PART II

Report of the Standing Committee on International Control (STACTIC)

1. Opening of the Meeting

The Chairman, Mr. David Bevan (Canada), opened the meeting at 10:00 on September 16, 2002. Representatives from the following Contracting Parties were present: Canada, Cuba, Denmark (in respect of Faroe Islands and Greenland), Estonia, the European Union, Iceland, Japan, Latvia, Lithuania, Norway, Russian Federation, the Ukraine and the United States.

2. Appointment of Rapporteur

Mr. Paul Steele (Canada) was appointed rapporteur.

3. Adoption of the Agenda

One amendment to the agenda was proposed and accepted, i.e. the addition of the review of the Observer/VMS scheme as an issue under agenda item 7. The revised agenda was accepted (see Annex 1).

4. Review of Annual Returns on Infringements

The Secretariat introduced STACTIC Working Papers 02/21 and 02/25.

The representative from Japan pointed out an error in Working Paper 02/25 with respect to the date of inspection for the Japanese vessel Zuiho Maru No. 88. The Secretariat agreed to correct this.

The Chairman requested that Contracting Parties provide any additional relevant information to the NAFO Secretariat at the earliest opportunity.

5. Review of Surveillance and Inspection Reports

The Secretariat introduced STACTIC Working Paper 02/22.

The representative from Canada provided a verbal report regarding Canadian surveillance activities in the NAFO Regulatory Area in 2000 and 2001. Written reports (STACTIC Working Papers 02/27 and 02/28) were later circulated.

The representative from the United States questioned the reference in the Canadian report to 14 sightings of US vessels in 2001. The representative from Canada advised that this relates to sightings of US swordfish vessels. As these vessels were not fishing for NAFO-managed stocks, the reference to them will be deleted from the report.

6. Review of Operation of the Automated Hail/VMS System

The Secretariat introduced STACTIC Working Paper 02/24. He indicated that there have been no major changes in the operation of the automated hail system since he gave his report at the last STACTIC meeting in May, 2002. Most Contracting Party vessels are providing automatic position reports, but some entries are still being made manually. He noted that some manual reports received indicate failure of the VMS system, but at the present time there is no way to distinguish between these reports and the regular positional reports received automatically.

The Secretariat indicated that a cost estimate of \$45,000 has been received for implementing the changes to the automated reporting system that had been proposed by Norway at the May, 2002 STACTIC meeting (STACTIC Working Paper 02/5). The Chairman advised that, since the Fisheries Commission has approved the Norwegian

proposal as well as the proposal made by Denmark with respect to confidentiality (STACTIC Working Paper 01/15 and corrigendum), he will advise the STACFAD Chairman of the \$45,000 funding requirement.

The representative from Iceland stated that the contractor doing the work for the NAFO Secretariat has indicated that an additional amount of approximately \$30,000 (for a total of \$75,000) would be required to ensure that the automated reporting system could handle the reports that would be required if the Icelandic proposal for changes to the observer program were to be adopted.

7(a). Observer Program and Scientific Requirements

The discussion focussed on a paper titled Harmonized NAFO Observer Program Data System Proposal (NAFO SCS Doc. 00/23). This document had been developed by the Scientific Council to define scientific requirements for observer program data.

The Chairman stated that this issue, including the need to standardize and automate observer reports and the associated cost implications, has been brought to the attention of the Fisheries Commission. He noted that further work must be done by STACTIC to develop cost estimates associated with the implementation of these changes. It was agreed that this issue should be addressed as part of the review of the NAFO Observer /VMS Scheme (see agenda item 7(b) below).

7(b). Review of the NAFO Observer/VMS Scheme

At the May, 2002 STACTIC meeting Contracting Parties were requested to provide information to the Secretariat regarding surveillance costs for 2001 as well as data on infringements, fishing effort and inspections conducted during the period of 1998-2001.

The Secretariat introduced STACTIC Working Paper 02/23, which summarized the information received from Contracting Parties to date. He indicated that some information on inspections and infringements has not yet been provided. The Chairman asked that Contracting Parties provide the required information to the Secretariat as soon as possible.

The representative from the European Union stated that STACTIC should consider how to proceed with the evaluation of the effectiveness of the scheme once all the required information is compiled.

The representative from Canada agreed, and suggested that the first step of the evaluation could be an assessment of whether all Contracting Parties have fully implemented the scheme and currently meet all requirements set out in the Conservation and Enforcement Measures with respect to observers and VMS.

