

## PART II

### Report of Standing Committee on International Control (STACTIC)

**28<sup>th</sup> Annual Meeting, 18-22 September 2006  
Dartmouth, Nova Scotia, Canada**

#### 1. Opening of the Meeting (Mads Nedergaard, DFG)

The Chairman opened the meeting at 2:00pm at the Holiday Inn Harbourview, Dartmouth, Nova Scotia, Canada and welcomed representatives of Canada, Denmark (in respect of the Faroe Islands and Greenland), EU, France (in respect of St. Pierre-et-Miquelon), Iceland, Japan, Norway, Russia, the United States and the NAFO Secretariat to the STACTIC Meeting.

#### 2. Appointment of Rapporteur

Mr. Brent Napier (Canada) was appointed rapporteur.

#### 3. Adoption of Agenda

The Chair introduced the agenda and advised that, based on Fisheries Commission instruction, the focus of the STACTIC meeting should be centered on the following (5) NAFO Reform items:

1. Modified procedures for serious infringements in the NAFO Conservation and Enforcement Measures (NCEM), including precautionary measures
2. Re-direction of vessels to port for select infringements under the NCEM
3. Clarification on the interpretation of NCEM Articles (specifically *Article 9 - By-catch Requirements* and *Article 20 – Recording of Catch and Stowage*)
4. Strengthening Port State measures, in particular with regard to Illegal, Unreported and Unregulated (IUU) fishing
5. Possible Observer Program changes

The revised agenda was adopted.

#### 4. Annual Compliance Review

The Chair introduced the agenda item and expressed regret that, due to time constraints, brought about by instructions from Fisheries Commission to focus on key reform issues, this item would have to be deferred to the next meeting of STACTIC. The Chair indicated that, to date, the NAFO Secretariat had been working on modifications to the report, based on the suggestions provided by Canada at the June 2006 meeting (STACTIC Working Paper 06/6). The Chair urged Contracting Party members with delegates participating in the compliance review working group to coordinate their efforts with the NAFO Secretariat.

The Representative of Canada indicated that, given the importance of the Compliance Review, efforts had been made on the part of Canadian delegates throughout the year to work with the NAFO Secretariat and other members of the working group on the compliance review. The Representative of Canada concluded by reaffirming a commitment to continued participation in the compliance review working group.

It was agreed that this agenda item would be deferred until the next meeting of STACTIC and that the Secretariat would be asked to present the current compilation of fisheries reports for compliance review 2005, in addition to the 2006 review.

## 5. Outstanding Issues regarding the NAFO Reform

The Chair opened item 5

### i. Strengthen the monitoring, control and surveillance (MCS) regimes including:

- **Joint MCS systems**

This agenda item was dealt with under “Dissemination of collected data”.

- **Dissemination of collected data**

At the June 2006 STACTIC Intersessional, Iceland was requested to prepare a Working Paper elaborating on the options presented to STACTIC in the Canadian proposal (STACTIC Working Paper 06/5), as well as develop a Working Paper on weekly catch reporting.

Accordingly, the Representative of Iceland introduced STACTIC Working Paper 06/23 and provided a summary of the various options contained within the paper and the technical implications of each. The Representative of Iceland indicated that option three might be preferable given: the level of automation, the need to disseminate only relevant data elements, and the relative simplicity of the required codes. However given the changes required to the North Atlantic Format (NAF), it would be useful to couple this to the larger and more expansive review and modification of the NAF. The Representative of Iceland advised that, in addition to the systemic implications Article 23.2 and Annex 19.3 of the NCEM would need to be amended.

In response the second request, the Representative of Iceland presented STACTIC Working Paper 06/24 – *Weekly Catch Reports and AGDC Advise*. The Representative of Iceland explained the technical issues relevant to this initiative and highlighted possible options/solutions.

The Chair lauded Iceland for its profound effort on this issue and indicated the importance of these initiatives to NAFO, highlighting the potential benefit to both Contracting Parties and NAFO enforcement efforts.

The Representative of the EU thanked Iceland for its efforts in this regard and agreed with the Chairs comments but remarked that questions regarding data quality should be addressed prior to implementation, given the potential for “false alarms” and other negative ramifications.

