We have regional-level councils, municipalities and so on. That kind of decentralised process is simple for me to understand, but I know that there is a difference in the culture and background of central and southern Europe.

The people who make decisions at a regional level have to be representatives of Governments, so Governments will have a role in regional bodies.

We have to realise that we must put more trust in and give more responsibility to fishermen, either on their own or in groups—preferably in groups. They must be involved in the management of the fisheries policy. That will create a culture of compliance, which is necessary because we cannot control the management of the fisheries and the behaviour of fishermen simply by increasing the number of control officers. That is not the way forward. The way forward is to create a culture of compliance so that control will simply involve checking now and then that things are okay. There is an increased role for fishermen in

the management of fisheries policies at a regional level.

The Convener: What will regional management mean for the existing structures, such as the fisheries council, with regard to negotiations with Norway, Iceland and the Faroes?

10:00

David Symes (University of Hull): First, I will go back to the original questions.

The distinction will always have to be drawn between the European institutions involved in policy formulation—we must be careful because the word “policy” is a bit difficult; I should say “strategic development” instead—and member states involved in implementation. However, the big question is what member states are being asked to implement. In the past, they have been asked to implement regulations that have been developed in great detail at the Brussels level. Many of those regulations have had little meaning when they have been brought down to the member state level and individual fisheries, so there have had to be many derogations, for example, before the policy has settled down.

It is now proposed—and I think that everybody who has spoken so far supports the proposal—that the Commission should be involved in the formulation of a strategy, and that the member states’ responsibility should be to implement that strategy through its own planning decisions, which must be taken in concert with neighbouring states in the region. The real question that must be answered is therefore: who should take the regionally strategic decisions? Who should translate into regional management plans the strategies that the Commission develops? We shall probably discuss that question later on; it will certainly be focused on in the inter-RAC meeting. It is a big issue because the European treaties simply do not recognise regions as having any decision-making powers. That is part of the problem.

The Convener: Are you saying that the existing RACs are not fit for purpose under a devolved arrangement?

David Symes: I do not think that RACs were ever intended to take decisions—that is the point. The new organisations will not take the decisions; member states will have to take the decisions because only they are empowered to do so. The formulation of those decisions will have to be made with the strong presence of member state Governments, which is currently lacking with the RACs.

The most likely outcome is that RACs will stay exactly as they are but the focus on whom they

advise will change. It is likely that, rather than mainly advise the Commission, they will advise the regional body that is set up—that will become the new relationship. Obviously, I cannot speak for the RACs, but I am not certain that, with their current membership, they would wish to become responsible for taking decisions.

Peter Peacock (Highlands and Islands) (Lab):

Two questions have arisen in my mind as a result of what has been said so far, which has been helpful.

First, Bertie Armstrong talked about people being told, “Here’s the fish you can catch. Don’t go away and don’t wreck the place.” What would happen if a region did wreck the place? What are the compliance arrangements? Does that not matter with a regional structure? Anybody may answer that.

Secondly, in political discourse and commentaries on fishing over many years, the fairly simplistic notion has sometimes been expressed that all would be well if only Scotland was not in the CFP. From what everybody has said so far, it seems that Scotland will always have to interact with other Governments, even at a regional level. Is it the case that, whatever the solution is to the current problem, Scotland will always have to negotiate in some way with other member states?

Bertie Armstrong: Thank you very much for those incisive questions, Peter. The first question was on what happens if the regional derogation is patently going wrong and fisheries are not being properly managed. Lloyd Austin touched on that, and I agree that a function of the reformed system must be a checks and balances circle so that the Commission sets the strategy and the Council of Ministers is allowed to assure itself that there are enough checks and balances to allow things to be put back on the rails if they are falling off. That is an extremely vague answer to a difficult question.

The second question, on being in or out of the CFP, is equally difficult. The transitory fish stocks that pass through many regions and the more localised stocks that stay and breed in the same regions have been accessed in a multiple way during the past 400 years by people from what are now member states and not member states of the European Union. However we reform the CFP or act otherwise, there will be a requirement under any constitutional arrangement for the states that access the fisheries to co-ordinate in order not to wreck the place. That is the very difficult problem that we find ourselves facing.

I step back from saying whether we would be better in or out of the CFP—that is a largely constitutional question. The real question is about how we manage fish stocks, which are a common

resource with multiple access. A regional and co-operative way, whether in or out of the CFP, is the only sensible way of doing that. There are two models that we can look at. The first is the CFP and the second is coastal states arrangements under which the joint stocks are managed. Both systems have all the problems that can be expected from a situation in which there is multiple access to a common resource and everyone wants to get the best deal for themselves.

Jane Sandell (Scottish Fishermen's Organisation): There is a full circle. There is the setting of the goals by the Commission and then what is effectively a quality assurance role. One would expect milestones and key indicators to be put into place and that compliance and performance monitoring would kick in before a member state or regional organisation did not meet its objectives.

There is the potential for a lot of buck-passing with devolved responsibility, which must be looked at closely by the people who are responding to the consultation and by the regional organisations that have to manage it. It is easy to pass something down the line and blame someone else when it is not delivered.

The second part of the question fits in nicely with the question of negotiating with Norway, the Faroes and Iceland. My organisation depends heavily on access to Norwegian and Faroes waters without which we would be in big trouble. It is inevitable that regionalised organisations are going to involve crossing barriers, and there is a level of co-ordination between the regions that might need to be done at a European level.

That leads nicely on to Scotland. We depend on those stocks and access to those waters. Whether it is right or wrong to be in the common fisheries policy, we certainly need to talk to our neighbours and other member states to ensure that this part of the world gets a good enough deal and is ensured maintained access to those parts of the seas.

Lloyd Austin: I go back to Peter Peacock's very telling questions. It is important to ask what happens if the place is wrecked. The important thing is to build the system so that that becomes impossible. That involves setting out the right objectives with ecological sustainability at their heart, the processes that will deliver those objectives, and the processes that mean that the planning system is signed off by the Council of Ministers as consistent with those objectives and that their implementation is monitored and tested to ensure that there are means of pulling people into line if the plans are being diverged from.

The important thing is that those plans, which are set on a regional-seas basis, work towards meeting the objectives, are ecosystem based, are

long term, cross boundaries to look at things in a biogeographic way and include backstops to ensure compliance. As we said in our submission, it is notable that models for such ecosystem plans are already in place, and work is being done to scope how such a plan might look for the North Sea. Fisheries ecosystem plans are also in operation in the United States. Rather like the marine planning system for the UK and Scotland about which we are talking in other fora, they are the ways in which the public agencies, on behalf of the public at large, can ensure that the management of the natural resources is to everyone's benefit and avoids a situation in which there is a potential for things to be wrecked.

In answer to the second part of the question, inherent in what I said about looking at the seas on a regional and biogeographic basis is the fact that we have to work across political boundaries. That means interaction between Governments, whatever those Governments are, and working together through some system, whether it is the CFP, a reformed CFP, which we hope to see after 2013, or some other interaction between Governments. We are more concerned about outcome, which should be ecologically sustainable, long term and profitable, and create sustainable fisheries.