A small working group was then formed to draft terms of reference for the review of the Observer/VMS scheme. The approved terms of reference are attached (STACTIC Working Paper 02/31).

It was agreed that a recommendation will be made to the Fisheries Commission that the existing Part VI of the NAFO Conservation and Enforcement Measures remain in effect in 2003 pending completion of the review of the Observer/VMS scheme.

8. Discussion of the Conservation and Enforcement Measures as the follow-up of STACTIC May 2002 Meeting

A discussion took place regarding the proposal that Iceland had presented to the Fisheries Commission on 17 September 2002 regarding an alternative observer program (NAFO/FC Doc. 02/26). It was agreed that, while there appeared to be a certain level of support for the general thrust of the Icelandic proposal, issues such as the scope of the pilot project and the method of evaluation had to be resolved by STACTIC before the Fisheries Commission could give further consideration to the proposal.

The representative from the European Union suggested that, as a pilot, the project should be limited to a small number of vessels. He also stated that the project should not be restricted to only one area and/or fishery.

The representative from Canada expressed concern about the potentially wide scope of the project, which could result in a large number of vessels fishing in the Regulatory Area without observers. He also stated that the 20% coverage level seems to have been selected in an arbitrary manner, and that rigorous analysis is required to determine an appropriate coverage level.

The representative from Denmark (in respect of the Faroe Islands and Greenland) stated that 20% coverage is not sufficiently high to ensure the statistical validity of the observer data and therefore he is hesitant to support the Icelandic proposal.

The representative from Iceland indicated that the actual coverage level would be greater than 20% due to the fact that many Contracting Parties will have less than five vessels fishing in the Regulatory Area. He also stated pointed out that the pilot project would be restricted to only those Contracting Parties that have the technical capabilities required to participate.

The representative from Canada noted that although some Contracting Parties do not currently have the technical capability, they may acquire it in the next few years, and therefore there would be the potential for large numbers of vessels to fish without observers in future years.

The representative from Russia stated that it is too early to implement the Icelandic proposal for groundfish. He stated that the proposal should apply to the shrimp fishery only and that the coverage should be at the level of 75-80%, not 20%.

The representative from Japan agreed that 20% coverage goes too far. He stated that further study is required to determine an appropriate level of coverage. He also stated that the pilot project should apply not only to the shrimp fishery but also the groundfish fisheries.

The representative from Canada noted that there continue to be a number of practical issues regarding the Icelandic proposal that have not yet been addressed. For example, he said it's unclear what information would be received from the vessels, how it would be reviewed and how decisions would be made on the appropriate follow-up action following analysis of the information. He also questioned whether there is an opportunity for a limited number of Contracting Parties to cooperate on a small scale pilot project rather than implementing the project on a larger scale involving all Contracting Parties.

The representative from Norway suggested that a pilot project could involve 50% coverage rather than 20%, with a maximum of five vessels from any one Contracting Party operating without observers. He suggested that the evaluation table developed by STACTIC in 1998 could be used as the basis for an evaluation framework for the pilot project.

The representative from Canada indicated that there should be no need for five vessels per Contracting Party to participate in the pilot project. His view is that the concept could be effectively tested with a much smaller number of vessels.

The representative from Norway pointed out that some Contracting Parties have less than 5 vessels present in the Regulatory Area and there are also a number of Contracting Parties that do not meet the technical requirements for participation in the Pilot Project.

The representative from the United States suggested that the pilot project should be limited to the shrimp fishery, with 50% observer coverage and a limit of two vessels per Contracting Party. He suggested that the pilot project be of two years duration and that the implementation costs be borne by the participating Contracting Parties.

The representative from the European Union indicated that the European Union is not in favour of restricting the pilot project to only one area or fishery.

The representative from Iceland stated that the pilot project would provide a good tool for evaluating the level of compliance in mixed fisheries.

The representative from the European Union suggested that a pilot project could be developed involving a relatively small number of vessels, 50% of which would be allowed to fish without observers. For example, if a total sample of 10 vessels is agreed upon, all of those vessels would have observers onboard upon entering the NAFO Regulatory Area. Observers would be removed from five of those vessels, but only after the communications equipment and capabilities have been fully tested and shown to be working properly.

The representative from Norway expressed support for the European Union suggestion, but stated a preference for a larger number of vessels, e.g. ten vessels without observers rather than five.