Given the required changes to both the NAFO and NEAFC systems it was agreed that there will be a need to collaborate with the NEAFC Chair of the Permanent Committee on Control and Enforcement (PECCOE) and the Advisory Group on Data Communication. STACTIC encouraged both the NAFO Secretariat and Canada to work with the Advisory Group on Data Communication on this matter.

- **Cost Sharing of MCS systems in a fair and transparent manner**

This item was briefly introduced as a follow-up to discussions that had taken place at the 2006 STACTIC Intersessional. As Contracting Parties raised no new issues with regard to this subject, the agenda item was closed.

### ii. Establishment of guidelines for sanctions

Given the complexity of this issue, the priorities that had been identified by the Fisheries Commission for this STACTIC meeting and the time constraints, it was decided to focus the discussions on the EU proposal relating to the adoption of enforcement measures as an interim response to non-compliance situations.

The Representative of the EU introduced STACTIC Working Paper 06/31(Revised) - Proposal to adopt enforcement measures (proposed Article 34a – *Enforcement Measures*). The Representative of the EU

explained that the proposed enforcement measures would be applied at an early stage pending more formal administrative or judicial proceedings to avoid the repetition of serious infringements.

The Representative of Canada remarked that the words “may” and “in particular” located in Article 34(a)2 should be removed and that 34(a)2(a) should contain wording indicating the fine would be commensurate with the seriousness of the infringement. As well, 34(a)2(b) should not contain the word “prohibited” as it could be misleading. The Representative of the EU proposed that instead of removing the word “may” that it should be replaced with the word “shall” and indicated that the issue of fines being “commensurate with the seriousness” was addressed in Article 34(a). As well, the Representative of the EU suggested the proposed word “prohibited” could be replaced with the word “illegal”.

The Representative of the United States offered that, in the United States context, the gravity and history of repeat offences is taken into account and could be considerations in the enforcement measures process. The Representative of the EU acknowledged the comment but indicated that article 34(a) contained interim measures and what was being suggested was more relevant to administrative/judicial proceedings

After extensive discussion, this issue and the associated STACTIC Working Paper were referred to the Fisheries Commission for resolution.

### **iii. Role of observers**

This item was deferred pending the outcome of agenda item 6 ix.

### **iv. Follow-up on infringements**

Under this agenda item the Representative of the EU introduced (2) STACTIC Working Papers:

STACTIC Working Paper 06/29 - Proposal to amend Chapter IV (Article 32 – *Procedures to deal with infringements* and Article 33- *Serious Infringements*). The Representative of the EU explained that the proposed Article 32 listed and outlined the general procedures for dealing with infringements and contained elements from the current Article 33. The Representative of the EU went on to explain the intent of the proposed Article 33 was to identify a short list of serious infringements that may require more effective and immediate follow-up, including re-direction to port.

Under the proposed Article 32, the Representative of Canada questioned the need to list the infringements as they were cited in other parts of the NCEM. The Representative Canada went on to comment that the list of infringements included under the proposed 32.1 was not complete and that another option could be to add text indicating the list was not exhaustive and that the procedures also applied to any other infringements that are mentioned elsewhere in the NCEM but not included on the list.

The Representative of DFG voiced concerns over the re-direction of vessels to port given the current Canadian Port Closure Policy and the considerable time delays that would be involved for vessels of DFG. The Representative of DFG cautioned that clear guidelines were required and indicated that DFG would support the inclusion of the transshipment involving IUU vessels as a serious infringement.

The Representative of the United States reiterated a point made during the June 2006 STACTIC Intersessional that stated there were several serious infringements related to UNFA under Canadian STACTIC Working Paper 06/10 that they would support adding to the list of serious infringements.

The Representative of Canada recommended that the references to “serious” infringements should be amended in the heading and text of the proposed Article 33, as the three infringements under the proposed 33.1 are not an all inclusive list of serious infringements and several of the other infringements listed in the proposed Article 32 could be considered as serious, depending upon the circumstances. He noted that the three infringements listed in Article 33.1 are those that are proposed as requiring enhanced or special follow-up action, but this is not to say that they are the only serious infringements.

The Representative of Canada suggested that the proposed 33.1(c) should be modified from “during the fishing trip” to “within a twelve month period”. As well, The Representative of Canada recommended that, under the proposed 33.1(c), the word “apparent” be deleted as the confirmation of the previous infringement would already have taken place. The Representative of the EU argued that the term “fishing trip” was used to cover situations where there was a change of vessel masters at some point after the first infringement, i.e. so as to not penalize a vessel master for the infringements of another master.