Crick Carleton (Nautilus Consultants Ltd): I add a nuance to the points about stock management. The process should become slightly more systematic and see a reduction in its politicisation by using rules-based management. There is a good scientific assessment of what the stock is, certainly in the case of the larger stocks, as well as of the setting of the objective. It is bandied about a lot that that should be maximum sustainable yield, and we have ecosystem-based management around the MSY, but we fall short on the tools to deliver management to that objective.

We should tweak the system to encourage more use of pre-agreed harvest-control rules. Then, once the objectives have been set, if the indications are that the stock is moving away from that objective—let us assume that it is MSY—there needs to be a reaction. We need a pre-agreed rule that, if the stock is moving into reduction, there will be a reduction, whether that is in catch, effort or number of vessels. Having such rules prearranged means that we would not get into the end-of-year negotiations in the same way as they occur at the moment whereby some of the rules automatically dig in so that the negotiations are about how that is accommodated in the overall system.

Liam McArthur (Orkney) (LD): I apologise for arriving late.

Mr Carleton's comments are very helpful. He started to address the question that I was going to

pose, which related to what Bertie Armstrong said about the Commission assuring itself that fisheries are not going to be wrecked. In addition, Jane Sandell talked about controlling and monitoring.

We heard from scientists recently about the problem of lag in the scientific evidence and creating a time series to get an accurate assessment of the state of the stocks. There was also a concern about annual tinkering rather than having the confidence, patience or perhaps bravery to allow things to develop over a slightly longer timeframe. I am interested to know, perhaps more from the SFF than the SFO, how you envisage the Commission or the Council of Ministers restraining their hand in that model and allowing the scientific evidence and data series to build up over time rather than simply responding to a set of figures that is difficult to interpret right out of the gate.

10:15

Bertie Armstrong: That was another incisive question. Crick Carleton's comments would be entirely agreed with from one end to the other. If we had a management plan that reacted in a set way, and that was the correct way to manage the stock, we would depoliticise the issue. If a 15 per cent downturn or increase was required and was appropriate, it would happen. That would be fine. However, that would be a single-species way of doing things. We have introduced the concept of maximum sustainable yield. I think that everyone here understands that MSY is a single-stock approach. The level of MSY can change. When a number of interdependent stocks feed on the same food, the MSY is anybody's guess.

The problem with having formulaic, single-stock plans is that it is not an ecosystem way of doing things. For example, if there were a resurgence of gadoids in the North Sea—cod, haddock and whiting—with big recruitments for a couple of years, the prawn stocks would start to reduce. We might then have a deep worry that the prawn stock MSY was not being met and argue that something radical had to happen, but in fact that might not be the case, therefore an overall ecosystem approach might be more appropriate. We are really no further forward until we properly define what the MSY should be.

On your question about what we might do with regard to checks and balances, at least some of the answer lies in a management plan approach, be it for one stock or for several stocks together in an ecosystem approach. In that case, we would agree steps that would be taken if certain things happened—if there was a downturn in a stock, there would be a more selective approach to it. The standard approach under the present CFP is that we reduce the quota for the stock and increase fishing effort control.

That was a rather complicated answer, I am afraid. Maybe Jane Sandell can do better.

The Convener: I will bring Sam Lambourn in first, because I am conscious that we might move away from the matter that he wants to raise.

Sam Lambourn (North Western Waters Regional Advisory Council): I have nearly forgotten it anyway. [*Laughter.*]

Thank you, convener. I want to comment on the point that was made about wrecking, which I think is more theoretical than likely to happen. Management systems are designed in such a way that wrecking will not happen. One of the Commission's roles would be to audit. That would be a big function, so it would have to be the Commission that carried it out. However, if a good management system were in place, we should never reach a stage at which things were wrecked. If trends showed that things were beginning to move in an unfavourable direction, agreed steps would be taken to arrest that or turn it round. We would never get to the stage of wrecking.

From the point of view of a fisherman—that is what I am—we are all locked into the system and we have to co-operate, because the alternative is that we all lose. That is the powerful, nuclear connecting force that makes us co-operate. We have to do that, otherwise none of us has a future. Wrecking is a theoretical question and the system has to design it out. I agree with Crick Carleton that wrecking should never occur if we have a system that works.

Jane Sandell: Many of us round the table are working on long-term management plans under the auspices of the regional advisory councils. Indeed, we have a number of plans in place. That provides not only some assurance but some stability on the ground for individual fisherman. If we have some idea of what we will have next year, we can start to draw up business plans. Business planning will also be encouraged if we have some idea of the parameters within which the quota could change.

I will not try to address the multispecies fisheries issues that Bertie Armstrong attacked, because I do not think that there is an answer. However, we have to address them every day. Our organisation has to take a pragmatic approach to ensure that our members do not discard decent fish, or if they do it is the minimum number that they can discard, so that we can ensure that they have appropriate quotas. I am not sure that connecting certain quotas would work; I think that it would lead to the same problem, possibly on a wider scale.

For a lot of the major stocks, the time series and the data series are pretty good, although much of the information may just be stacked somewhere in paper form. More and more information is coming

from the fishing industry. There are some anomalies. In particular, this year many of you will have heard of the issues with the nephrops total allowable catch, because of the change in the way that it is assessed. The long-term management plans can support the construction of a time series, and in the industry we are all trying to bolster the scientific evidence, because it is in our interest to do so.

Crick Carleton: For the larger stocks, we have got used to the idea that there are 50, 80 or 100 years of data and that that is a requirement for good resource management, but that does not stack up. In fact, data are available through the industry—through the fishing side and also through the trade and processing side—that capture the key parameters of the types and volumes of fish moving through the system. Using more probability-based modelling techniques, you can operate with much fewer data than is normal practice with large stock assessments. That is particularly pertinent to fisheries that operate on a more local scale, that is, fisheries that are not necessarily non-transboundary but which can effectively be managed within a smaller area.

Going back to harvest control rules and stocks and so on, I take Bertie Armstrong's point that there is no single solution. The important point is that if a management system exists and has an objective against which the current position is measured, and there is a mechanism for altering behaviour in response to that, we will move towards a more multispecies, ecosystem-based approach. Not having such systems in place is inexcusable in this day and age—there must be effective management systems. Up until now, many fisheries have not required such systems, because they have never been stretched in the way that they are now. Now that they are stretched, you need those systems more than anything else, because some of the problems that have become apparent in the bigger fisheries are now being seen in the smaller fisheries, where an increased focus on inshore resources and so on is creating its own problems.

Bill Wilson (West of Scotland) (SNP): Some of my questions have, to a degree, been answered, but I will ask them anyway.

It is suggested in the recent green paper on the CFP that one of the failings has been a lack of political will. It states that there has been

“high political pressure to increase short-term fishing opportunities at the expense of the future sustainability of the industry.”