The representative from Iceland indicated that the European Union and Norwegian suggestions are worthy of consideration and that Iceland is willing to work with Contracting Parties to further develop these ideas.

The representative from the European Union suggested that a small working group be asked to further develop the details of the pilot project, e.g. scope and evaluation criteria.

The representatives from Norway, Denmark (in respect of the Faroe Islands and Greenland), Iceland, Japan, and the United States indicated their support for this approach.

The Chairman stated that he will bring this recommendation forward in his report to the Fisheries Commission.

9. Discussion of Possible Amendments to the Conservation and Enforcement Measures(Task from the Fisheries Commission)

The Chairman noted that the Fisheries Commission has approved two elements of STACTIC Working Paper 02/15, i.e. the amended definition of a directed fishery and the amended method for calculating bycatch. He noted that the current bycatch limits will remain in place for the present time, and will be subject to review by STACTIC at a later date.

10. Report of the Drafting Group on the Review of the Conservation and Enforcement Measures

The representative from the European Union provided an update regarding the project undertaken by a drafting group comprised of representatives from the European Union, the United States and Canada. The drafting group had been given a mandate to identify and remove redundancies and inconsistencies in the NAFO Conservation and Enforcement Measures.

The report of the drafting group, including a draft revision of the Measures, was circulated to STACTIC delegates. The representative from the European Union introduced STACTIC Working Paper 02/30 (Revised), which outlined the process for finalizing the amendments to the Measures. The report and draft Measures, together with revised annexes to be developed by Canada, will be circulated electronically to all Contracting Parties, with comments requested before December 15, 2002. Another draft of the Measures will be circulated before February 15, 2003, with comments requested by March 30, 2003. A final draft will be reviewed at an intersessional meeting of STACTIC and at the 2003 annual meeting of NAFO.

There was agreement to follow the process outlined above.

The drafting group has identified a number of issues that will require further guidance from STACTIC. These issues are described in Annex 4 of the drafting group's report. The Chairman asked that Contracting Parties provide comments on these issues at the same time that they submit comments on the draft revisions to the Measures.

11. Time and Place of the Next Meeting

STACTIC recommends that there be intersessional meetings of STACTIC and its working groups as follows:

- that the STACTIC Working Group on Modernization of the Conservation and Enforcement Measures meet preferably by phone to conclude the redrafting of the Conservation and Enforcement Measures prior to the June intersessional meeting of STACTIC;
- that the STACTIC Working Group on the Pilot Project on Observers meet prior to the June intersessional meeting to develop the scope and evaluation criteria for the pilot project;
- that STACTIC meet intersessionally in June to review the Conservation and Enforcement Measures, the scope and evaluation criteria of the Pilot Project, to review the observer and VMS Scheme and initiate work on a compliance report.

12. Other Matters

The representative from Estonia asked for clarification of Section I.K.9 of the Conservation and Enforcement Measures, which states that "each Contracting Party shall limit in 2002 the number of vessels fishing for shrimp in Division 3L at any time to one vessel." He stated that this provision is unclear as it relates to charter operations. He questioned whether a Contracting Party could operate more than one vessel in Division 3L if the additional vessels were chartered to other Contracting Parties.

The Chairman noted that the Fisheries Commission is addressing the issue of charter vessel arrangements. He stated that the question raised by Estonia will be brought to the attention of the Fisheries Commission.

13. Adoption of Report

The report was adopted by STACTIC on 19 September 2002.

14. Adjournment

The meeting adjourned on 19 September 2002.

Annex 1. Agenda

- 1. Opening by the Chairman, D. Bevan (Canada)
- 2. Appointment of Rapporteur
- 3. Adoption of Agenda
- 4. Review of Annual Returns of Infringements
 - a) review of disposition of outstanding infringements by Contracting Parties
- 5. Review of Surveillance and Inspection Reports
- 6. Review of Operation of the Automated Hail/VMS system
- 7. a) Observer Program and Scientific Requirements b) Review of the NAFO Observer/VMS Scheme
- 8. Discussion of the Conservation and Enforcement Measures as the follow-up of STACTIC May 2002 (Copenhagen) Meeting:
- 9. Discussion of possible amendments to the Conservation and Enforcement Measures (Task from the Fisheries Commission)
- 10. Report of the Drafting Group on the Review of the Conservation and Enforcement Measures
- 11. Time and Place of the Next Meeting
- 12. Other Matters
- 13. Adoption of Report
- 14. Adjournment