The Representative of Canada recommended that the proposed Article 33(2) and 33(5) be reviewed very closely with a view to clarifying and strengthening the obligations of flag state Contracting Parties to take effective action in all cases where serious misreporting of catch is detected, including specific timeframes within which actions would be required.

The Representative of Canada suggested that the wording of Article 33(3) should be consistent with Article 33(8) of the current NCEM with respect to the provision allowing an inspector from another Contracting Party to board or remain on board a vessel that has been ordered to proceed to port as a result of an infringement, unless the CP of the inspected vessel requests the inspector to leave the vessel.

STACTIC Working Paper 06/30 - Proposal to amend Chapter IV, NAFO Conservation and Enforcement Measures – improved follow-up to infringements under Joint Inspection and Surveillance Scheme (Article 34 – *Follow-up to infringements* and Article 35- *Treatment of Reports from Inspectors* and Article 36 – *Report on Infringements*). The Representative of the EU provided a synopsis of the proposed changes.

After extensive discussion, these issues and the associated STACTIC Working Papers were referred to the Fisheries Commission for resolution.

- **Review of provisions of Article 20**

The Representative of the EU tabled STACTIC Working Paper 06/28 *Proposal to amend the Conservation and Enforcement Measures* (Article 20 – Recording of catch and stowage). The Representative of the EU indicated that, for reasons of clarity, the Article was split into practices for catch taken inside the NAFO Regulatory Area (NRA) and for catch taken outside of the NRA. The Representative of the EU explained that the proposed Article called for a physical separation of catch taken outside the NRA but not for catch taken inside the NRA, where clearly delineated stowage plans would serve the same purpose, not undermine inspection and not burden vessels with unnecessary obligations.

The Representative of the EU also remarked that, as in the case of proposed changes to Article 9, added changes to this Article intended to clarify the measures are necessary given the implications of other proposal that strengthen follow-up action in the case of infringements.

The Representative of Canada expressed support for attempts to resolve and clarify this issue but noted that the proposed measures are heavily dependant on clear and accurate stowage plans and that care should be taken to ensure that any amendments do not lead to added difficulties for inspectors. The Representative of Canada suggested adding wording to having product of the same species stored together to the extent possible.

The Representative of the EU acknowledged the comments but indicated that these concerns were unwarranted given the inspection experience of the EU over the last two years. In addition to the inspection experiences, the Representative of the EU indicated that it would not be practical for fishing vessel masters to scatter species throughout the hold as it would make the eventual offloading of catch difficult.

After extensive discussion, this issue and the associated STACTIC Working Paper were referred to the Fisheries Commission for resolution.

- **Strengthening Port State measures, in particular with regard to Illegal, Unreported and Unregulated (IUU) fishing**

The Representative of the EU introduced STACTIC Working Paper 06/32 (Revision 4) – Proposal to modify the IUU measures (Article 48). STACTIC reviewed the issue and agreement was reached on the range of measures to be introduced to strengthen controls with regard to IUU vessels.

The STACTIC Working Paper was referred to STACFAC for their deliberation.

## 6. Possible Amendments of Conservation and Enforcement Measures

### i. Review of provisions of Article 9 re interpretation.

The Representative of the EU introduced STACTIC Working Paper 06/27 (Revised) *Proposal to amend the Conservation and Enforcement Measures* (Article 9 – By-catch Requirements) and provided a detailed summary of the proposed changes. The Representative of the EU explained that, in addition to reformatting the paragraph for reasons of clarity, the primary changes included; the requirement of vessels to move 10 nautical miles from any position of the previous tow where the percentage of by-catches in any one haul exceeds the established by-catch limits, the obligation to leave the NAFO Division for 48 hours if after moving 10 nautical miles the next haul still exceeds the by-catch limits, a derogation for vessels directing for skate and a 3 hour trial tow provision.

The Representative of the EU remarked that added changes to this Article intended to clarify the measures were necessary given the implications of other proposals that strengthen follow-up action in the case of infringements.