Do the witnesses have any views on whether that is the case? If they think that there has been a lack of political will, how will that change if we move to regional management?

There is dead silence—that is not what I expected.

Crick Carleton: I will have a go at an issue that is hitting far off. We have recently been involved in considering tuna fisheries, which are not particularly United Kingdom fisheries, although tuna exist around our waters. The current situation with bluefin tuna, which is in not only the Mediterranean but the north Atlantic, is inexcusable. The issue is political rather than biological or scientific. I argue that it is not even a fishery issue. There has not been the strength of view to do what is proper with that resource. Can that point be extended to other fisheries? I think that it undoubtedly can. The sway of political opinion is perhaps amplified to an extent that is self-defeating in some cases. It comes back to the management of the stock, to which some of the background papers have referred. The focus of the CFP has been a little bit too spread out, and its conservation core is often lost in the minutiae of other things.

Sam Lambourn: The very act of moving towards regional management will depoliticise the set-up anyway. The set-up is very political, given that decisions are taken by the Council of Ministers. There is a degree of truth in the view that member states concentrate on short-term rather than long-term policy. The move towards regional fisheries that are based on sea basins—or whatever is decided—and in which decisions are taken by groups of member states will tend to depoliticise the set-up, which is good.

Lloyd Austin: I agree that there is potential to depoliticise the set-up by making it more region-based. It will also help if the strategic objectives are right and the planning system becomes multi-annual. It is easier for the Council of Ministers to agree long-term strategic objectives and implement a system whereby regional groupings of member states make plans that comply with those long-term objectives than it is to have annual micromanagement discussions the weekend before Christmas. Taking a different approach to that kind of planning process should mean that the management is less political and more rational.

It is important that the scientific advice that is fed into the planning processes is based on the right question. We should have advice that looks at the whole ecosystem and at how we achieve long-term sustainability over a number of years and how we achieve good environmental status under the marine strategy framework directive, rather than annual advice that looks for an outcome for the next year, which encourages short-termism and ultimately leads to the Council of Ministers exceeding the quotas in the advice by, on average, 48 per cent each year. Annual advice is

based on the short-term question that is being asked, rather than on consideration of the long-term questions that can contribute to the production of a good ecosystem plan.

Alasdair Morgan (South of Scotland) (SNP):

Does everyone agree with Lloyd Austin that the fundamental objective should be the ecological sustainability of stocks, which is set out in the green paper? Is there any issue with making that a general objective and then breaking it down regionally? I am thinking of situations where the stocks of the same fish might differ from one region to another. How do we measure that? I am not convinced that we found an answer to that question, given what Bertie Armstrong said. If you cannot really assess whether you are achieving the objective, it does not seem that you achieve much simply by agreeing it.

Bertie Armstrong: Bill Wilson asked whether we thought that there was a lack of political will in this entire process. It is interesting that everyone's answer—mine would have been the same—was that we should depoliticise the process rather than criticise the lack of political aim. The system does not sensibly lend itself to political decision making, given that it is about matters of biology and economics, rather than politics.

Observing that there is or is not a lack of political will depends on the stakeholder. For instance, whereas the environmental non-governmental organisations might point to a lack of political will in heeding the scientific advice, the fishing industry will point out that the advice covers a spectrum, so it is unfair to pick out one end of that spectrum as having not been observed. Likewise, the industry says that there is a lack of political will in challenging the long-term cod recovery plan, which is in its infancy but is proving to be economically disastrous in its early stages. Whether one thinks that there is a lack of political will depends on where one comes from. However, I guess that the underlying answer that everyone has given is that a matter that is ultimately about economics and biology must be depoliticised.

10:30

Alasdair Morgan asks the interesting question whether the eco-sustainability of stocks should have primacy. I do not think that it is important—indeed, it might be destructive—to declare that the red corner or the blue corner, as it were, has primacy. Without eco-sustainability, the industry will suffer. Equally, if we concentrate on eco-sustainability without recognising that the process is about the harvesting of a natural food resource in the most effective and efficient way possible without damaging the ecosystem that produces it, we will also suffer. Therefore, I counsel against declaring such primacy. We need to recognise that

the process is meant to be the sustainable harvesting of a food resource from an ecosystem that must be protected. There is a not-so-subtle difference between that and saying that the ecosystem approach has primacy.

The Convener: Where does the sustainability of fishing communities fit into all this?

Bertie Armstrong: Nothing can be done about the economic sustainability of fisheries-dependent communities other than to create a commercially successful fishing industry, which in turn depends on ecological sustainability. If we concentrate on the communities aspect, we will concentrate on a potential symptom—that the communities are not well-supported—rather than on the disease itself, which is that the commercial system that is the life-blood of that community is not working well. It is in our interests to continue to harvest food sustainably in a commercially sensitive way. From that will follow all the benefits that accrue, because fishing communities will contribute to world food security, to the local and national economies, and to the other communities that depend on those. The critical point is not the community itself but the support to the community that is provided by a commercially successful fishery.

Peter Peacock: I do not really buy this argument about depoliticisation. I accept that depoliticising the argument makes sense for the reasons that have been indicated, and I share the objective of having longer-term horizons within which management arrangements should be triggered to address the changing trends that have been identified. However, presumably, if politicians are involved at the regional level—everyone accepts that politicians will still be involved, because Governments will be involved—people such as Bertie Armstrong will, with great respect, be chapping on the minister's door as he heads off not to Brussels but perhaps to Stockholm for the regional ministerial meeting. Ministers will come under exactly the same political pressure that they come under today, albeit in a slightly different context. Is there any real hope of depoliticising the issue, or will the focus just become slightly different while the politics remains the same?

David Symes: I have hesitated to enter this discussion about depoliticisation, because the question that is always at the back of my mind is how politicians can be taught to know their place and to stay in their place. The problem with the current common fisheries policy is that the politicians do not know their place, because the questions on which they are asked to take decisions are not really within their capability.

Highly technical and detailed questions that relate to specific fisheries are posed to a Council of Ministers of 27 member states, only a minority of whom actually have an interest in fishing. That

is the problem with the present system. If we regionalise, political decision making will still have an important role, but it will be brought down to groups of countries that are translating a broad strategy into a more detailed plan. The focus will be narrowed in terms of where the decisions will relate to. The interest will not be in the political game of decision making. That approach often hampers the Council of Ministers, because its members do not always play the game with their eye on the ball—some off-the-ball incidents occur, because the members think about gaining advantages in other fields by taking a particular stance on fisheries.

With regionalisation, we can begin to set aside such issues, but the problem is that the Council of Ministers will always be there. There is a risk—I hope that it is a nightmare, rather than a possible reality—that member states will make decisions and agreements at the regional level but then act differently at the Council of Ministers. One can envisage a situation in which a country is more interested in playing the bigger political game than it is in playing the specific game of looking after fisheries policy.

