

# Fishing Fleet Reduction: International Experiences

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# FAO Code of Conduct for Responsible Fisheries

- General Principles: 6.3 States should prevent overfishing and **excess fishing capacity** and should implement management measures to ensure that **fishing effort** is commensurate with the productive capacity of the fishery resources and their sustainable utilization
- Fisheries Management: 7.1.8 States should take measures to prevent or eliminate excess fishing capacity
- 1999 IPOA Management of Fishing Capacity an efficient, equitable and transparent management of fishing capacity by the year 2005 (progressive reduction of fishing capacity in fisheries confronted with an overcapacity problem)

# Vessel Buyback Programmes: Rationale and Assumptions

- To downsize the sector there might be a need to compensate those who exit the sector (cost of restructuring the fleet is born by society)
- That there is political will to reduce capacity to levels that will match fisheries resources, or to levels that will meet social or political objectives
- That effective management measures and institutional mechanisms are in place to ensure that benefits of fleet reduction are not dissipated in the long run
- That fishing effort will reduce as a result of vessel buybacks

# Australia

- Australian northern prawn fishery: efficiency reduction in fishing gear (offset by the use of GPS); buyback scheme from 1985 to the 1990s both voluntary and compulsory surrender of fishing vessels (increase in fishing power in the 1980s; fishing effort could not really be contained)
- Australian Northern territories barramundi fisheries in the 1990s voluntary vessel buyback programmes, subsidised by govt led to substantive reduction in fishing effort (1987-1993)

# United States

- Washington State salmon fishery (1980s) (in spite of reduction, fleet remained high in the 1990s)
- 1995 onwards- Fishing Capacity Reduction Initiative (FCRI), to give up the fishing permit and to scrap the vessel, subject to eligibility criteria

# Canada

- Atlantic Canada Inshore lobster fishery: license buyback in 1967, 1977 (to establish a higher and more stable income for lobster fishermen)
- although net income of fishers increased, vessels became larger, more powerful and better equipped
- Reduction in overall fleet size in British Columbia Salmon fishery (1970s, 1980s), supported by fishers,
- Canadian Atlantic groundfish fishery; vessel buyback programme under Atlantic Groundfish Strategy (should satisfy a number of criteria to demonstrate a historical dependence on fisheries): Lack of interest in the programme by many sectors since successful bidders had to leave fishing altogether

# Norway

- Norwegian purse-seine fisheries: license buyback programme in 1979 (vessel had to be scrapped, altered or sold to a foreign fishery) In spite of the successful buyback the fishery was in crisis since 1984 due to stock collapse

# Denmark

- 1995 Danish decommissioning scheme under the Multi-Annual Guidance Programme of EU to make fishing sector economically viable
- Provide proof that fishing vessel is scrapped
- Owner gives up for five years right to obtain fishing vessels outside of Danish fisheries
- There were eligibility criteria (age of the vessel, home port showing an increase in the total number of fishing vessels, if targeted fish stocks were showing signs of strain, age of the owner/skipper)
- 30% reduction in fleet capacity, profitability increased



# Netherlands

- Dutch buyback programme to reduce HP, fishing power. The eligibility condition included the need to scrap the vessel once decommissioned or to sell them abroad (many of these vessels landed in developing countries!)
- Reduction in capacity offset by increasing the days at sea or by introducing new, larger vessels into the fishery

# UK

- UK decommissioning scheme:  
decommissioning grant if the vessel is permanently removed from the fishery, vessel to be 10 years old, over 10 m in length and registered in UK, should have spent at least 75 days in fishing; since 1993 three rounds of decommissioning have taken place; 7% reduction in GRT

# China

- National programme for voluntary delicensing and scrapping of 3,750 fishing vessels every year (mainly smaller vessels), and to reduce engine capacity by 160,000 kW every year between 2002 and 2010 (US\$33 million annual fund, which matches decommissioning subsidies in Korea and Japan); Scheme funded by the Central govt and implemented through the local govts
- The programme also envisages relocating 200,000 fishers into other professions
- Of 105,000 IUU domestic fishing vessels in a survey conducted in the year 2000, 10,000 are reported to be scrapped
- New fishing vessels cannot be built unless the new unit replaces an existing one and inherits its licence

# China (cont)

- Shift from a quantified-expansion industry to quality-and-efficiency motivated fishery
- Fleet reduction programme partly necessitated by the Sino-Japan Agreement of 11 November 1997 for regulating fishing in the East China Sea (which came into effect on 1 June 2000) and the Sino-Viet Nam Agreement of 25 December 2000 on fishery cooperation. As per the Agreement, an estimated 30,000 Chinese vessels will be withdrawn from the Gulf of Beibu (also known as Gulf of Tonkin)

# Some Lessons

- Buyback programmes are the most widely used policy instrument for fleet reduction; they gave mixed results: programme design largely determine outcome
- Buyback programmes have been mostly voluntary
- Goals of buyback: social adjustment, fleet rationalization and resource conservation
- Vessel/license buyback schemes always originated as responses to crises due to collapse or decline of fisheries resources or a reallocation of catch rights
- Buyback programmes helped some license owners to recoup some of their investments,
- The programmes were directed towards specific groups of fishers with eligibility requirements

# Some Lessons (cont)

- Several programmes have targeted the most active fishers for the purpose of removing the maximum catch capacity
- Some programmes have targeted potential rather than demonstrated capacity (Australian northern shrimp license retirement programme based compensation on the physical capacity of the vessel as measured by length, hull capacity and horsepower)
- Some programmes have allocated funds among gear groups, vessels classes, and areas (e.g. Washington salmon fisheries)

# Conclusions

- Success of fleet reduction programmes is contingent upon effective implementation of fisheries management measures (need to consider incentive blocking methods)
- Buyback programmes would be a failure if there is no effective regulation of fishing effort of those who remain in fisheries
- Promote incentive-based systems such as co-management or community-based management to ensure that benefits of fleet reduction translate into conservation of fisheries resources and better livelihood of fishing communities, particularly dependent on artisanal and small-scale fishing

# Some observations from an APFIC Report

- the overall impact of a downsizing of industrial fishing fleets may increase employment opportunities rather than decrease them
- It would create greater fishing opportunities for labour intensive small-scale fisheries
- The reduction of in particular bottom trawling for demersal resources will quickly create improved fishing opportunities for labour-intensive small-scale fisheries



Thank you