The Representative of Canada thanked the EU for their proposal and indicated that it was a good starting point but indicated that, when building in added flexibility to allow for due diligence, there must also be a balance with clear rules that prevent abuse. The Representative of Canada indicated that the obligation to leave the NAFO Division, when a second haul also exceeds the by-catch limits, was valid but that 48 hours was perhaps too short a period. As well, the Representative of Canada suggested that the provision calling for a 3 hour trial tow should have a shortened duration. In addition to these comments the Representative of Canada remarked that the derogation proposed for those vessels directing for skate was unnecessary given the nature of the fishery, i.e. the use of large mesh fishing gear in the skate fishery means that by-catch problems should not be a significant issue.

The Representative of the EU indicated that a 3 hour trial tow was realistic given that the duration of normal tows may be between 6 and 8 hours and added that if the period was too short it would not be a good indicator. In relation to the proposed derogation in the skate fishery, the Representative of the EU acknowledged that the need to use this derogation would be a rare event, but that it was unreasonable to punish the vessel master in cases where this did occur.

At the conclusion of the discussion, this issue and the associated STACTIC Working Paper were referred to the Fisheries Commission for resolution.

### ii. Product labeling by species/stock area

Given the focus on reform issues and the resulting time constraints this agenda item was deferred until the next meeting of STACTIC.

### iii. Strengthening ropes, bags, topside chafers (all delegations to provide national measures on attachments to nets)

Given the focus on reform issues and the resulting time constraints this agenda item was deferred until the next meeting of STACTIC. The Chair urged those Contracting Parties that had not yet provided information on domestic regulations to do so in preparation for discussions at the next meeting of STACTIC.

**iv. Notification and catch reporting requirements in 3L and 3M shrimp fisheries**

Given the focus on reform issues and the resulting time constraints this agenda item was deferred until the next meeting of STACTIC.

**v. Accurate catch reporting**

Given the focus on reform issues and the resulting time constraints this agenda item was deferred until the next meeting of STACTIC.

**vi. Missing data elements and reference to Annex XXII**

The Chair introduced the agenda item and the NAFO Secretariat provided some background and summarized the proposed editorial changes to the Conservation and Enforcement Measures found in NAFO correspondence GF/05-426.

The Representative of the EU explained the rationale for the submission of NAFO correspondence GF/05-426, which called for the editorial changes to be delayed pending a STACTIC discussion on the matter, indicating the issue was a procedural matter that required STACTIC's attention.

The Representative of Iceland acknowledged that changes were required but indicated that a further review of the alterations was necessary given some apparent inconsistencies. He committed to working with the Secretariat to finalize the required modifications. The agenda item was then closed.

**vii. Clarification re Article 15.2**

The Chair introduced NAFO document GF/05-439 and the NAFO Secretariat provided an overview of the action taken regarding the replacement of a vessel, due to mechanical breakdown, identified in a charter arrangement with the view to obtaining a clarification on the issue.

The Representative of Norway cautioned that this Article was a compromise on the part of Contracting Parties that did not want to allow chartering arrangements, as the original intent of this Article was to limit chartering arrangements, and any clarification or proposed text changes should bare this in mind.

After further discussions on the matter, the Representative of the EU and the Representative of France (in respect of St. Pierre-et-Miquelon) endeavoured to develop a proposal intended to clarify the issue.

The Chair introduced STACTIC Working Paper 06/34, a joint EU and France (in respect of St. Pierre-et-Miquelon) proposal intended to clarify Article 15.2.

STACTIC accepted the proposal and referred the item to the Fisheries Commission for final decision.

**viii. Submission of Monthly Provisional Catch statistics**

The Chair opened the agenda item and the NAFO Secretariat provided some background and a brief update, indicating that the matter (submission of data by country) was currently with the Fisheries Commission for review.

The item was deferred, pending feedback from the Fisheries Commission.

**ix. Changes to Observer Program**

The Chair introduced STACTIC Working Paper 06/26 *Participation of Faroese vessels in the Pilot Project on Observers, Satellite Tracking and Electronic Reporting during 2005* and opened the floor to comments.

The Representative of Norway remarked that the intention of the Observer Pilot Project was to gather information on possible changes to the NAFO Observer Program. The Representative of Norway indicated that there had been no new experience on the part of Norway since the winter of 2005 but that Norway's experience, as highlighted in STACTIC Working Paper 06/25, daily electronic catch reports seemed to meet the objectives of the Control and Enforcement Measures. The Representative of Norway indicated that perhaps the Pilot Project should be extended for an additional year to allow for more time.