There will always be a problem when there is more than one level of decision making. At present, we have a two-tier decision-making system, with the European level and the member-state level. Evidence of the difficulties is building in several countries, although it is particularly well exemplified in Denmark. A recent book makes the point that, when a member state transposes a Council decision or regulation into its law, people start to play the political game again, but this time with a different agenda and a different set of interests to satisfy, so the regulation is not always implemented in the spirit that was intended. That sort of slippage occurs.

We are now considering introducing a third tier, so that we have European, regional and member-state levels, which will increase the risk of slippage in decision making. Therefore, the political actors will need much stronger will to ensure that the intention of the strategy and regional plan is implemented in decision making at member-state level. A risk is involved in regionalisation, but I hope that the fears that I have expressed are nightmares rather than reality, and that my faith that decision making is increasingly sensible the closer we bring it to people who matter is justified.

Alasdair Morgan: For the sake of argument, is the answer to take the politicians out of local decision making? Should we perhaps give the decision to a committee that is headed by the pelagic equivalent of Professor Nutt?

David Symes: That is an unfortunate example.

Alasdair Morgan: You will know that he was a Government drugs adviser until a couple of days ago.

David Symes: Scientific advisers will always be caught in a cleft stick. I would rather set that aside.

We have not touched on the question of bringing the fishing industry much more strongly into planning, decision making and implementation. I can see a situation developing whereby we are still talking, even at regional level, about broadly strategic management, with actual implementation of that strategy being developed through management plans that are developed by the industries themselves, with their own recommendations on the style of regulations, their detail and so on. That may well be the long-term solution that we seek. We cannot keep the politicians out of it, but we can keep them as far away as possible from the crucial decision making on the technical detail.

Hugo Andersson: I do not think that we should keep the politicians out, but they should deal only with political issues. The managers will deal with management issues. We must focus on defining the borderline between politics and management. As has been said, the present situation is that we have micromanagement at Europe level, which means that, during the dark nights just before Christmas, ministers discuss mesh sizes, the shape of mesh—whether it should be square or diamond—the thickness of the twine or whatever. However, they do not have a clue; they are in the hands of their civil servants, who have opinions on those matters.

Someone asked whether the political will exists. I think that there is much political will in this area, but the problem is that it goes in different directions, depending on the politicians. In the end, we have a negotiation that also takes place late at night just before Christmas, which results in compromises that seldom provide a good resolution for everybody, but are just some kind of mixing up. Let the politicians deal with politics and let others deal with the other matters.

Lloyd Austin: I will speak briefly on politicisation, then I will come back to Alasdair Morgan's question about sustainability. Peter Peacock is right that we will never entirely remove politicians from the issue. The simple reasons are that the issue is public policy in managing natural resources that should be managed in the public interest, so it must be overseen by Governments—in the plural and co-operatively, in this case—and that the public policy decisions and the people who make them must be accountable, which means that those people must be politicians. The key issue, as Hugo Andersson said, is to separate what is strategic from what is operational: we should get the political decision

making to set the strategic direction, then arrange the management structures such that management works towards and implements the strategic direction.

On ecological sustainability, I do not want to use the word “primacy”, which I know Bertie Armstrong does not like. Everybody recognises that ecological sustainability is at the heart of it all: it ultimately provides the on-goingness of the stock, which provides sustainability for the industry. It is useful to have in mind the United Kingdom framework on sustainable development—which the Scottish Government is still signed up to and uses in a range of policy areas—and the five principles that it sets out, including living within environmental limits and using sound science responsibly. It also refers to social justice and other matters to do with economics and social sustainability.

If we consider ecological sustainability in that context, we can provide the sort of framework with which everybody can live. It is important to have that as the high-level objective. In many regards, we have that anyway, because the common fisheries policy has to start operating within the framework of the marine strategy framework directive and must have the long-term objective of having a good environmental status. That strategy objective will, like the water framework directive, generate indicators that can measure the state of the marine environment and will show that it can be measurable.

It is important to measure the social and economic factors to do with sustainability, and it is important to have sustainable harvesting that is economically viable, but it must be in the context of ensuring ecological sustainability. In a sense, even if we avoid the word “primacy”, ecological sustainability must be at the heart of it all.

The only thing to add is that, in economic terms, we need to be careful not to confuse “economically viable” with maximum profits and maximum number of jobs supported, or whatever. They are not necessarily the same thing. Different people will lobby for different aspects of economic and social sustainability but, at the end of the day, economic and social sustainability will depend on the natural resource off which everyone lives: the ecosystem.

10:45

Bertie Armstrong: Lloyd Austin and I are singing the same hymn, but with different emphases. I reiterate the unhelpfulness of trying to look for the primacy of one over t’other. We are not in the business of creating an aquarium above the continental shelf of the United Kingdom; we are in the business of sustainably harvesting food

from the sea in a way that contributes the maximum to the nation. That is the fishing industry’s business: it is as simple as that. Arguing about whose fire engine is painted a deeper hue of red is not particularly helpful. We are on the same side, for sure, and ecological sustainability and the maximum commercial contribution to the country of the primary production of food are both important.

I have lost the question that Alasdair Morgan asked.

Alasdair Morgan: There were several questions. There was one about scientific advice and politicians.

Bertie Armstrong: My nightmare, as opposed to that of David Symes, is fisheries management policy that is set by an unaccountable body such as— No: I will leave Professor Nutt out of it. *[Laughter.]*

There absolutely must be political input because each member state will have a different point of view. I agree whole-heartedly with David Symes that the systemic problem, which we were all referring to, of what is wrong with politicking now, would largely go away if the politicians who were discussing the matter were to discuss only matters that are of relevance to themselves.

Talking of nightmares, in the present—and, I hope, receding—December council process, member state A might have a single objective that is not overly defensible, but no one else really cares, so other member states might agree to support the measure because it will not affect them, if member state A agrees to support the measures that would be effective to the other member states. Such situations are where we depart from biological and economic rectitude and move into the realms of inappropriate politics. I hope that if we regionalise the process, the politics will become appropriate.

Crick Carleton: The social dimension of the CFP is a political arena and is a key issue in the Scottish context. Sustainable coastal communities is a relevant issue for any advice on how to reform the CFP. So much of the decision-making on social policy seems to be based on economic analysis rather on social or social anthropological analysis of how communities cohere and operate. Rather than going in and trying to fix things like that, the subsidiarity goes below the regional level and we come down to national and local levels. The strengthening of an inshore regime would add immeasurably to the ability of nearby communities to sustain this particular economic activity.

It is, as Bertie Armstrong alluded to, about making businesses good rather than fixing employment. However, there are real issues around the scale of employment that is required in

different areas. Inshore management—which is still relatively light in Scotland, although it certainly exists—could be strengthened, as the machinery at local level is relatively poor.