The Representative of Denmark in respect of the Faeroe Islands and Greenland (DFG) indicated that it was DFG's experience that electronic reporting was effective and that there were no major occurrences of non-compliance. The Representative of DFG support Norway's suggestion that perhaps there could be an extension to the Observer Pilot Project and development of a proposal.

The Representative of Iceland tabled STACTIC Working Paper 06/33(Revision 2) – *Changing of Chapter VII in the CEM from a Pilot Project to permanent measure* and introduced the main elements that included: a reduction in observer coverage to 20%, a NAFO electronic form to be completed by the onboard observer, daily electronic transmission of Observer Forms, a NAFO electronic catch report to be produced by the master, daily electronic transmission of catch reports and two hour VMS messages. The Representative of Iceland stated that the Pilot, from the Icelandic perspective, had been a success and electronic reporting was a better alternative to, and more economical than, the current Observer Program.

The Representative of the EU remarked that the proposed elimination of the title in Chapter 7 requires the creation of a new title but aside from that minor comment was supportive of the proposal. The Representative of Iceland indicated the title could remain the same but suggest simply the removal of the words "Pilot Project". The Representative of Norway and DFG also expressed sympathies for the proposal.

The Representative from Canada thanked Iceland for the proposal and indicated that there were several interesting concepts, however indicated that it might be better to incorporate the concepts, should they be accepted, into the body of the CEM instead of leaving them in an annex. In addition the Representative of Canada indicated that the proposed coverage level (20%) should be further considered and a rationale for any such decrease should be developed. Aside from the two comments mentioned Canada could support other elements of the proposal, i.e. electronic observer forms and catch reports that would be transmitted on a daily basis. He also suggested that the proposal for two hour VMS messages should be amended to hourly messages.

The Representative of Iceland remarked that the proposal would be best placed as a stand-alone annex and that the proposed coverage reduction was based on Iceland's Pilot Project experiences. Iceland could, however support a reduction for 2 hour VMS reporting to 1 hour.

The Representative of the United States indicated that although there were certainly economic benefits to observer coverage reductions, questioned whether the scientific role and provision of data to the Scientific Council, under the current scheme, would be compromised with proposed reductions. The Representative of the EU questioned the actual scientific benefit of observers under the current scheme. The Representative of Norway commented that under the current Article 24, the primary role of the observer is compliance. The Representative of Iceland agreed with Norway and indicated that scientific data could be collect through other means, such as electronic reports.

After extensive discussion, this issue and STACTIC Working Paper 06/33 (Revision 3) were referred to the Fisheries Commission for resolution.

## **7. Timely Submission of Fishery Statistical Data**

Given the focus on reform issues and the resulting time constraints this agenda item was deferred until the next meeting of STACTIC.

## 8. Omega Mesh Gauge

Given the focus on reform issues and the resulting time constraints this agenda item was deferred until the next meeting of STACTIC. Some Contracting Parties are currently testing the Omega Mesh Gauge and were encouraged to report on their findings at the next meeting of STACTIC.

## 9. Other Matters

- **STACTIC Working Paper 06/15 – New North Atlantic Format (NAF) – codes and reports used by Norway in national and bilateral systems**

The Representative of Norway explained that this paper was provided as an information item to demonstrate what was currently being explored within NEAFC and indicated that the codes contained within were not currently relevant in the NAFO context.

- **STACTIC Working Paper 06/17 – Transshipment Issue**

The Chair introduced the item but indicated that, due to absence of delegates from Contracting Parties with a vested interest, the matter would be deferred to a later date.

- **STACTIC Working Paper 06/18 - NAFO CEM regarding Transshipment and Vessel Registry**

The Chair pointed out that the NAFO Reform Working Group was reviewing elements of this matter and advised that this issue would be deferred pending the outcome of this process.

- **STACTIC Working Paper 06/22 - Review of VMS Tender**

The representative of Norway requested information on the outcomes of the NAFO VMS Tender Process.

The Chair introduced STACTIC Working Paper 06/22 (presented by the NAFO Secretariat) and indicated that this document provided a summary of the outcomes. The Chair indicated that STACTIC would now need to develop a process to begin the laborious review and evaluation of the bids and indicated that it was likely not feasible to complete this task during the 2006 Annual Meeting.

The representative of Canada agreed that it was not feasible to complete the evaluation process during the 2006 Annual Meeting and proposed the option of delegating the task to a sub-committee of technical experts.

The representative of the EU volunteered to develop a draft template for the assessment of the VMS call for tender.

The representative of Iceland suggested as an option that the Advisory Group on Data Communication could be requested to undertake a review of the bids during their upcoming meeting in October of 2006.

The Chair, not wishing to delay the process supported the creating of a small working group coordinated by the NAFO Secretariat, which would evaluate the technical components. The Chair also indicated that STACFAD would need to be advised of the process and consulted on the financial elements.

The representative of the EU indicated that, as the current VMS contract was currently providing an adequate level of service, there was no pressing need to replace the current contractor. Notwithstanding the current level of service, the representative of the EU indicated that a periodic call for tenders should be considered to continually assess the availability of other providers and encourage the active provider to maintain an adequate level of performance. The Representative of the EU suggested a three tiered approach which included:

- 1) The NAFO Secretariat would provide a table that would contain a list of the companies that bid, their respective locations and an indication as to whether or not currently providing similar types of services by the end of September 2006.



- 2) Using the assessment criteria table provided by the EU as a template, a working group of technical advisors would conduct the evaluation of the bids and prepare a report for STACTIC.
- 3) The NAFO Secretariat would develop a table that would compare and document the specifications listed in the call for tender with the associated price provided for each element by the bidding companies by the end of September 2006. This list would be provided to STACTIC for eventual distribution to STACFAD.

The Representative of Canada noted that the working group conducting the assessment of the bids would need to take into account the selection criteria provided to the bidders in the original call for tender.

STACTIC members agreed to establish a working group, chaired by Iceland and comprised of technical experts from Canada, Iceland, Norway, the EU and DFG which could meet in the margins of the meeting of the Advisory Group on Data Communication, to be held in Tallinn on 5 October 2006. It was agreed that the working group should review the proposals and return to STACTIC with an assessment of the nine bids received under the VMS Call for tender by mid-November 2006. The Chair committed to coordinating this process with the Chair of STACFAD.

#### **10. Election of Vice-Chair**

The decision was deferred pending the merger with STACFAC to assure that the relevant expertise is available within the new group.

#### **11. Time and Place of Next Meeting**

Barring commitments from other Contracting Parties to host, the next meeting of STACTIC will take place in Copenhagen, date to be determined.

#### **12. Adoption of Report**

The report was adopted.

#### **13. Adjournment**

The meeting adjourned at 11:35am on Thursday, September 21<sup>st</sup>, 2006.

**Annex 1. Agenda**

1. Opening by the Chair, Mads Nedergaard (DFG)
2. Appointment of Rapporteur
3. Adoption of Agenda
4. Annual compliance review 2005
5. Outstanding issues regarding the NAFO Reform
  - i. Strengthening the monitoring, control and surveillance (MCS) regimes including:
    - Joint MCS systems
    - Dissemination of collected data
    - Cost sharing of MCS systems in a fair and transparent manner
  - ii. Establishment of Guidelines for Sanctions
  - iii. Role of Observers
  - iv. Follow-up on infringements
    - Review of provisions of Article 20
    - Strengthening Port State measures, in particular with regard to Illegal, Unreported and Unregulated (IUU) fishing
6. Possible Amendments of Conservation and Enforcement Measures
  - i. review of provisions of Article 9 re interpretation
  - ii. product labeling by species/stock area
  - iii. strengthening ropes, bags, topside chafers (all delegations to provide national measures on attachments to nets)
  - iv. notification and catch reporting requirements in 3L and 3M shrimp fisheries
  - v. accurate catch reporting
  - vi. missing data elements and reference to Annex XXII
  - vii. clarification re Article 15.2
  - viii. submission of Monthly Provisional Catch Statistics
  - ix. changes to Observer Program (Article 24)
7. Timely submission of fishery statistical data
8. Omega Mesh Gauge
9. Other Matters
10. Election of Vice-Chair
11. Time and Place of Next Meeting
12. Adoption of Report
13. Adjournment