Further to that, there may be an opportunity to extend the 6-mile boundary, which has been the traditional effective inshore limit in parts of the UK and Europe, to a 12-mile boundary. Such a boundary would take in some sizeable fisheries, so that change would not be a small-scale fisheries issue, but would localise the management processes in the context of everything that we have discussed.

Sam Lambourn: I will comment briefly on the sustainability business, which is easy to talk about, but hard to pin down. I do not know what indicators one would use to measure ecological sustainability, but I expect that they would change as, like everything else, stock levels go up and down. That has always occurred naturally, whether any fishing takes place at all. We must be careful not to view the need to reduce quotas or to catch fewer fish as a failure. It is not: we are simply following the trend up and down.

I imagine that tying down the ecological status probably does not involve reaching equilibrium anyway. Various indicators will go up and down, as they always have; that is my health warning on the matter. There is a feeling that achieving equilibrium goes with sustainability, but I do not think that that is the case. The devil in managing fisheries is partly in the fact that we deal with a bunch of different stocks that are continually, and naturally, going up and down. We have to track the movement without overcooking one thing or another.

Peter Peacock: That raises an interesting point. We heard some evidence last week from Scotland-based scientists about the 15 per cent proposed reduction in the total catch of nephrops on the west coast. The advice was given in very much the same spirit as your comments: we were told that one should expect such fluctuations, and be prepared to adjust the management or the effort, which is terribly difficult to do.

Does that fit with Crick Carleton's vision of a longer-term horizon with management objectives, in which things such as tie-ups and decommissioning—the two principal matters—would be among the management measures that would be deployed?

There is a need to reduce effort on nephrops fishing on the west coast by 15 per cent in the next couple of years, but if you take the fleet out permanently, you will have nothing to offer when stocks go back up. Is that where we need to develop management techniques? How does that work?

Sam Lambourn: I would not rule anything out. I confess that I do not know how to deal with the matter, but I know that if we are to have a system that really works, it needs to be dynamic and it must follow stock levels. The social dimension is extremely important, particularly in member states such as Spain and France. The representatives from those countries speak first about social consequences, and secondly about the biological and scientific advice. The social element is what really drives them and that dimension cannot be ignored. If the management system is to be acceptable and to work properly, that issue must be faced, which may mean doing all sorts of things in order to maintain the community.

Peter Peacock: That would be done not by annual negotiation in Brussels, but within a longer timeframe, and with a series of tools at your disposal at regional level to deploy as you see fit.

Sam Lambourn: Absolutely—those tools should be deployed at the lowest possible level. This year's Council of Ministers will be concerned only with TACs and quotas; there is to be no horse trading on technical measures or anything else outwith those two areas. It will be interesting to see how that functions in terms of political will and horse trading.

Jane Sandell: I was going to touch on what Crick Carleton said earlier, but the point has come round now and has been dealt with quite nicely.

Regardless of the size of vessel or where people are fishing—whether they are inside the 6-mile limit or the 12-mile limit or outside the 200-mile limit—the characteristics of the Scottish industry reflect many of the positive characteristics about the inshore fishing industry, whatever our definition of it is.

Even in Peterhead and Fraserburgh, where we might say that fishing is industrialised, the benefits accrue to those communities. That is seen as a positive thing about inshore fisheries. Apart from protecting the 6-mile and 12-mile limits for use of the fishermen in those areas, if they cannot go anywhere else, I am not sure that delineating between an inshore industry and an offshore industry is a positive thing in the Scottish context. It might fit in other parts of Europe, but that is not what I am here to say. If we consider what is happening around the big towns we can see that the benefit is coming back.

Crick Carleton: I have a point about the broader issues around assessing sustainable fisheries to Marine Stewardship Council standard. I am a sort of advocate for the MSC, but it is wrong to argue that every fishery should be subject to certification. The assessment process that has been developed is in the public domain. It is a sort of open-source, systems-based audit tool,

and it is effective in flushing out weaknesses in management systems. It describes the interaction and underlying impacts on the ecosystem of bycatch and discards, and their impacts on rare or endangered species.

The assessment process highlights that there might be problems in which some aspects are being addressed but others are not. The process allows the question to be asked: what will be done about it? Increased use of that sort of approach will make the measurement that has been referred to a little more obvious. It is not that measurement is not being done; rather, it is that the information is inaccessible for an awful lot of people. That is mainly because the system is so complex, so it is a matter of finding mechanisms that can be used to communicate the information more easily. At one extreme is the European Union's scoreboard, which can be reasonably effective in assessing how member states are getting on, all the way down to individual fisheries and fishery management regimes.

Bill Wilson: We did not really explore this earlier—although Bertie Armstrong mentioned it—but could the panel expand on their views about the advantages and disadvantages of having the maximum sustainable yield as the objective for fishing?

I always produce an immediate silence when I ask a question.

Bertie Armstrong: I could send the committee some helpful presentations. Some pieces of work have been done that explain the matter.

On the philosophy or principle behind maximum sustainable yield, the clue is in the name. If we take several species together that have a single or shared dependence on a food source, and if we consider another outside influence such as climate, which will affect those species either altogether or slightly differently, the stock levels will come and go cyclically. Sam Lambourn has described that in relation to the catch. That can happen for any number of reasons including climate, predation and fishing—bearing in mind all the changes that each of those factors brings.

If we approach that on a single-stock basis, as is done with nephrops on the west coast of Scotland, for example, it is possible to make a bell-curve diagram and to head for the top of the bell curve, which shows the amount of fish that we should take. We could apply a harvest rule to that.

The trouble is that when the gadoids recover on the west coast and the amount of nephrops goes down, we have to choose which maximum sustainable yield to attend to: that of the gadoids or that of the nephrops. One approach could be to fish as hard as possible on the gadoids to keep those stocks in a depressed state, in order to take

the maximum sustainable yield from the prawns. I know that that is ludicrous and impractical, and I am not suggesting such an approach, but that is the problem with MSY.

In answer to your question, I suggest that we all approach MSY with the knowledge that it is not applicable to all stocks at all times, and that things will move in a cyclical and interdependent way because fish eat each other and eat the same food.

11:00

Lloyd Austin: I agree with that. MSY is a theoretical approach that underlies some of the modelling and scientific advice. It is complicated by the interaction between different stocks, and the fact that doing something to one stock has an impact on the other, and so on. Further, because MSY means what it says—it is a maximum—to go beyond it, even accidentally, depresses the stock and has an impact. It is also true that fishing just lower than the maximum yield and maximising the profitability of what you land can be more profitable than maximising the amount that you land.

A mixture of those approaches is called for. There are other technical terms, such as FMSY—where “F” stands for fishing mortality—which involves operations that are just below the bend in the bell curve that Bertie Armstrong described, and which is more often than not what most operations aim at these days. To aim for what is sustainable in the round is more important than aiming for the maximum.

Elaine Murray (Dumfries) (Lab): I can understand why MSY is not applicable to a multi-species fishery, but what is the alternative? We have talked about an ecosystem approach, but I have difficulty seeing how that would work in practice. How would you construct an ecosystem approach that takes into account the great amount of interdependent variables? Has that been done anywhere? I am aware of multi-fishery approaches in the United States. Are there templates from elsewhere that could be used?

Lloyd Austin: A scoping study of an ecosystem plan for the North Sea has been conducted. In my submission, I cited the example of Chesapeake Bay in the United States. It has an operating ecosystem plan, which the industry and the NGOs in the area were involved in producing, with the state and federal authorities. It is heartily recommended. It is not perfect, but it is a good step in the right direction.

Hugo Andersson: MSY is a commitment from the Johannesburg meeting. We are heading in that direction whether we want to or not. MSY is quite natural. We should fish as much as possible in a

sustainable way. Who can argue against that? However, a problem arises when we start to implement the policy. At that point, of course, a number of questions are raised.

David Symes: I am not going to say anything terribly helpful; I am just going to give you a bit of a history lesson.

MSY was popular in the 1950s. It was comprehensively rubbished by some leading fisheries scientists, but at the same time other people were saying, "Maximum sustainable yield is a jolly good idea. What about looking at it slightly differently and going for maximum economic yield?" After that, the social scientists came along and said, "We'll follow that up and go for maximum social yield." Then, some brilliant person said, "Hang on—let's just call it optimum yield." The point is that none of those approaches works because they are all theoretical and none is practicably applicable. The person who proposed MSY at the Johannesburg meeting must have been reading a 1950s textbook on fisheries management at the time, and should have been stopped in his tracks. The vast majority of scientists—and, I suspect, a large majority of practising fishermen or managers—will say that MSY is a good idea in theory, but that it is no more than that.

Bertie Armstrong: That is an impactful and succinct way of saying what I believe to be the truth. The trouble is that MSY is used as a weapon—that is probably the right word. When necessary, it is taken out of its sheath and waved at the fishing industry. Lloyd Austin did that to a certain extent when he said that we should fish a little bit below the maximum yield. His interpretation is that MSY is a means of keeping fishing depressed, although he would indignantly reword that. It is a means of applying the precautionary principle—I am using the English meaning of that phrase—to the fishing industry, which is quite simply wrong.

MSY will turn up. I think that it turned up in the Commission's policy for catching opportunities for 2010. We will often be reminded, particularly by the Commission, that we have all signed up to it. The industry will be reminded that all the Governments signed up to it, and the weapon will come out. In general, it means less fishing, but we are not talking about a very scientific way of determining what will be the correct level of fishing to the maximum sustainable yield.

Crick Carleton: I agree with the rest of the panel. The maximum sustainable yield is a great conceptual basis; it is an aspirational issue. The approach can be, and is, applied in some fisheries and is effective, but it starts to break down in complex fisheries. In many cases, it is impossible to measure the MSY, and an alternative way must

be found of finding out the performance objective in exploiting the fishery. Of course, that will change where there are many fisheries and constraints, but that should not be used as an excuse not to manage those resources.

MSY is not the only or the most appropriate game in town, and it does not apply to all fisheries, but that is no reason not to seek the tool that would apply to those fisheries and to put in place the appropriate management system. It goes back to the issue of politicisation and the need to protect rules-based management against that objective and deal with the additional economic and social issues.

Bill Wilson: Are we getting to the point at which two different methods of managing the system—one for single-species stocks and one for multiple-catch stocks—are needed?

Crick Carleton: Both already exist and I would not separate them out. The tool will be found that is appropriate for the task.

The Convener: Before we discuss specific measures, we will have a five-minute break.

11:08

Meeting suspended.

11:15

On resuming—

The Convener: Liam McArthur will lead on overcapacity and measures to manage fisheries.

Liam McArthur: We have already touched on a number of potential management tools. The Commission's green paper highlights fleet overcapacity as a particular problem. Overcapacity is also acknowledged in the Scottish Government's publication "The Inquiry into Future Fisheries Management—Interim Report: The European Commission's Green Paper on the Future of the Common Fisheries Policy". However, what is meant by overcapacity in those two documents seems to vary greatly. In the panel's view, is there overcapacity? How might overcapacity be dealt with by the different nations and fisheries? On the social implications of any reduction in the fleet, is decommissioning likely to have an unpredictable impact on different fishing communities? Looking further ahead, does the panel believe that a fisheries policy that moves away from TACs and quotas and becomes based more on rights will have a bearing on capacity and on where capacity is best concentrated and focused? That is a bit of a catch-all question, but I think that decommissioning has, to some extent, been the elephant in the room in the debate over

recent months. It would be helpful to get witnesses' views on the issue.

Jane Sandell: As you say, the green paper uses an interesting definition of overcapacity. Given the biological resource, I have a great deal of difficulty applying overcapacity to Scotland's nephrops fleet, which is our biggest fleet. However, the situation is certainly not all roses. We have economic overcapacity at some points—I stress “at some points”—but it very much depends on the market conditions of the day. Rather than use a rights-based management approach, I think that we could use opportunities under other pillars of the common fisheries policy to smooth out some of the difficulties.

For the white-fish fleet—my organisation represents around 30 white-fish boats—the solution very much depends on the policy objective. The Scottish white-fish fleet has been minimised so much by decommissioning schemes over the past 20 years that there would be a huge great dent in employment and in the social gain for communities in northern Scotland if the fleet were to be reduced further. If the goal is to ensure optimum economic gain for particular businesses, getting rid of 28 of those boats and leaving only two to operate the quota would undoubtedly achieve that. However, we would certainly not sign up to such a policy objective.

In the shellfish fleets that Bertie Armstrong mentioned earlier—I exclude nephrops from that catch, but I include species such as crab, lobster and scallop that are landed in this country—it could be argued that there is economic overcapacity. However, the overcapacity exists because of the current economic situation. For example, there is overcapacity within the scallop fleet because of the price of steel and raw materials. The issue can sometimes be quite ephemeral, with overcapacity being a problem one day but not the next, or one year but not the next. Any wide-reaching decommissioning scheme would certainly not be the answer.

In respect of the nephrops fleet, significant problems would result in the onshore sector from any reduction in capacity. There is perhaps the opportunity for a certain amount of smoothing, possibly using some kind of market mechanisms, but we certainly do not have overcapacity.

David Symes: As a member of the inquiry into future fisheries management, which has taken evidence in various parts of Scotland, I have noticed that the statement at the start of the green paper—that the main target on its hit list is overcapacity—has caused much anger and dismay. That is a question of insensitivity. The problem is that we have not yet found a sensitive and all-embracing way of measuring overcapacity, so we are using crude estimates.

One must question whether we are talking about overcapacity in the state of stocks—biological overcapacity—or in how we manage stocks through the quota system. One problem is that the cod recovery programme has an impact on many good, healthy stocks, because of the enforced reduction in catching capacity to promote the cod recovery programme.

As Jane Sandell just said, the question is what is being measured—is it biological or economic overcapacity? It is clear that if the fleet is slimmed down, the surviving vessels should have a much greater chance of high profitability. Are we talking about social overcapacity? For example, in Scotland, the manning on several vessels has been reduced so that they are undermanned, as it were, and there is also the import of non-Scottish labour into the industry. Do those examples suggest that we are overstating the social need and that not enough people are willing to enter the fishing industry?

When we talk about overcapacity, we must forget and tear up the rather stupid and simplistic comment that too many boats are chasing too few fish—that is aimed at some parts of the media that have little political, scientific or social sensitivity to the question. The comment works for them, but it has little power behind it as a serious argument. The question is not so much about too many boats catching too few fish as about where and how the boats catch the fish. I am simply saying that we are talking about a complex subject.

If we believe that overcapacity exists, how is it to be tackled? There are three options. One is tie-ups, which assume that overcapacity is one of the largely cyclical situations that condition fisheries, to which Sam Lambourn referred. Do we go in for decommissioning schemes, which cause a short, sharp, momentary shock but which are not as effective 10 years down the line as expected? Such schemes cost quite a lot of public money, but they have not delivered a strong reduction in the capacity to fish.

Do we go for what the Commission is talking about—a rights-based management approach? The green paper does not say it, but the implication is that the Commission is talking about a European market for fishing rights. I have fairly strong reservations about a Europe-wide rights-based management approach. I fear what that might do to the Scottish industry—for example, Scottish rights could be captured financially. Even if what was tradeable across national borders was limited to no more than 3 per cent in a year, how many years would it take to lose up to 20 per cent of fishing rights? How would the industry be managed? We have been talking about regionalisation, but is regional management of the industry possible when an increasing proportion of

the rights to fish in an area are held outwith the region? There are a host of such problems.

The final problem, I would say, is that we come hard up against what we mean by our social objectives, sustainable communities and so on. That is where the impact of rights-based management kicks in. It works economically and structurally because it reduces the fishing fleet, but it leaves large areas of fishing communities stranded with few means of direct support.

The Convener: Have you or others done studies of the effects of decommissioning? For example, have the older boats that have been taken out been replaced by newer boats or by bigger boats that take the same amount of fish? On regional management, the idea of freer trade in quotas is tied up with that, is it not?

David Symes: Yes. I have not done any work on that in particular, but I have kept a broad interest in the matter. I have to say that my views on rights-based management have softened over the years, which is a sign of the fact that I have moved into a genteel and gentle age. I believe that it will work well in certain fisheries. It will work particularly well in some of the pelagic fisheries, where it is already in place. However, there are problems on the demersal side, particularly in mixed fisheries. For example, there is the problem of building in some kind of firewall to protect the smaller inshore fisheries sector against the predation, in economic terms, of the capital-intensive sectors of the fishing industry.

Economic studies have certainly been done. In a book that was published a few years ago, the authors—I cannot remember their names—argued that decommissioning schemes are usually not properly constructed. I do not think that the most recent scheme in Scotland was properly constructed because it did not involve the quotas themselves—it left them outside. As a result, considerable quota was owned by people who were on land and not at sea. That is one of the problems. The economists' general argument is that decommissioning does not work and does not represent good value for money. They argue that, if it is introduced, it should simply be a precursor to a market-led rights-based management system. Obviously, I do not necessarily subscribe to that view.

Peter Peacock: I want to pick up on something in Lloyd Austin's evidence. He talked about the RSPB Scotland's belief that the total allowable catch mechanism should continue but that the TACs should be changed to take account of all the fish that are caught, to deal with the discards issue. Do other members of the panel have any observations on that, or would Lloyd Austin like to amplify the point? How possible would it be to achieve that change immediately, as opposed to having it as a long-term objective?

Lloyd Austin: I do not know how achievable it is. Ultimately, it is up to the Council of Ministers. It should definitely be a part of the reformed CFP in the long term. Discards are certainly a long-standing problem that everyone accepts needs to be addressed. However, discards are only part of the problem and one piece of the jigsaw of fisheries management. The issue is related to concerns about treating stocks in isolation and not taking an ecosystem approach, particularly to mixed fisheries. In mixed fisheries, we might catch things that we are unable to land under a single-stock quota system.

11:30

It comes back to the ecosystem approach—this is also related to the capacity question. An ecosystem approach is about matching catching effort, or however it is described, to the resource that can be harvested in order to get the sustainability that we talked about earlier. I agree with David Symes about the complexity of all the different ways of measuring capacity, but there are lots of different tools to adjust the capacity to the resources available. That is not just about counting the number of boats or considering decommissioning; it is equally about time at sea and so on. An ecosystem plan is about identifying the resource and the potential catch and then managing capacity to the level of resource available for catching using a wide range of tools. A good management plan would have a toolkit containing lots of tools. There is no one tool that is right for any individual problem; people should have a range of tools at their disposal.

Bertie Armstrong: I thank Peter Peacock for his question. Currently, there are two big levers in fisheries management—the total allowable catch, which is misnamed because it should be “total allowable landings”, and effort control. If one lever does not work, you ratchet up the other in the hope that it will work. That is where we stand, but we have to move away from there. We have been trying to do that in Scotland by being more selective. A trial of more selective gear will start on Friday; several others have been undertaken already. We are not very far down that line, but we are trying as hard as we can.

We have used our real-time closures to try to drive around fish that ought not to be caught, but that approach does not fit properly with an ever-decreasing effort regime. On the one hand, we know where we want to go, but on the other, the present structure does not allow us to take one step towards that. Therefore, as Lloyd Austin said, we must use a toolbox full of tools to move towards mixed fisheries management that actually works.

This is slightly off the subject and more about Thursday's discussion, but between now and Christmas we are confronted with the rules that I have just described, and a prescriptive, critical-path, long-term plan for cod, which will, as David Symes said so eloquently, affect all the fish that are being caught because our effort is reduced under that lowest-common-denominator plan. We must develop as quickly as we can the toolbox full of tools that will allow us to cope with mixed fisheries, and we must have the political will to resist the lowest-common-denominator approach and the elements that will cause us trouble in 2010. We must do that work as quickly as possible. We are talking about taking an ecosystem approach and trying to cope with mixed fisheries, but in reality, the two instruments that we have are the old instruments that have existed for the past couple of decades and which are simply not working. Therefore, we have a problem.

The Convener: I ask Liam McArthur and Elaine Murray to ask their questions—I might ask one, too—and then the panel to answer them all together.

Liam McArthur: Bertie Armstrong seemed to suggest that some variant of a TAC system could be adapted and made to work. You will recall that the commissioner's statement that a reformed CFP might move away from quotas entirely was met with two cheers until we realised what the consequences would be for relative stability and historical rights. Is it your view that a reformed CFP can be based on quotas and other tools as opposed to the rights-based system, about which David Symes articulated a range of criticism, albeit slightly softly, not least in relation to the impacts on the social dimension?

Elaine Murray: I want to follow up the point about our having a toolbox full of tools. We know which tools we do not like and which tools are not effective, but I am still struggling to get a grasp of which tools will work. What is the way forward? Which tools need to be in the toolbox and how are they better than the ones that are already there?

The Convener: That is my question, too. We have TACs, real-time closures and days at sea. How did we come to have the days-at-sea measure, which seems silly to me? It would be better to have a measure on hours fishing, which could be counted from when you pick up the first dan until the net comes on board.

When cod roe is being sold in fish shops, people always ask, "Why are we eating cod roe if the cod stocks are low?" That, coupled with the prices that the fishermen get at the market, suggests that there is no work to join up the fishing with when the market requires the fish. As someone said at the beginning of the meeting, it seems that it is all about micromanagement at a European level,

which does not meet the needs of the fishermen, the market and the fish processors and does not allow the fish to be sold at reasonable prices.

Crick Carleton: There seem to be an awful lot of impediments to the free effect of economics. I cannot think of another business sector that is subject to such frequent changes in rules. The vessels are all businesses, whether their turnover is £20,000 to £30,000 a year or several million pounds a year. Together, they represent a sizeable chunk of business, but they are interfered with all the time. Freeing them up would be sensible and would make for more rational decision making. That is not to suggest that decisions are irrational; the investors are having to respond to the situation in which they find themselves.

You could clear away many of the frequent changes by having longer-term horizons and by providing businesses with a clearer idea of how much fish they could catch from a range of stocks this year and next year and how that might change under certain circumstances. You could close off the idea that some fisheries are still open while the fleet is limited overall, which means that boats can enter one fishery but not another. Most of the demersal stocks might be closed off, but a lot of the shellfish stocks might still be open. That means that there is crowding into an area, which skews the economics for those who are already in that sector. If you cleared out a lot of that, the overcapacity issues would not disappear, but you would increase flexibility.

There are no pension schemes in the fishing industry. At the smaller end of the fleet, many people are looking to decommissioning in order to get out. Their boat is relatively low value, because there are too many of them around. Decommissioning might work for owners, who also tend to be skippers, but it does not work for the crew, who walk away with nothing. There are impediments in that respect.

I have headed up studies on UK decommissioning schemes and the operation of the UK and European quota management schemes. There are inflexibilities in the ability to move fish quota to those who most need it. We have leasing and quota swaps and so on—the mechanisms are there—but there are impediments of strategy. I am glad to see that management through the producer organisations is in the green paper as an example that is already in place in the UK. However, it is not operating as freely as it could do, which would increase efficiency and expose those who are just not making enough money and encourage them to move off. Should they then turn to decommissioning? I do not know. That is a very big public instrument, which is not available in

other business sectors. That is not to say that it should not be exercised in some areas, but it should be done very cautiously.

The Convener: Bertie Armstrong will comment next. I am conscious that Hugo Andersson is opening this afternoon's conference so, after Bertie, I will ask Hugo whether he wants to make any final comment and then I will let him go.

Bertie Armstrong: Such a breadth of subjects was covered in the questions that it is almost impossible for me to answer them in a short time. One member asked where the days-at-sea measure came from. The answer is mistrust. The reduction in total allowable catches to protect stocks was not seen to be working, so it was decided to add to that the tying of fishing boats to the wall so that they certainly could not catch fish. The days-at-sea rules are a control measure to stop people fishing, but there are certainly cleverer ways of doing that.

The most important question was, "If all this is not working, what on earth will? What is in the toolbox?" The essence of coping with mixed fisheries must be selectivity. We are working on the gear. It is an imperfect science and we are at the start of it, but we are trying, wherever possible, to let go from the nets fish that ought not to be caught.

A complementary point—perhaps even the starting point—is not to go there in the first place. Therefore, when it is possible to predict where fish will be—for instance, in the spawning seasons—areas can be closed. That has happened; this year we have had approaching 150 real-time closures—it will be 150 by the end of the year. When an aggregation of fish is fallen upon, that area of 50 square miles stays shut for three weeks and fishermen move away. That does not fit well with effort control because, as we heard in August, it adds approximately 170 miles to a fishing trip. If we have only a certain number of days to begin with and have to use an increasing proportion of them to drive round areas where we are not allowed to fish, that is an incentive to make the very most that we can out of what we get on board. That incentivises exactly the wrong sort of behaviour rather than the right sort.

In a nutshell, the measures that will work are selectivity and some form of ecosystem approach. The latter is very ill defined, as you will have concluded from the discussion, but it must recognise that the species are interdependent, all feed on roughly the same thing and all are affected by roughly the same climate. We must try to make sense of how that translates into fisheries management plans. The practical measure that is visible now and with which we can help ourselves is selectivity. We are stuck with that, and even it does not fit well with the days-at-sea rules, for

reasons that I just described. That is where progress must be made.

Hugo Andersson: I will comment on the role of the RACs before I leave for the conference. We have discussed it, but I will make it clearer. It is five years to the day since the first meeting of the North Sea RAC, which took place in Edinburgh—the executive committee met in the neighbouring room to this one. With that experience, I can say that there will continue to be a need for the RACs model in the future. The North Sea RAC gathers all the stakeholders with an interest in the items concerned and is relatively free to draw up its own agenda, have its own discussions and give advice to the Commission and member states on issues on which they have asked for its opinion and on issues that it has put on its own agenda and explored itself.

There will continue to be a need for such a relatively free forum in the future, perhaps with some slight changes. We want some more resources, especially scientific resources, but that is a minor issue. The RACs should work closely with a new regional management body, which should be part of the new common fisheries policy.

As I see it, that management body should be created by the member states in the area. In the past few days, I have learned that the Council cannot delegate to a regional body, because there ain't such regional bodies in the existing treaty. However, the Council can delegate to member states and the member states can commit to co-operating with other member states to manage fisheries in an area. That is the formal way round that issue in the treaty. The model that I see is that it will be the member states' responsibility, together with the stakeholders and scientists, to run the management body, with close links with the regional advisory councils. We will deliberate that during the two days of the conference. I hope that we can be more precise on the issue tomorrow afternoon.

I thank the committee for inviting me, but I have to leave now.

11:45

The Convener: David Symes can make a quick point, but then we must finish.

David Symes: Yes. Being a Yorkshireman, I want to share Hugo Andersson's taxi to the conference.

I want to address the point about the toolbox. The toolbox is full—we cannot invent any more new tools. The point of regionalisation is that it will begin to help to sort out which of the existing tools are most useful to apply to the particular fisheries in an area. The most interesting feature of the

green paper on reforming the common fisheries policy is that it introduces very few ideas about doing different things and its emphasis is very much on doing things differently.

The Convener: We must finish the session, but I am sure that we will continue discussions informally at the conference. I thank our witnesses for coming. If you would like to send us any further information, can we have it by Friday, so that it can inform our discussions with the cabinet secretary next Wednesday?

11:47

Meeting continued in private until 12:18.

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